

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
June 16, 2008
Permit 134831

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address CIMAREX ENERGY CO. OF COLORADO 600 N. Marienfeld St Midland, TX 79701		2. OGRID Number 162683
		3. API Number 30-015-39214
4. Property Code 38395	5. Property Name WEST SHUGART 32 STATE COM	6. Well No. 002H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	32	18S	31E	C	330	N	2110	W	EDDY

8. Pool Information

HACKEBERRY; BONE SPRING, NORTH	97056
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3572
14. Multiple N	15. Proposed Depth 13325	16. Formation Bone Spring	17. Contractor	18. Spud Date 9/1/2011
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	574	540	0
Int1	12.25	9.625	40	4222	1840	0
Prod	8.75	5.5	17	13325	2520	0

Casing/Cement Program: Additional Comments

After setting surface and intermediate casing, drill 8.75" hole to KOP @ 8539 and log. Then kick off 8.75" lateral @ 8539 and drill to TD @ 13325 MD, 8850 TVD. Run 5.5" casing from 0-TD and cement.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	3000	Cameran

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved By: Randy Dade	
	Title: District Supervisor	
	Approved Date: 7/20/2011	Expiration Date: 7/20/2013
	Email Address: zfarris@cimarex.com	
Date: 7/20/2011	Phone: 432-620-1936	Conditions of Approval Attached

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Form C-102
Permit 134831

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-39214	2. Pool Code 97056	3. Pool Name HACKEBERRY, BONE SPRING, NORTH
4. Property Code 38395	5. Property Name WEST SHUGART 32 STATE COM	6. Well No. 002H
7. OGRID No. 162683	8. Operator Name CIMAREX ENERGY CO. OF COLORADO	9. Elevation 3572

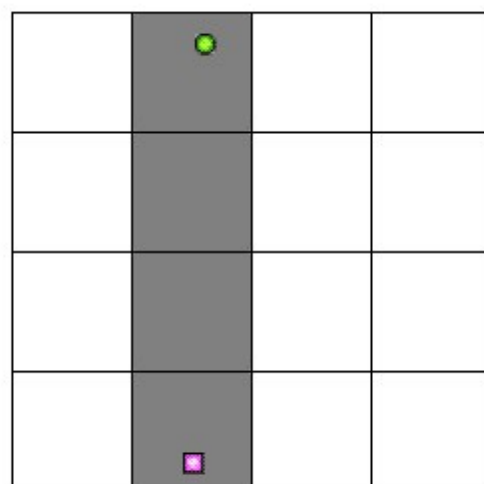
10. Surface Location

UL - Lot C	Section 32	Township 18S	Range 31E	Lot Idn	Feet From 330	N/S Line N	Feet From 2110	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot N	Section 32	Township 18S	Range 31E	Lot Idn N	Feet From 330	N/S Line S	Feet From 1980	E/W Line W	County EDDY
12. Dedicated Acres 160.00		13. Joint or Infill		14. Consolidation Code Communitization		15. Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Zeno Farris
Title: Manager Operations Administration
Date: 7/20/2011

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Gary L. Jones
Date of Survey: 7/13/2011
Certificate Number: 7977

Permit Comments

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: WEST SHUGART 32 STATE COM #002H

API: 30-015-39214

Created By	Comment	Comment Date
NKRUEGER	C-144, preliminary directional plan, and C-102 to be emailed to OCD.	7/20/2011
Artesia	Land S/S	7/20/2011

Permit Conditions of Approval

Operator: CIMAREX ENERGY CO. OF COLORADO , 162683

Well: WEST SHUGART 32 STATE COM #002H

API: 30-015-39214

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string