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

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised July 16, 2010

Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-015-38212	96610	EMPIRE; GLORIETA-YESO, EAST

Property Code	Property Name	Well Number
38146	CHASER "8" STATE	10

OGRID No.	Operator Name	Elevation
162683	CIMAREX ENERGY CO. OF COLORADO	3607'

Surface Location

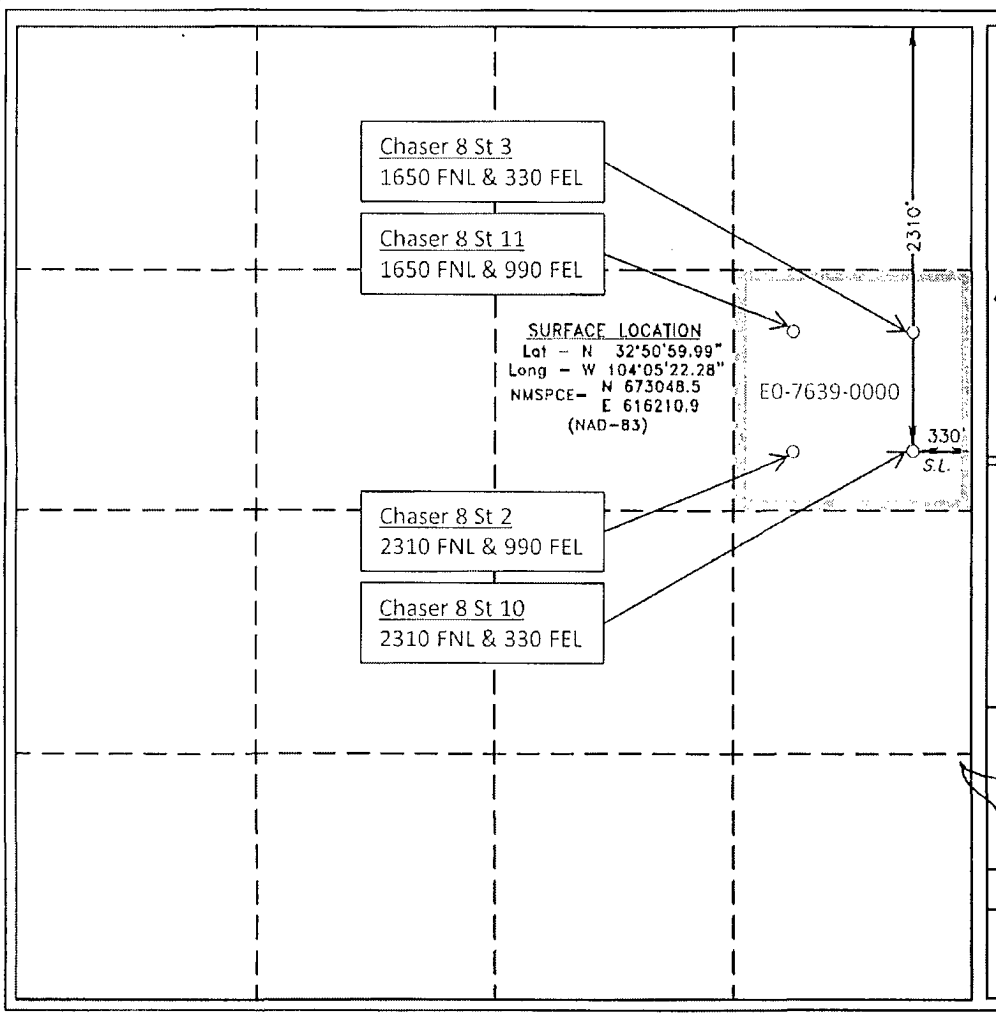
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	8	17 S	29 E		2310	NORTH	330	EAST	EDDY

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	Joint or Infill	Consolidation Code	Order No.
40			

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 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.

Zeno Farris 10/4/2010
Signature Date

Zeno Farris
Printed Name

zfarris@cimarex.com
Email Address

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 supervison, and that the same is true and correct to the best of my belief.

AUGUST 4, 2010
Date Surveyed

Signature & Seal of Professional Surveyor

GARY L. JONES
NEW MEXICO
23106
BASIN SURVEYS

Certificate No. Gary L. Jones 7977
BASIN SURVEYS 23106

Cimarex Energy Co. of Colorado
600 N. Marienfeld St. ♦ Suite 400 ♦ Midland, TX 79701 ♦ (432) 571-7800 ♦ Fax (432) 620-1940
A subsidiary of Cimarex Energy Co. • A NYSE Listed Company • "XEC"

October 4, 2010

Oil Conservation Division
District II Office
1301 W. Grand Ave.
Artesia, New Mexico 88210
Attn: Ms. Linda Bratcher

Re: Statewide Rule 118
Hydrogen Sulfide Gas Contingency Plan
Proposed Chaser 8 State No. 10 Well

Dear Ms. Bratcher:

In accordance with NMAC 19.15.3.118 C. (1) governing the determination of the hydrogen sulfide concentration in gaseous mixtures in each of its operations, Cimarex Energy Co. of Colorado does not anticipate that there will be enough H2S from the surface to the Blinebry formations to meet the OCD's minimum requirements for the submission of a contingency plan for the drilling and completion of the following test(s):

Chaser 8 State No. 10
8-17S-29E
2310 FNL & 330 FEL
Eddy County, NM

If anything further is needed regarding this issue, or if you have any questions, please feel free to contact the undersigned at 432-620-1938.

Yours truly,

Zeno Farris

Zeno Farris
Manager Operations Administration

Mud, Casing, Cementing, and BOP Attachment
Chaser 8 State No. 10
Cimarex Energy Co. of Colorado
Unit H, Section 8
T17S-R29E, Eddy County, NM

In response to questions asked under Section II B of Bulletin NTL-6, the following information is provided for your consideration:

Location: 2310 FNL & 330 FEL

Elevation above sea level: 3607' GR

Proposed drilling depth: 6000'

Proposed Mud Circulating System:

Depth	Mud Wt	Visc	Fluid Loss	Type Mud
0' to 450'	8.4 - 8.6	28	NC	FW
0' to 1100'	10.0	30-32	NC	Brine water
0' to 6000'	8.4 - 9.5	30-32	NC	FW, brine

Sufficient mud materials will be kept on location at all times in order to combat lost circulation or unexpected kicks. In order to run DSTs, open hole logs, and casing, the viscosity and water loss may have to be adjusted in order to meet these needs.

Mud, Casing, Cementing, and BOP Attachment
Chaser 8 State No. 10
Cimarex Energy Co. of Colorado
Unit H, Section 8
T17S-R29E, Eddy County, NM

Casing & Cementing Plan:

String	Hole Size	Depth			Casing OD		Weight	Collar	Grade
Surface	14¾"	0'	to	450'	New	11¾"	42#	STC	H-40
Intermediate	11"	0'	to	1100'	New	8⅝"	24#	STC	J-55
Production	7⅞"	0'	to	6000'	New	5½"	17#	LTC	P-110

Cementing Plan:

Surface 530 sx Class H + 2% $CaCl_2$ (wt 14.8, yld 1.34)
TOC Surface

Intermediate Lead: 300 sx Class C Lite + 6# Salt + 1/4# CF (wt 12.7, yld 1.99)
Tail: 200 sx Class C + 2% $CaCl_2$ (wt 14.8, yld 1.34)
TOC Surface

Production **Stage 1**
580 sx 50/50/2 Class C + 1% FL25 + 0.3% FL52 + 5% Salt + 0.5% SMS (wt 13, yld 1.68)
Stage 2
Lead: 550 sx Class H Lite + 6# Salt + 1/4# CF (wt 12.7, yld 1.92)
Tail: 200 sx Class H + 2% $CaCl_2$ (wt 13, yld 1.68)
TOC 900'

Fresh water zones will be protected by setting 11¾" casing at 450' and cementing to surface. Hydrocarbon zones will be protected by setting 8⅝" casing at 1100' and cementing to surface, and by setting 5½" casing at 6000' and cementing to 900.'

Collapse Factor	*Burst Factor*	*Tension Factor*
1.125	1.125	1.6

Pressure control Equipment:

Surface Casing

A minimum 11¾" 2000 psi working pressure BOP consisting of one set of blind rams and one set of pipe rams. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor. Ram-type BOP tO be function-tested once per day. Ram-type preventor will be tested to 250 psi low and 1000 psi high by an independent service company.

Intermediate & Production Casing

A minimum 8⅝" 2000 psi working pressure BOP consisting of one set of blind rams and one set of pipe rams. A choke manifold and 120 gallon accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 1100.' A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor. Ram-type BOP to be tested to 250 psi low and 2000 psi high by an independent service company.

BOP unit will be hydraulically operated. BOP will be nippled up and operated at least once a day while drilling and the blind rams will be operated when out of hole during trips. No abnormal pressure or temperature is expected while drilling.