

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

MAR 10 2009

FORM APPROVED
OMB NO 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		SWD	5 Lease Serial No LC 064200
2. Name of Operator CIMAREX ENERGY CO. OF COLORADO ATTN: ZENO FARRIS			6. If Indian, Allottee or Tribe Name
3a Address 5215 N. O'CONNOR BLVD., STE. 1500, IRVING, TX 75039	3b Phone No (include area code) 972.443.6489		7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,980' FSL & 660' FWL SECTION 10, T-24S, R-26E			8. Well Name and No PENNZOIL 10 FED. #2 SWD
			9. API Well No 30-015-22326
			10. Field and Pool, or Exploratory Area BLACK RIVER
			11. County or Parish, State EDDY NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

COMPLY WITH ALL COMPANY & GOVERNMENT ENVIRONMENT & SAFETY REGULATIONS. ANYONE ON THE JOB LOCATION HAS THE AUTHORITY TO SHUT DOWN UNSAFE OPERATIONS.

- 1) RELEASE NICKEL PLATED UNI VI PKR. & POOH W/ TBG. & PKR.
- 2) SET 5-1/2" CIBP @ 7,550'; MIX & PUMP A 25 SX. CMT. PLUG ON TOP OF CIBP; CIRC. WELL W/ PXA MUD.
- 3) MIX & PUMP A 25 SX. CMT. PLUG @ 5,550'-5,350'. WOC Tag
- 4) CUT & PULL 5-1/2" CSG. @ +/-4,500'; MIX & PUMP A 40 SX. CMT. PLUG @ 4,550'-4,450'; WOC & TAG CMT. PLUG.
- 5) MIX & PUMP A 40 SX. CMT. PLUG @ 1,350'-1,250' (B/SALT); WOC & TAG TOP OF CMT. PLUG.
- * 6) MIX & PUMP AN 80 SX. CMT. PLUG @ 650'-450' (T/SALT & 13-3/8" CSG. SHOE); WOC & TAG TOP OF CMT. PLUG
- * 7) MIX & PUMP A 15 SX. CMT. SURF. PLUG @ 35'-3'.
- 8) DIG OUT & CUT OFF WELLHEAD 3' B.G.L. & WELD ON STEEL PLATE & DRY HOLE MARKER.
- * 6) Perf @ 650' sg. w/ adequate cmt to fill in bot from 650-450'.
- (For 8 1/2 @ 800' +/-)
- * 7) Perf @ 60' sg. w/ adequate cmt to fill in bot to surf

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) DAVID A. EYLER devler@milagro-res.com		Title AGENT	APPROVED MAR 9 2009 JAMES A. AMOS SUPERVISOR-EPS
Date 02/25/09		Date	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by <i>David A. Eyler</i>		Title Office	

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

HOLE SIZE 17 1/2"

CASING SIZE 13 3/8" 48#
TD 500'

HOLE SIZE 12 1/4"

TOL
800'
T/S

TOL
430 T/S

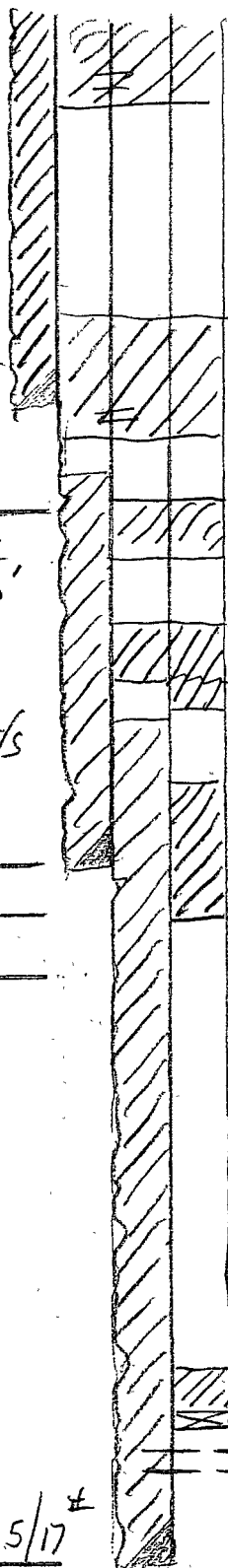
CASING SIZE 8 5/8" 24#
TD 5450

HOLE SIZE 7 7/8"

CASING SIZE 5 1/2" 155/17#
TD 8802

PR TD

From 11792



SALT SECTIONS TOP 1130

BASE 1300

RIMP ✓

CAVE / KARST ✓

SPEC. WATER

TOL SURF

INT

PROD

Circ.

800'

Perf @ 650
Squeeze cnt

1350-1250 BOS

WOC Tag

4550-4450

40 SX

Cut & Pull 5 1/2"
4500 +/-

WOC Tag
5300

(25 SX) shoe &
5550 BS

FORMATIONS

Rust Her 175

Del. 1775

BS 5250

WC 8422

CTOL 7300 ±

CIBP @ 7550 + 25 SX Play (250')

DVT

PERFORATIONS 7636-7670

7762-7804

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.