Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
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-103
Revised August 1, 2011

WELL API NO.
30-015-32238

5. Indicate Type of Lease
STATE X FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name
FEDERAL "12" COM

1. Type of Well: Oil Well ☐ Gas Well X Other

8. Well Number
002

2. Name of Operator
CIMAREX ENERGY CO. OF COLORADO

9. OGRID Number
162683

3. Address of Operator
600 N. MARIENFELD, SUITE 600, MIDLAND, TEXAS 79701

10. Pool name or Wildcat
BURTON FLAT; MORROW (PRO GAS)

4. Well Location
Unit Letter: J : 2080 feet from the SOUTH line and 1327 feet from the EAST line
Section 02 Township 21S Range 26E NMPM EDDY County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3,185' - GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	X	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER:	☐			OTHER:			

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1) SET 5-1/2" CIBP @ 11,750'; CIRC. WELL W/ PXA MUD; PUMP 30 SXS. CMT. @ 11,750'-11,540'.
2) PUMP 40 SXS. CMT. @ 8,675'-8,450' (T/WC, DV TOOL); WOC X TAG CMT. PLUG.
3) PUMP 25 SXS. CMT. @ 5,500'-5,350' (SPACER PLUG).
4) PUMP 25 SXS. CMT. @ 2,303'-2,183' (9-5/8" CSG. SHOE).
5) CUT X PULL 5-1/2" CSG. @ +/-1,400'.
6) PUMP 50 SXS. CMT. @ 1,455'-1,345' (5-1/2" CSG. STUB); WOC X TAG CMT. PLUG.
7) PUMP 50 SXS. CMT. @ 650'-550' (13-3/8" CSG. SHOE); WOC X TAG CMT. PLUG.
8) MIX X CIRC. TO SURF. 25 SXS. CMT. @ 63'-3'.
9) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CSGS. X INSTALL DRY HOLE MARKER.

RECEIVED
APR 16 2014
NMOCD ARTESIA

DURING THIS PROCEDURE WE PLAN TO USE THE CLOSED-LOOP SYSTEM WITH A STEEL TANK AND HAUL CONTENTS TO THE REQUIRED DISPOSAL, PER OCD RULE 19.15.17.

CONDITIONS OF APPROVAL ATTACHED

Sp Approval Granted providing work is Completed by May 22, 2015

Rig Release Date:

Approved for plugging of well bore only. Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/ocd.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David A. Eyler TITLE: AGENT DATE: 04/14/14

Type or print name: DAVID A. EYLER E-mail address: DEYLER@MILGRO-RES.COM PHONE: 432.687.3033

For State Use Only

APPROVED BY: [illegible] TITLE Dist. Supervisor DATE May 22, 2014

Conditions of Approval (if any): ☆ See Attached COA's

PROPOSED WBD

KB - 16' above GL

Cimarex Energy Co. of Colorado
Federal 12 Com #2
SHL - 2080' FSL & 1327' FEL Sec. 2
BHL - 1075' FNL & 877' FWL Sec. 12
T-21-S, R-26-E, Eddy Co., NM
H. Eads 30-015-32238 12/09/2013

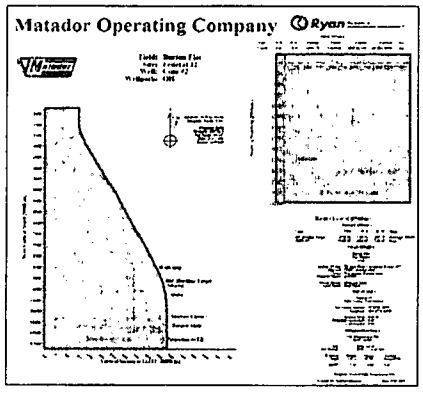
DEVIATED WELL

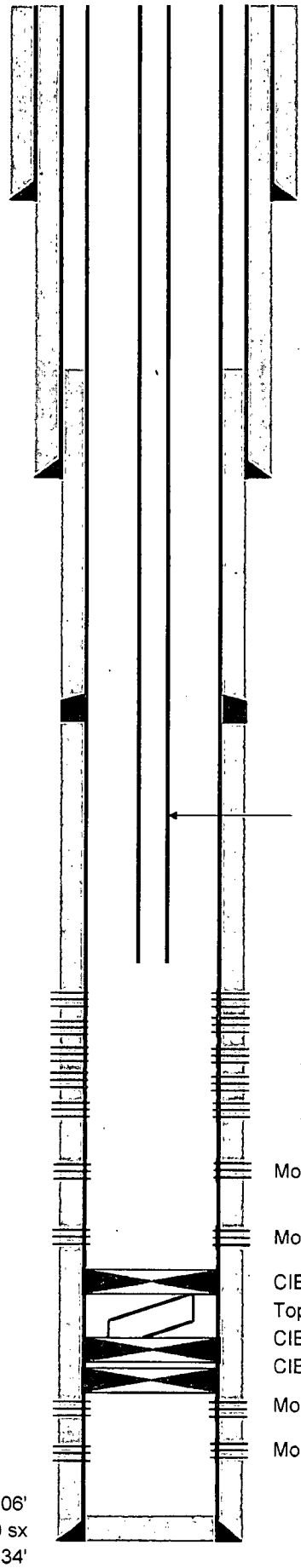
START DIRECTIONAL @ 2660' (MD)
"S" Curve
MAX INCL: 33.4 DEG @ 6143' (MD)
MAX DLS: 5.66 DEG/100FT @ 8165' (MD)

12/5/2013
4.75 RGJB HAD TROUBLE GETTING DOWN FROM 3700' THROUGH 7700' (E-LINE).

1/1/2014
4-1/2" GAUGE RING TAG @ 11,889'
3-1/2" GAUGE RING TAG @ 11,902'

**SEE DEVIATION SURVEY ON NEXT PAGE





13-3/8", 48# H-40 csg @ 600'
cmtd w/ 540 sx, cmt circ.

RECEIVED
APR 16 2014
NMOCD ARTESIA

TOC @ 1490' by TS

9-5/8", 36# J-55 csg @ 2243'
cmtd w/ 6700 sx, cmt circ.

DV Tool @ 8500'. CBL shows cmt to DV tool.
cmtd w/ 1000 sx

381 jts 2-7/8" 6.5# L-80 Tbg

NEW Morrow perfs:
(11772' - 11774'); 2' net, 4 SPF, 8 perfs
(11789' - 11791'); 2' net, 4 SPF, 8 perfs
(11799' - 11803'); 4' net, 4 SPF, 16 perfs
(11810' - 11822'); 12' net, 4 SPF, 48 perfs
(11855' - 11859'); 4' net, 4 SPF, 16 perfs

Morrow perfs (11896' - 11906')

Morrow perfs (11983' - 11992') *prev. under CIBP*

CIBP @ 12004', PBTD
Top of 37' TCP guns & remainder of CIBP
CIBP @ 12018'
CIBP @ 12034'

Morrow perfs (12048' - 12058')

Morrow perfs (12082' - 12087')

PBTD @ 12306'
5-1/2" 17# P-110 @ 12340' cmtd w/ 800 sx
TD @ 12334'

CIMAREX

PROPOSED WBD

KB - 16' above GL

Cimarex Energy Co. of Colorado
Federal 12 Com #2
SHL - 2080' FSL & 1327' FEL Sec. 2
BHL - 1075' FNL & 877' FWL Sec. 12
T-21-S, R-26-E, Eddy Co., NM
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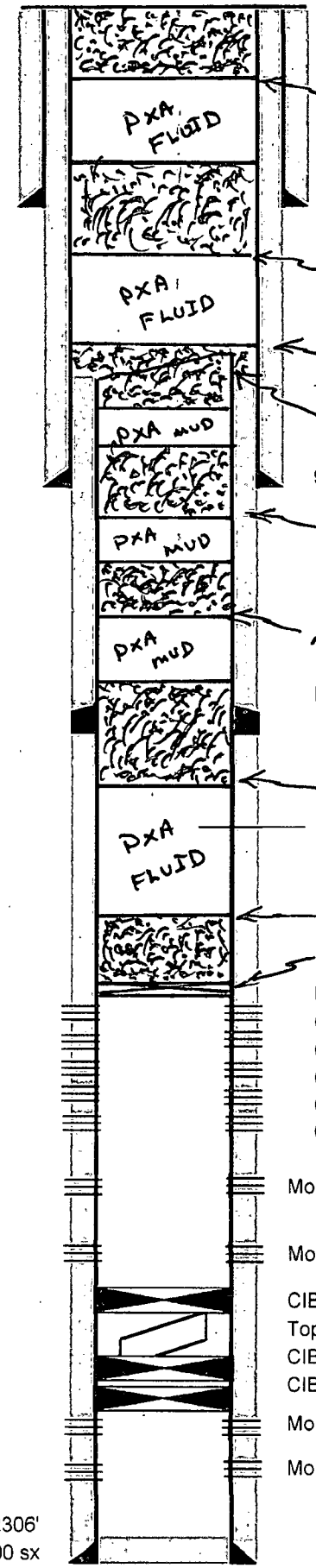

CIRC. 25 SXS. CMT. @ 63'-S'

13-3/8", 48# H-40 csg @ 600'
cmtd w/ 540 sx, cmt circ.

Pump 50 SXS. CMT. @ 650'-550'- TAG

Pump 50 SXS. CMT @ 1455'-1345'- TAG

TOC @ 1490' by TS
CUT & PULL 5 1/2" CSG. @ +/- 1400'

9-5/8", 36# J-55 csg @ 2243'
cmtd w/ 6700 sx, cmt circ.

Pump 25 SXS. CMT. @ 2303'-2183'

Pump 25 SXS. CMT. @ 5500'-5350'

DV Tool @ 8500'. CBL shows cmt to DV tool.
cmtd w/ 1000 sx

Pump. 40 SXS. CMT. @ 8675'-8450'- TAG

Pump 30 SXS. CMT. @ 11750'-11540'

SET 5 1/2" CIBP @ 11750'

NEW Morrow perfs:
(11772' - 11774'); 2' net, 4 SPF, 8 perfs
(11789' - 11791'); 2' net, 4 SPF, 8 perfs
(11799' - 11803'); 4' net, 4 SPF, 16 perfs
(11810' - 11822'); 12' net, 4 SPF, 48 perfs
(11855' - 11859'); 4' net, 4 SPF, 16 perfs

Morrow perfs (11896' - 11906')

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CIBP @ 12004', PBTD
Top of 37' TCP guns & remainder of CIBP
CIBP @ 12018'
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Morrow perfs (12082' - 12087')

PBTD @ 12306'
5-1/2" 17# P-110 @ 12340' cmtd w/ 800 sx
TD @ 12334'

DAE 04/07/14

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Cimarex

Well Name & Number: Fed. 12 Com 2

API #: 30-015-32238

1. Produced water **will not** be used during any part of the plugging & abandonment operation.

2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.

3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.

4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.

5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.

6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.

7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

8. **Cement Retainers may not be used.**

9. **Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.**

10. **Plugs may be combined after consulting with and getting approval from NMOCD.**

11. **Minimum WOC time for tag plugs will be 4 Hrs.**

DATE: 5/22/14 **APPROVED BY:**

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.

- Formations to be isolated with plugs placed at the top of each formation are:
  - Fusselman
  - Devonian
  - Morrow
  - Wolfcamp
  - Bone Spring
  - Delaware
  - Any Salt Section (Plug at top and bottom)
  - Abo
  - Glorieta
  - Yates (this plus is usually at base of salt section)

- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).