

H-17

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

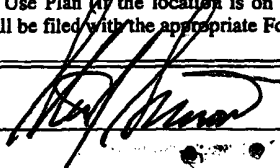
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 92739
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Cimarex Energy Co. <u>Undes. Indian Basin Marrow, Southwest</u>		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 15 East 5th Street, Ste. 1000, Tulsa, OK 74103		8. Lease Name and Well No. Wagon Wheel '12' Federal #2
3b. Phone No. (include area code) (918) 295-1710		9. API Well No. N/A 30-015-33515
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 860' from South Line and 1980' from West Line At proposed prod. zone same		10. Field and Pool, or Exploratory Exploratory
14. Distance in miles and direction from nearest town or post office* 30 miles West and 3 miles South of Carlsbad, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Section 12-T22S-R22E NMPM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 860'	16. No. of Acres in lease 2240.48 acres	17. Spacing Unit dedicated to this well 640 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1335'	19. Proposed Depth 10,500'	20. BLM/BIA Bond No. on file COB000011
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4251' GL	22. Approximate date work will start* July 14, 2004	23. Estimated duration 45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Steve Simonton	Date 5-17-04
Title Cimarex Energy Co. Drilling Superintendent		
Approved by (Signature) /s/ Leslie A. Theiss	Name (Printed/Typed) /s/ Leslie A. Theiss	Date 14 JUN 2004
Title FIELD MANAGER		
Office CARLSBAD FIELD OFFICE		

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Cimarex Energy Co. Telephone: 918-295-1727 e-mail address: mfarrell@cimarex.com
Address: 15 E 5th, Ste 1000 Tulsa, OK 74103
Facility or well name: Wagon Wheel Federal "12" #2 API #: _____ U/L or Qtr/Qtr SE/SW Sec 12 T 22S R 22E
County: Eddy Latitude 32°24'02.04" N Longitude 104°39'30.93" W NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Volume _____ bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet
50 feet or more, but less than 100 feet
100 feet or more

(20 points)
(10 points)
(0 points)

RECEIVED

JUL 16 2004

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes
No

(20 points)
(0 points)

OCD-ARTESIA

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet
200 feet or more, but less than 1000 feet
1000 feet or more

(20 points)
(10 points)
(0 points)

Ranking Score (Total Points)

-0-

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: July 15, 2004

Printed Name/Title Michelle Farrell, Drilling Tech

Signature Michelle Farrell

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: JUL 16 2004

Printed Name/Title Gail App

Signature [Signature]

State of New Mexico

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name WAGON WHEEL 12 FEDERAL		Well Number 2
OGRID No.	Operator Name CIMAREX ENERGY COMPANY		Elevation 4251'

Surface Location

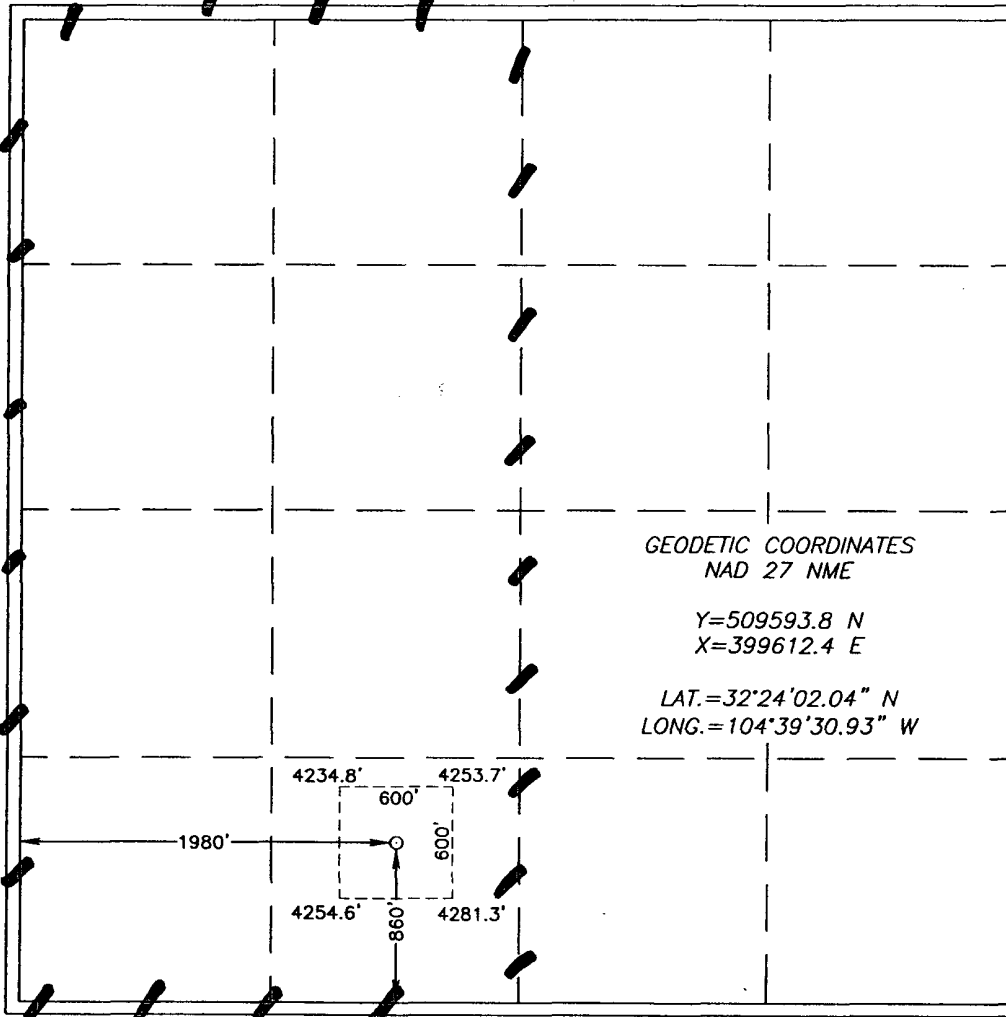
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	12	22-S	22-E		860'	SOUTH	1980'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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.

[Signature]

Signature

Steve Simonton

Printed Name

Drilling Supt

Title

6-3-04

Date

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.

APRIL 30, 2004

Date Surveyed LA

Signature & Seal of Professional Surveyor

[Signature]
04.11.0469

Certificate No. GARY EDSON

12841

CIMAREX ENERGY CO.,
Wagon Wheel '12' Federal #2
Section 12-T22S-R22E,
Eddy County, New Mexico.
(Federal Lease No. NM 92739).

This plan is to accompany Application for "Permit to Drill" the subject well which is located approximately 30 miles West and 3 miles South of Carlsbad, New Mexico. The following is a discussion of pertinent information concerning the possible effect, which the proposed drilling well may have on the environment of the well and road sites and surrounding acreage. A copy will be posted on the derrick floor so that all contractors and sub-contractors will be aware of all items of this plan.

1. EXISTING ROADS

- A. **Directions to well:** From the intersection of Highway 285 and Highway 137 go Southwest on Highway 137 approximately 6.5 miles to the intersection of the Marathon Gas Plant (Indian Basin) road Thence: West on the Marathon road approximately 9 miles to a point one mile West of the Marathon Gas Plant. Thence: South on Lease Road and go 0.9 miles to a Y in the road. Thence: Turn right (southwesterly) and go 1.3 miles to a Y in the road. Thence: Turn right (westerly) and go 1.2 miles to a Y in the road. Thence: Turn left (southerly) and go 1.7 miles to miles to a T-intersection. Thence: Turn right (southwest) and go 0.9 miles to a T-intersection. Thence: Turn left and meander southerly 1.1 to a caliche road on the right. Thence: Turn on caliche and meander westerly 0.8 miles to a caliche road on the right. Thence: Turn on caliche road and go northwesterly 1.6 miles to the point of new lease road construction. Thence: northeasterly 1312' to the proposed location.
- B. **Pad Mitigation:** The topsoil will be stockpiled for surface restoration; will maintain a 3:1 slope ratio. The reserve pit will be lined. The pad will be drained above the cut on the south side of location draining north. Culverts will be placed along the new road construction as necessary to accommodate runoff.. All surface equipment will be painted Fed Juniper Green. Upon completion of drilling the location and surrounding area will be cleared of debris and will be reseeded using the appropriate BLM Seed Mix. During the life of the well, there may be either a compressor or a pump-jack installed. No drilling or construction will take place during those restricted periods of time as determined by the BLM.

2. PLANNED ACCESS ROADS:

- A. **Length and Width:** 1312' of new access road is needed. The existing and new access road right-of-way will be approximately 20 feet wide, with the actual road surface being approximately 16 feet wide.
- B. **Construction:** The 1312' of new access road to the proposed Wagon Wheel '12' Federal #2 well site will be new road construction and will provide all weather access to this property. Native on-site material will be used for surfacing with gravel furnished from a private commercial source. The entire length of location road will be maintained in a prudent manner with a motor grader as an all weather road. Maintenance activity shall include but not be limited to rerocking, reshaping, compacting and crowning said location road as necessary. Any ruts, rills, and

eroded areas will be filled, and blocked drainages and culverts will be cleared. Attached is a plat of the proposed location road and detailed section maps showing the location of existing roads.

- C. **Turnouts:** No turnouts are proposed
- D. **Culverts:** Culverts are proposed as necessary
- E. **Cuts and Fills:** An approximately 6.6' cut along the South side of the well site and an approximately 2.6' fill along the North side of the well site will be required. An approximately 5.4' fill along the West side of the well site and an approximately 5.9' cut along the East side of the well site will be required. (see attached plat).
- F. **Gates, Cattleguards:** No Gates or Cattleguards are needed
- G. **Off Lease ROW:** None

3. LOCATION OF EXISTING WELLS —

- A. See Attachment II for location of wells within a 1 mile radius:

4. LOCATION OF EXSITING AND/OR PROPOSED FACILITIES:

A. Location of Tank Batteries, Production Facilities, Production Gathering and Service Lines:

- 1 In the event of production, production facilities will be located on the drill pad. The actual placement of this equipment will be determined when the well's production characteristics can be evaluated after completion (including compression). The condensate tank will be enclosed by a dike and all BLM standards regarding compressors will be met.
- 2 The flow-line from this well will have to be constructed. It will be buried gas pipeline that will be approx. 6216.3' in length (See attached pipeline plat) and tie into an existing gas transmission pipeline. The pipe diameter, wall thickness and pipe wall strength will be determined upon the establishment of production and will be in accordance to BLM standards and regulations. The line will be owned and operated by Cimarex Energy Co. and qualifies for APD/ROW process.
- 3 Produced water, if any, will be stored on the well site in a closed or netted water tank and on regular intervals will be hauled to an approved disposal site.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Water will be obtained from a non-federal private source.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. No additional construction materials will be required to build the proposed location. The topsoil will be stockpiled for restoration. The dirt from the reserve pit will be back-sloped and saved for use when the pit is rehabilitated.

7. METHODS FOR HANDLING WASTE DISPOSAL:

- A. A Conventional Drilling System will be used. The drill cuttings, fluids and completion fluids will be placed in the reserve pit. The reserve pit will be fenced

with wire mesh on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The reserve pit will be backfilled and leveled as soon as practical.

- B. All garbage and trash will be placed in specially constructed wire mesh containers. Upon cleanup, the refuse in the containers will be hauled to an approved landfill site.

- 1 All produced water will be collected in tanks until transported to an approved disposal system.

8. ANCILLARY FACILITIES:

- A. None

9. WELL SITE LAYOUT:

- A. Attached sketch shows the relative location and dimensions of the well pad, and reserve pit. The well pad will be 300' X 300'. The reserve pit will be 150' X 150'. (see diagram).

10. PLANS FOR RESTORATION OF SURFACE:

- A. Pit will be filled and leveled as soon as practical. If well is productive, drilling pad will remain as well service pad. If dry hole, the pad will be ripped and re-seeded per regulations. See Pad Mitigation for details of the surface restoration and seeding details.

11. OTHER INFORMATION:

- A. **Terrain/Topography** – Gently sloping areas with ridges or mesa tops and Limestone out crops in places.
- B. **Soil:** Ector stony loam, 0 to 9 percent slope- grayish brown stony loam to light colored limestone bedrock
- C. **Flora and Fauna:** scrubland community consisting mainly of black grama, blue grama, beargrass, tobosa, sotol, agave, ocotillo, snakeweed, tarbush, and yucca.
- D. **Ponds and Streams:** None. Playas in the area will be avoided.
- E. **Residence and Other Structures:** There are no occupied residences or buildings within one quarter of a mile of the proposed well location
- F. **Land Use:** grazing, wildlife, mineral development.
- G. **Water Wells:** No water wells are located in Section.
- H. **Arroyos, Canyons, etc.:** none.
- I. **Well Sign;** Sign identifying and locating the well will be maintained at drill site with the spudding of the well.
- J. **Archaeological Resources:** Archaeological Survey is forth coming.
- K. **Surface Ownership:** Bureau of Land Management

12. Operator's Representatives: Field personnel who can be contacted concerning compliance of the Surface Use Plan are as follows:

Steve Simonton, Drilling Superintendent
Cimarex Energy Co.
15 East 5th Street, Suite 1000
Tulsa, OK 74103
918-295-1710

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by Cimarex Energy Co., and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.


BY: Steve Simonton, Drilling Superintendent

5/12/04
DATE

CIMAREX ENERGY CO.**WELL NAME:** Wagon Wheel '12' Federal #2**DRILLING PROGNOSIS**

1. Location of Proposed Well: 860' FSL & 1980' FWL
Section 12, T22S-R22E
2. Unprepared Ground Elevation: 4251'
3. The geological name of the surface formation is Queen
3. Type of drilling tools will be rotary
5. Proposed drilling depth is 10,500'
4. The estimated tops of important geologic markers are as follows:

<u>ZONES</u>	<u>TOPS (MD)</u>
Queen	Surface
San Andres	462
Yeso	2121
Bone Spring	3079
Wolfcamp	5913
Cisco	7369
Canyon	7859
Strawn	8057
Atoka	8454
Morrow	9052

7. The estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>ZONES</u>	<u>DEPTH</u>	<u>FLUID</u>
Queen.	0-462	Water
San Andres	462-2121	Water
Yeso	2121-3079	Water
Bone Spring	3079-5913	Water
Wolfcamp	5913-7369	Water/Gas
Cisco/Canyon/Strawn	7369-8454	Water
Atoka	8454-9052	Water
Morrow	9052-TD	Water/Gas

8. The proposed casing program is as follows:

Surface: 13-3/8", 54.5 ppf, J55 8RD ST&C, 1130 psi, 2730 psi, 909,000 lbs, 962,000 lbs for new API Csg. set at 1050'

Intermediate: 9-5/8", 36 ppf, K55 8rd LT&C, 2020 psi, 3520 psi, 489,000 lbs, 564,000 lbs for new API csg set at 2300'

Production Casing: 5-1/2", 17 ppf, N80 8RD LT&C 6290 psi, 7740 psi, 348,000 lbs, 397,000 lbs for new API Csg. set at 10,500'

9. Cement Program:

Surface Casing 13 3/8": 650 sks Class C + 2% D079 + 1/8 lb/sk @ 11.5 ppg TT = 3 1/2 hrs
100 sks Class C + 2% S1 + 1/8 lb/sk D130 @ 14.8 ppg TT 1 1/2 hrs

Intermediate Casing 9-5/8": 315 sks Class C + 2% D079 + 1/8 lb/sk @ 11.5 ppg TT = 3 1/2 hrs
100 sks Class C + 2% S1 + 1/8 lb/sk D130 @ 14.8 ppg TT 1 1/2 hrs

Production Casing 4 1/2" 1000 sks 50:50 (Poz:Class H) + 0.3% Halad + 5 lb/sk Salt + 0.24% CFR-3 + 0.1% HR-7 @ 14.2 ppg TT = 3 hrs

Stage Collar Program:

Not anticipated at this time.

10. Pressure Control Equipment:

A schematic diagram of the final BOP stack showing sizes and pressure ratings is attached. A schematic diagram of the manifold showing sizes and pressure ratings is attached. The BOP will be set on casing head after drilling and setting surface casing. Pressure tests will be done as needed & after nipping up on the surface casing. Ram-Type preventors shall be actuated to test proper functioning at least once a day. The annular-type blowout preventer shall be actuated on the drill pipe at least once each week.

11. Drilling Mud Prognosis:

DEPTH INTERVAL	WEIGHT (ppg)	VISCOSITY (Sec/Qr)	FLUID LOSS (ml/30 min)	MUD TYPE
0-700	8.8-9.2	28-32	NC	Low Solids/Premix
700-6250	9.0-9.2	34-40	NC-10	Loc Solids/Lite dispersed

12. The testing, logging, and coring programs are as follows:

One DST is planned for the Wolfcamp or Morrow. Logging will consist of DLL/GR, CNL/LDT/GR, SONIC/GR from intermediate casing to TD.

13. Anticipated abnormal temperatures are not anticipated to be encountered or any other potential hazards such as Hydrogen Sulfide Gas. Low risk H₂S equipment will be used. The Kirtland Shale may be over pressured and the Dakota Ss may be under pressured.

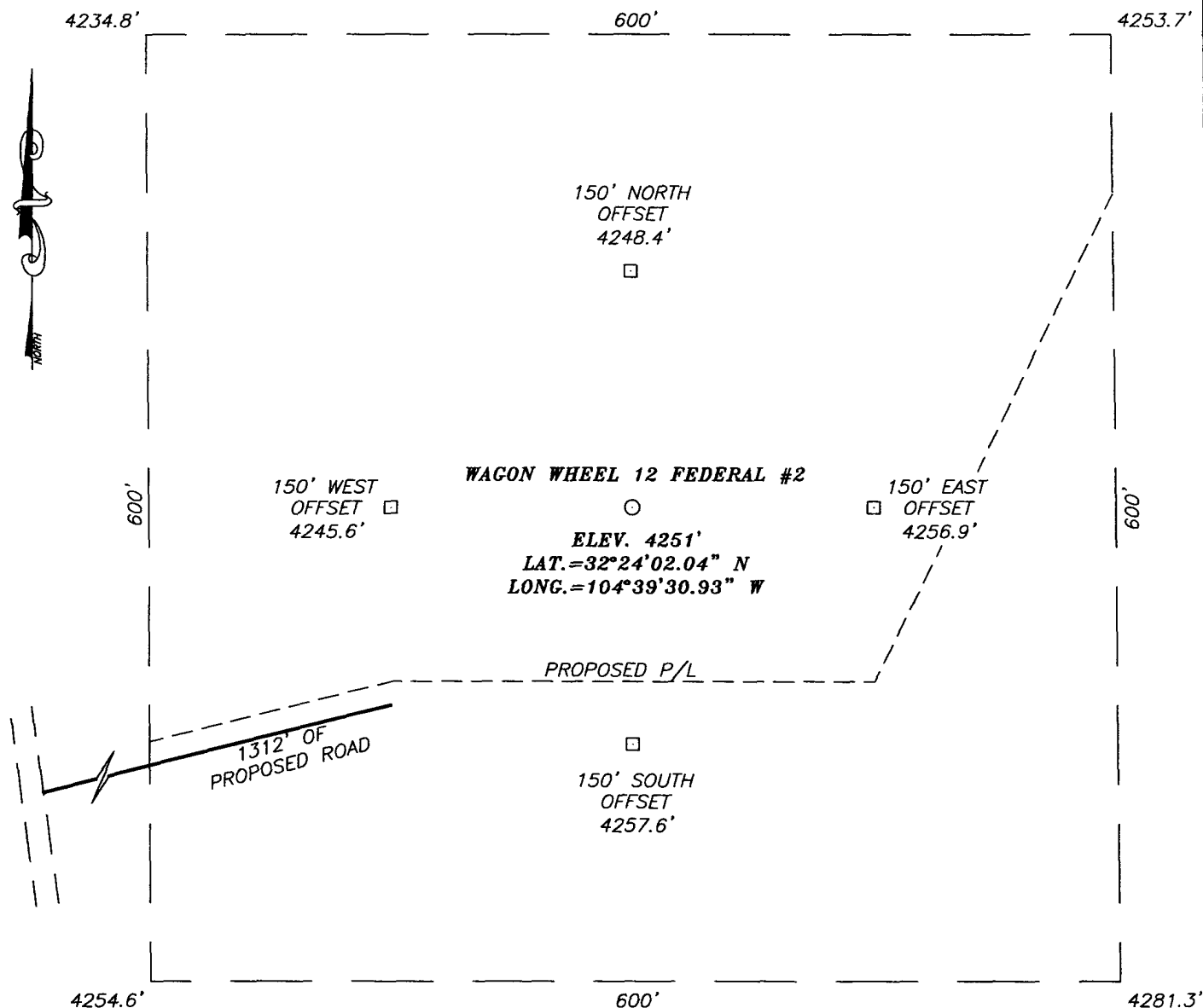
Estimated Bottomhole pressures: Morrow +/- 3600 psi

14. The anticipated starting date is sometime around July 14, 2004 with duration of drilling/completion operations for approximately 45 days thereafter.

SECTION 12, TOWNSHIP 22 SOUTH, RANGE 22 EAST, N.M.P.M.,

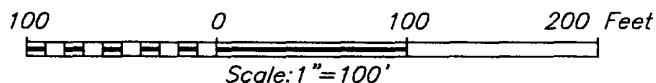
EDDY COUNTY,

NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE MARATHON OIL COMPANY-INDIAN BASIN GAS PLANT GO WEST ON CO. RD. #401 (MARATHON RD.) 1.0 MILES. TURN LEFT AND FOLLOW MEANDERING CAWLEY ROAD SOUTHEASTERLY APPROX. 4.5 MILES. TURN RIGHT AND FOLLOW CALICHE ROAD APPROX. 0.8 MILES. TURN RIGHT AND FOLLOW ROAD NORTHWEST 2.0 MILES. TURN RIGHT AND GO NORTHEAST 0.25 MILES TO PROPOSED WELL LOCATION.



CIMAREX ENERGY COMPANY

WAGON WHEEL 12 FEDERAL #2 WELL
LOCATED 860 FEET FROM THE SOUTH LINE
AND 1980 FEET FROM THE WEST LINE OF SECTION 12,
TOWNSHIP 22 SOUTH, RANGE 22 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

PROVIDING SURVEYING SERVICES
SINCE 1946

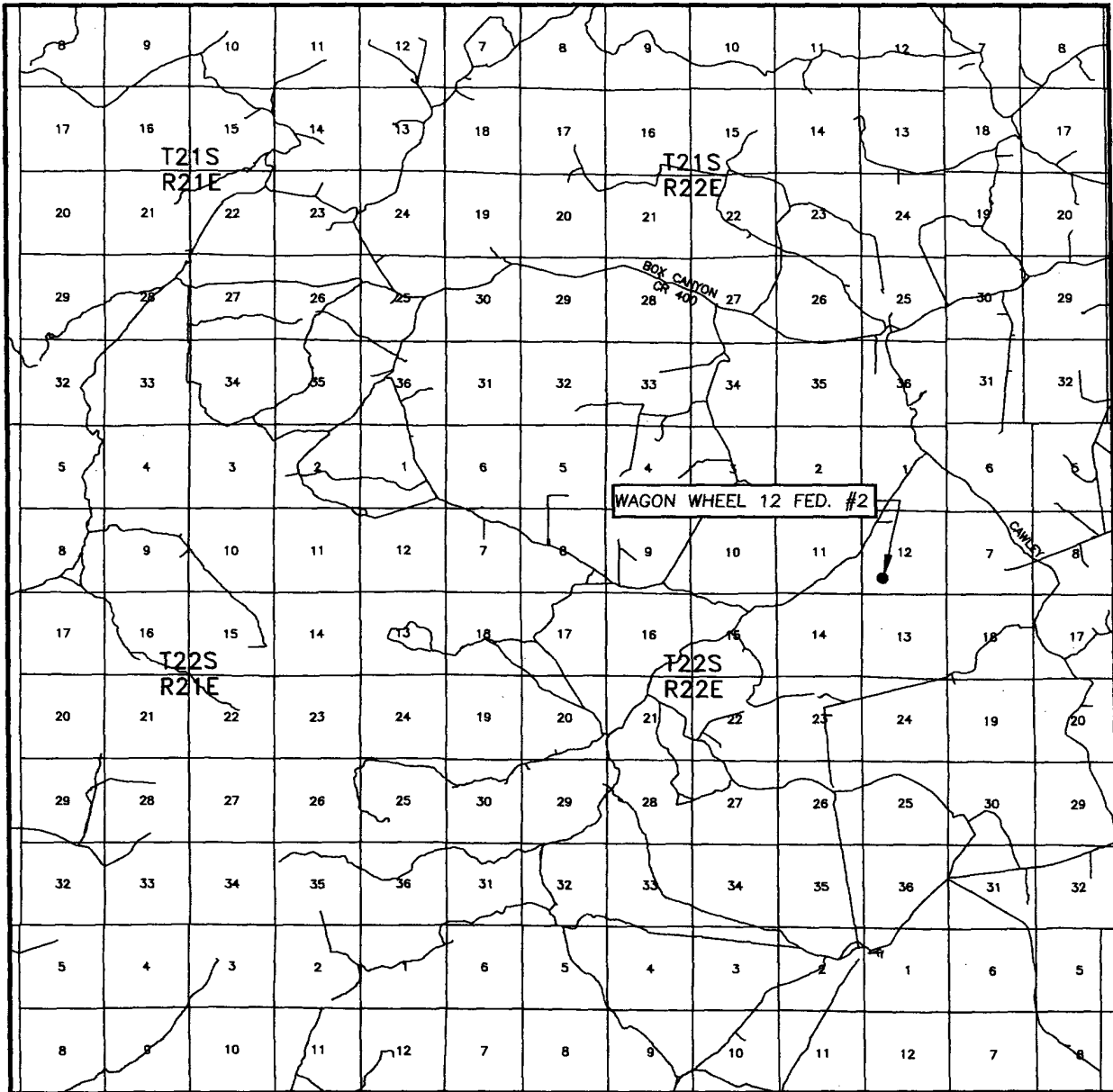
JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117



Survey Date: 4/30/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.0469	Dr By: LA
Date: 05/03/04	Disk: CD#3
04110469	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 12 TWP. 22-S RGE. 22-E

SURVEY N.M.P.M.

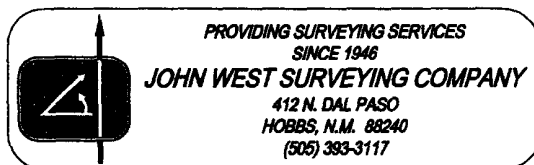
COUNTY EDDY

DESCRIPTION 860' FSL & 1980' FWL

ELEVATION 4251'

OPERATOR CIMAREX ENERGY COMPANY

LEASE WAGON WHEEL 12 FEDERAL

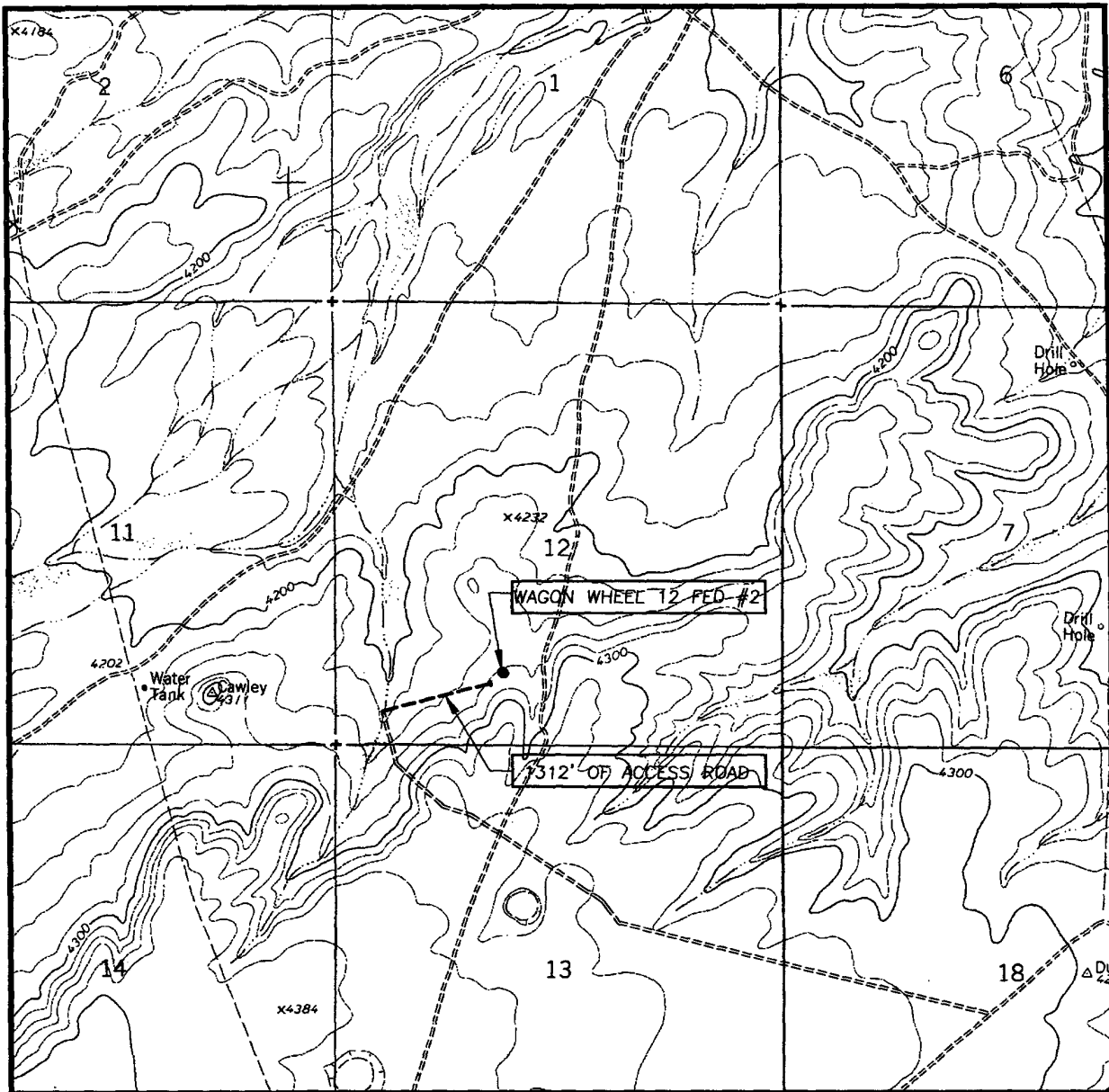


PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'
CAWLEY DRAW, N.M.

SEC. 12 TWP. 22-S RGE. 22-E

SURVEY N.M.P.M.

COUNTY EDDY

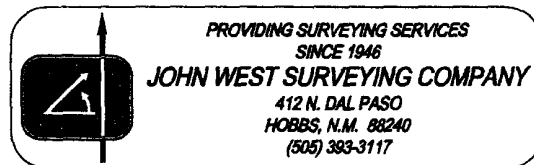
DESCRIPTION 860' FSL & 1980' FWL

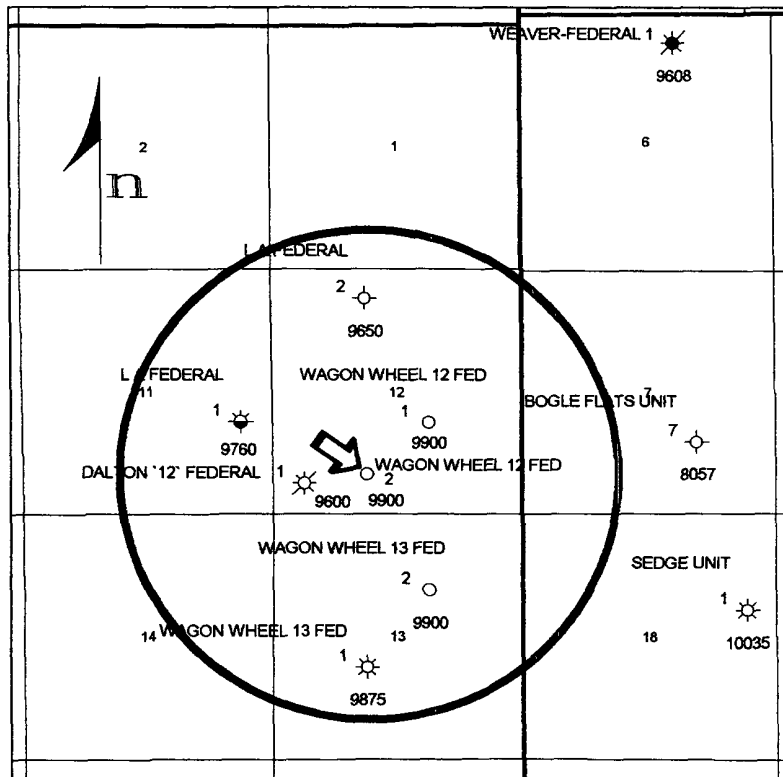
ELEVATION 4251'

OPERATOR CIMAREX ENERGY COMPANY

LEASE WAGON WHEEL 12 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
CAWLEY DRAW, N.M.





1 inch = 4000 feet

Cimarex Energy Co.

Location Plat
Proposed Wagon Wheel "12" Federal #2
860' FSL 1980' FWL Sec. 12-T22S-R22E
Eddy Co, NM

Author: Dave Rittersbacher	Scale: 1"=4000'	Date: 12 May, 2004
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USA

1/4 COR. GLO B.C. "1914"

WAGON WHEEL "12" FED. #2 (PROPOSED)

☉ SURVEY

S75°41'12"W 1344.9'

S14°44'33"E 426.7'

N47°03'28"W (TIE) 1104.1'

2002.8'

N89°47'51"W

638.0'

1/4 COR. GLO B.C. "1914"

N89°41'46"W - 2642.6'

S00°16'48"W - 2648.8'

R22E R23E

17+71.6 E-W SECTION LINE
13+44.9 P.I. 89°34'45" LT.
13+24 C.L. ROAD

BPL 1+65
BEGIN SURVEY 0+00

DR. #C.C.

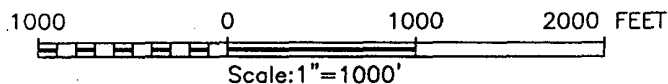
2 1 11 12 1 6 12 7

11 14 12 7 13 18

A STRIP OF LAND 50.0 FEET WIDE AND 1771.6 FEET OR 0.336 MILES IN LENGTH CROSSING USA LAND IN SECTION 12, TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE CENTERLINE.

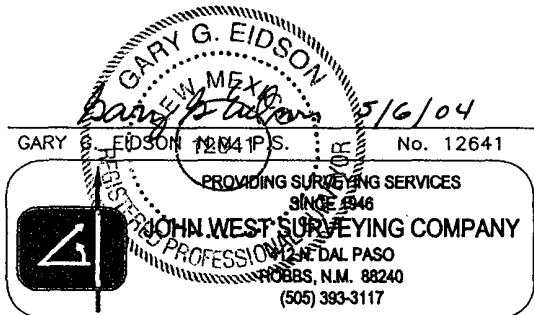
NOTE: BEARINGS SHOWN HEREON ARE
MERCATOR GRID AND CONFORM TO THE
NEW MEXICO COORDINATE SYSTEM "NEW
MEXICO EAST ZONE" NORTH AMERICAN
DATUM 1983. DISTANCES ARE SURFACE
VALUES.

I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

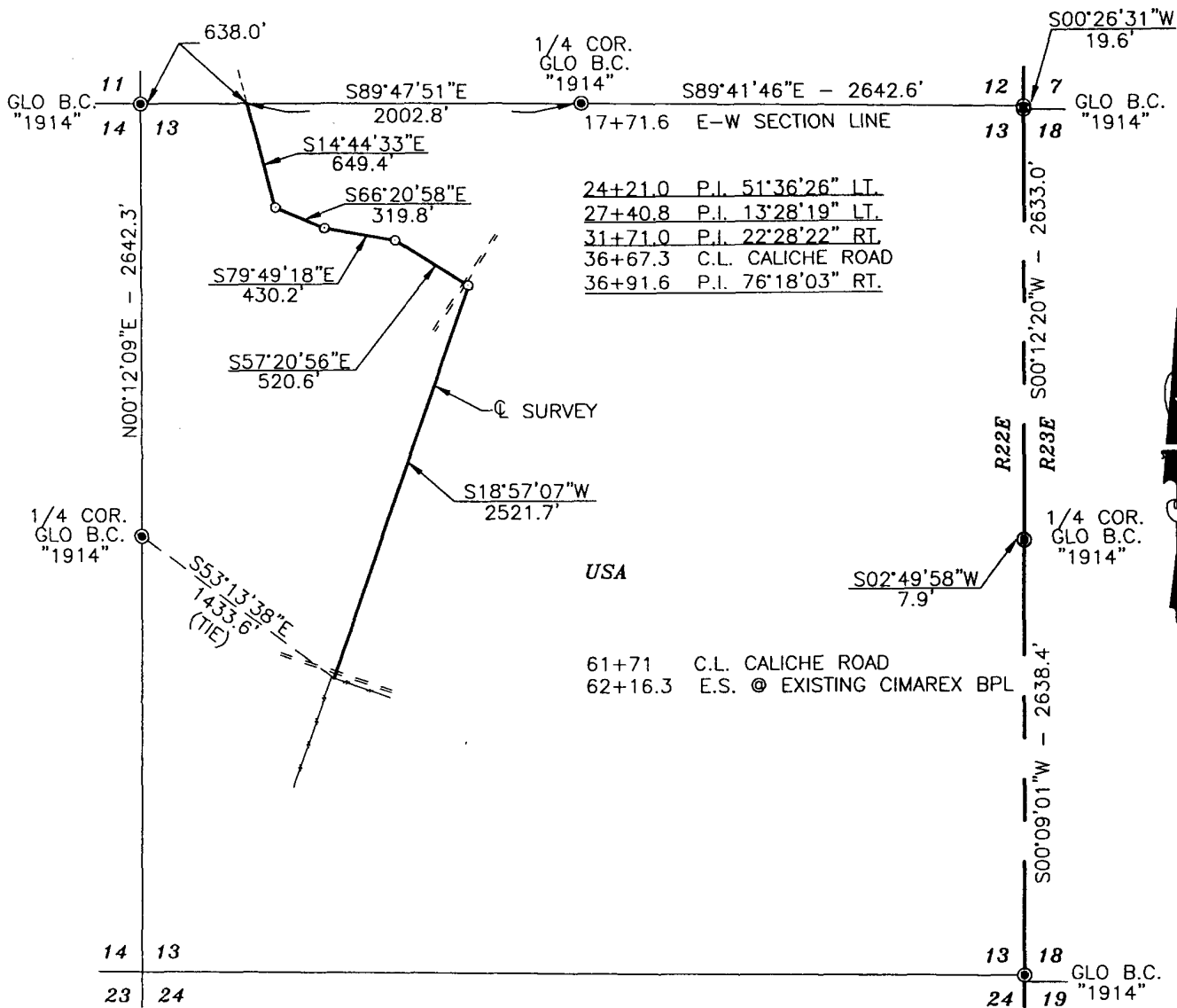


SURVEY A PIPELINE CROSSING
SECTION 12, TOWNSHIP 22 SOUTH, RANGE 22 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO

Survey Date: 4/30/04		Sheet 1 of 1 Sheets	
W.O. Number: 04.11.0469		Drawn By: L.A.	
Date: 5/04/04	DISK:CD#3	04110469	



SECTION 13, TOWNSHIP 22 SOUTH, RANGE 22 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE AND 4444.7 FEET OR 0.842 MILES IN LENGTH CROSSING USA LAND IN SECTION 13, TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE CENTERLINE.

NOTE: BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

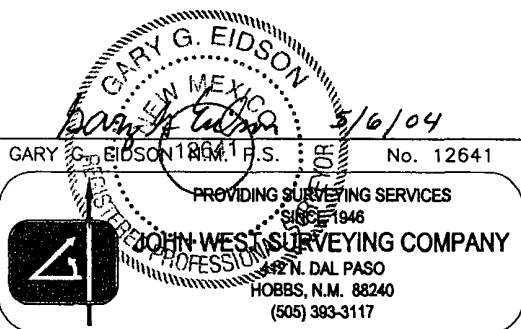
I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

1000 0 1000 2000 FEET
Scale: 1"=1000'

CIMAREX ENERGY COMPANY

SURVEY A PIPELINE IN
SECTION 13, TOWNSHIP 22 SOUTH, RANGE 22 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO

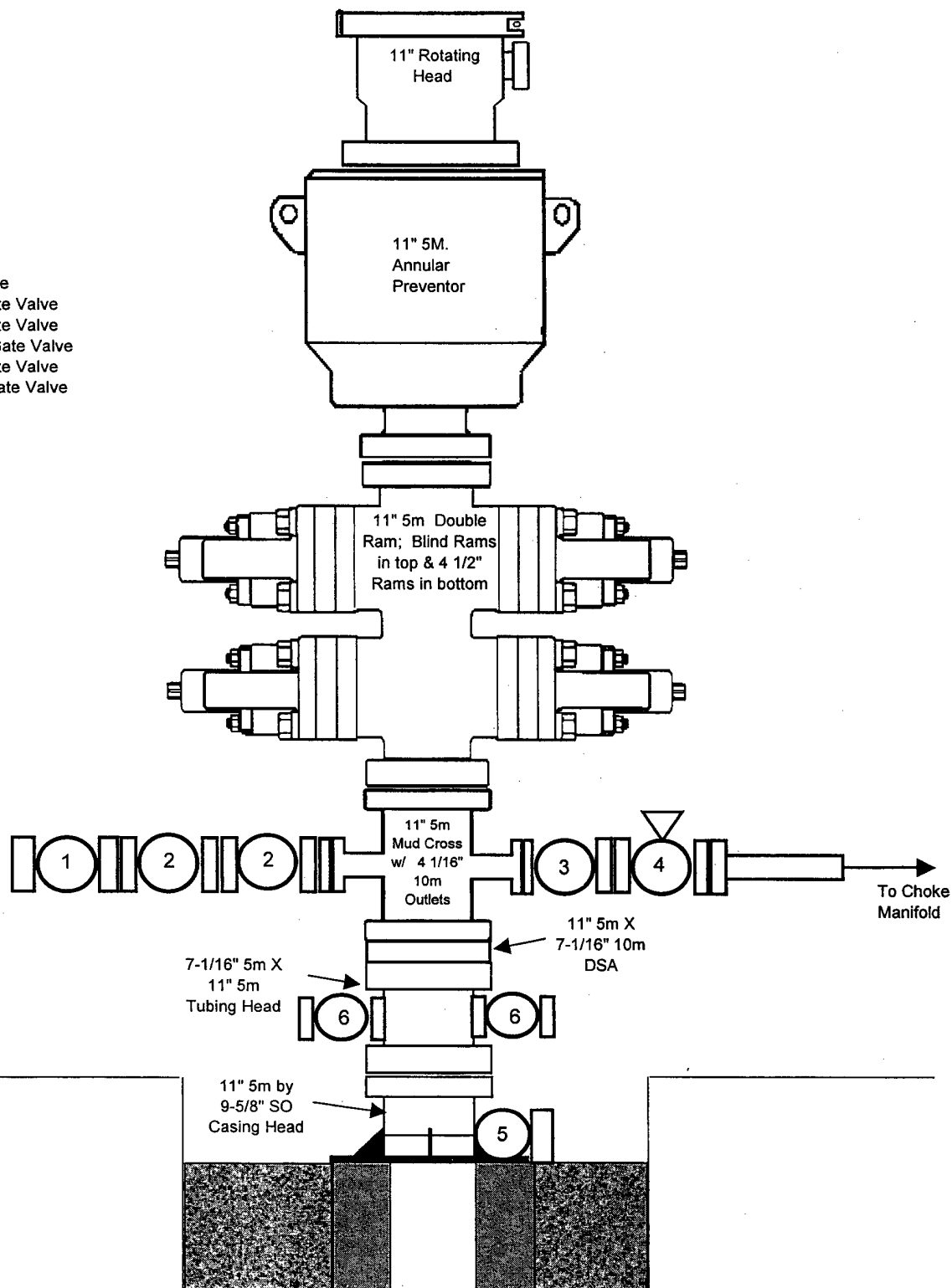
Survey Date: 4/30/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.0469	Drawn By: L.A.
Date: 5/04/04	DISK:CD#3 04110469



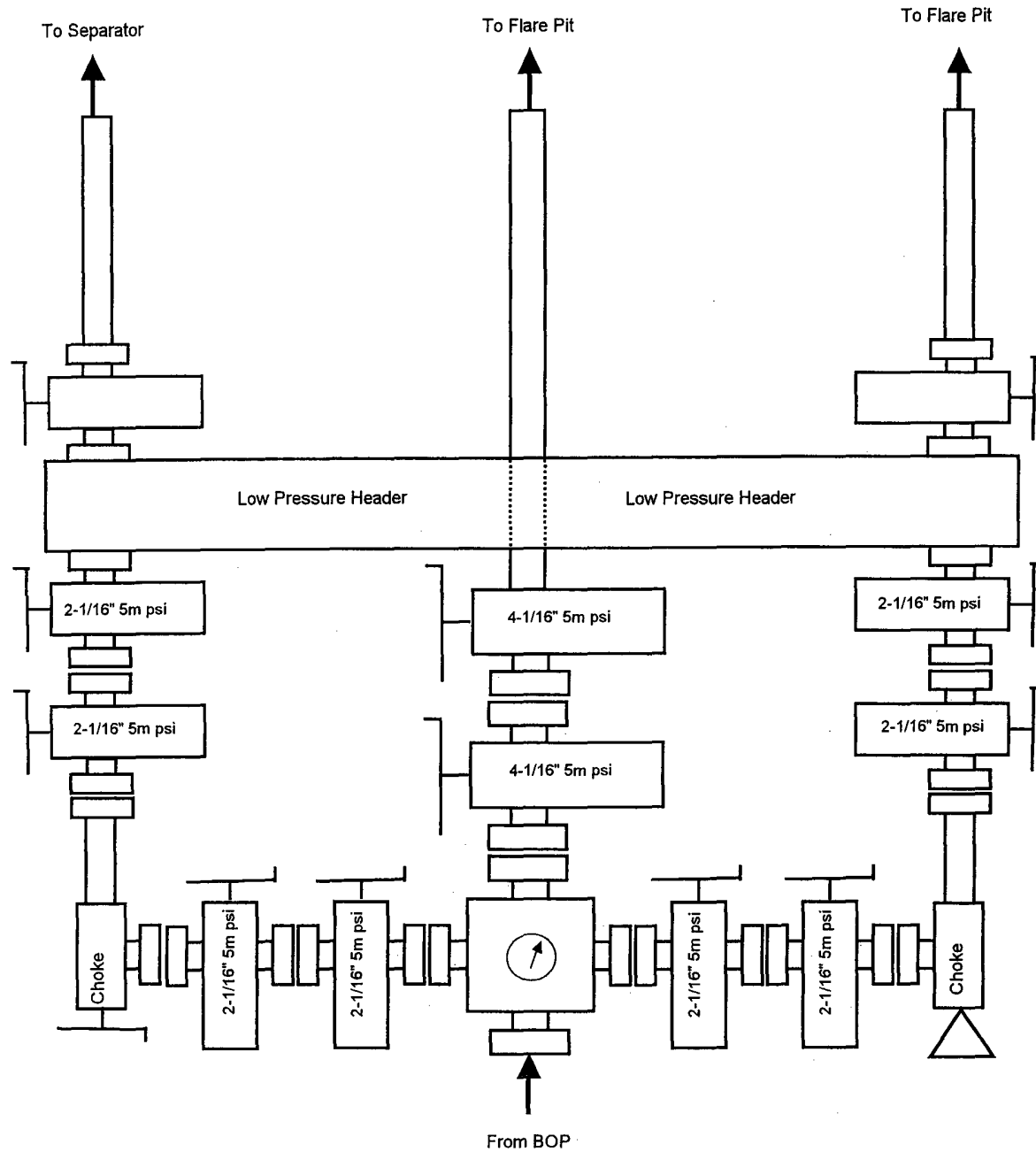
CIMAREX ENERGY CO.
Wagon Wheel "12" Federal # 2
Proposed Blowout Preventor Stack

Valve Nomenclature

- 1.) 2 1/16" 5m Check Valve
- 2.) 2 1/16" 5m Manual Gate Valve
- 3.) 4 1/16" 5m Manual Gate Valve
- 4.) 4 1/16" 5m Hydraulic Gate Valve
- 5.) 2 1/16" 5m Manual Gate Valve
- 6.) 1 13/16" 5m Manual Gate Valve



Cimarex Energy Co. - Wagon Wheel 12 Federal #2
Choke Manifold



REAGAN RESOURCES, INC.
PROFESSIONAL LAND SERVICES

2525 N.W. Expressway, Suite 316
P.O. Box 57053
Oklahoma City, OK 73112
Phone (405) 848-2707
Fax (405) 848-2712

May 14, 2004

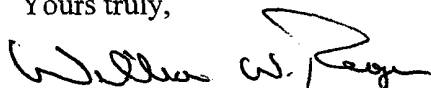
Bureau of Land Management
Roswell Field Office
2909 W. 2nd St.
Roswell, NM 88201
Attention: Linda Oswig
Phone: (505) 627-0237

RE: Application for Permit to Drill
Wagon Wheel '12' Federal #2
Section 12-T22S-R22E, Eddy County, New Mexico

Dear Ms Oswig,

Please find enclosed one original and five copies of the above referenced APD for your review and approval. Please contact me concerning any inquiries, questions, scheduling of meetings and deficiency statements at the address shown above. Thank you for your assistance in this matter.

Yours truly,



William W. Reagan, CPL
For Cimarex Energy Co.

WWR/enclosures

UNITED STATES DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: Cimarex Energy Co
Street or Box: 15 E 5th, Ste 1000
City, State : Tulsa, OK
Zip Code : 74103

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM 92739

Legal Description of Land: Sec 12-T22S-22E NMPM
Eddy County, NM

Formation(s) (if applicable):

Bond Coverage (State if individually bonded or another's bond):
Cimarex Energy Co. is individually bonded with the BLM

BLM Bond File No.: COB000011

Authorized Signature:



Title: Drilling Superintendent

Date: June 3, 2004

CIMAREX ENERGY CO.
 Wagon Wheel '12' Federal #2
 Section 12-T22S-R22E,
 Eddy County, New Mexico.

