

FEB 24 2009

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 87240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-05664
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-06947
7. Lease Name or Unit Agreement Name: MONTEREY STATE B
8. Well Number 003
9. OGRID Number
10. Pool name or Wildcat SHUGART (YATES, 7-RIVERS, QN., GB)

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)

1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,565' - GR
2. Name of Operator CIMAREX ENERGY COMPANY OF COLORADO ATTN: ZENO FARRIS	
3. Address of Operator P.O. BOX 140907, IRVING, TEXAS 75014-0907	
4. Well Location Unit Letter C : 660 feet from the NORTH line and 1,650' feet from the WEST line Section 32 Township 18S Range 31E NMPM County EDDY	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/>	
Pit type STEEL Depth to Groundwater: Distance from nearest fresh water well: * Distance from nearest surface water: *	
Pit Liner Thickness: mil Below-Grade Tank: Volume: bbls; Construction Material * NONE WITHIN 1,000'	

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

02/13/09: TAG EXISTING CIBP + CMT. @ 2,567'; CIRC. WELL W/ PXA MUD; MIX & PUMP A 25 SX. CMT. PLUG @ 2,567'; WOC & TAG TOP OF CMT. PLUG PER NMOCD @ 2,405'.
02/16/09: PRESSURE TEST CSG. PER NMOCD TO 700# - HELD OK.
02/17/09: CUT 7" CSG. @ 1,925'; COULD NOT PULL CSG.; ATTEMPT TO PUMP INTO CSG. CUT - PRES. UP TO 1,650#. MIX & PUMP A 40 SX. CMT. PLUG @ 1,975' (PER NMOCD); WOC & TAG TOP OF CMT. PLUG @ 1,809'.
02/18/09: PERF. & SQZ A 50 SX. CMT. PLUG @ 875'; WOC & TAG TOP OF CMT. PLUG @ 680';
02/19/09: PERF. & CIRC. TO SURFACE A 60 SX. CMT. PLUG @ 150'-3'; DIG OUT & CUT OFF WELLHEAD 3' B.G.L. & INSTALL DRY HOLE MARKER. WELL PLUGGED & ABANDONED 02/19/09.

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

SIGNATURE David A. Eyler TITLE AGENT DATE 02/23/09

Type or print name DAVID A. EYLER

E-mail address: DEYLER@MILAGRO-RES.COM Telephone No. 432.687.3033

For State Use Only

APPROVED BY PhD Hankin TITLE Approved for plugging of well bore DATE 2/25/09

Conditions of Approval, if any:

1. Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under <http://www.state.nm.us/oed>