

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.*5. Lease Serial No.
NMNM97874

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

CONOCO "22" FEDERAL COM 001 ✓

2. Name of Operator

CIMAREX ENERGY CO. OF COLORADO

Contact: CAROLYN D LARSON

Email: clarson@cimarex.com

9. API Well No.

30-015-31457 ✓

3a. Address

600 N. MARIENFELD SUITE 600
MIDLAND, TX 79701

3b. Phone No. (include area code)

Ph: 432-620-1946

Fx: 432-620-1940

10. Field and Pool, or Exploratory

BEAR DRAW; Q-SA-GRAYBURG

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 22 T16S R29E 2303FNL 1427FWL

UL-F

11. County or Parish, and State

EDDY COUNTY, 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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 recompleate 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 recompleation 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 site is ready for final inspection.)

The Conoco 22 Federal 1H is currently a marginal horizontal producer in the County Line Tank; Abo Pool.

Cimarex proposes to recompleate the wellbore in the Bear Draw; Queen-San Andres-Grayburg Pool per attached procedure and wellbore diagrams. A 3 1/2" CIBP will be set at 7050' and liner will be cut and liner stub pulled. Whipstock will be removed from CIBP @ 6990' and Class C cement plug will be set minimum 50' above top of lateral window at 6977' and tagged. Set CIBP @ 2700' with 10' cmt and perf/frac Grayburg at 2460'-2470'.

Cimarex is requesting to defer final abandonment plugs for future Atoka deepening and test.

If recompleation is successful, name will be changed to Conoco "22" Federal.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #102905 verified by the BLM Well Information System
For CIMAREX ENERGY CO. OF COLORADO, sent to the Carlsbad

Name (Printed/Typed) ZENO FARRIS

Title MGR OPERATIONS ADMINISTRATION

Signature (Electronic Submission)

Date 02/18/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

FEB 24 2011

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 any statement or representation as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
1801 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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31457	Pool Code 04970	Pool Name BEAR DRAW; Q-GR-SA
Property Code	Property Name CONOCO "22" FEDERAL	Well Number 1
GRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3667'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	22	16 S	29 E		2303	NORTH	1427	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 40	Joint or Infill	Consolidation Code	Order No. NSL-5712 BEING AMENDED						

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

<p>nm-12128</p> <p>3668.8' 3659.4'</p> <p>1427'</p> <p>3671.1' 3664.5'</p> <p>SURFACE LOCATION Lat - N32°54'29.09" Long - W104°03'59.78" NMSPC- N 694195.516 E 623197.327 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p>Zeno Farris 2-18-11</p> <p>Signature _____ Date _____</p> <p>ZENO FARRIS</p> <p>Printed Name _____</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>AUGUST 1 2007</p> <p>Date Surveyed _____</p> <p>Signature & Seal _____</p> <p>Professional Surveyor</p>
	<p>Certificate No. Gary L. Jones 7977</p>
	<p>BASIN SURVEYS</p>

CONOCO 22 FEDERAL #1H GRAYBURG RECOMPLETION

API # 30-015-31457
2310' FNL & 1427' FWL
Section 22, T-16-S, R-29-E
Eddy County, New Mexico

GR : 3667'
KB : 12'
TD : 10,640' MD, 7,232' TVD
PBSD: 10,359' MD, 7218' TVD
SURF CSG : 11-3/4" OD 42#/FT H-40 @ 432' CMNT CIRC TO SURFACE - 775 SX
INTER CSG: 8-5/8" OD 32#/FT J-55 @ 2,690' CMNT CIRC TO SURFACE - 750 SX
PROD CSG : 5-1/2" OD 17#/FT N-80 @ 7,503' TOC @ 1,250' - 1075 SX
LINER (HORIZ) : 3-1/2" OD 6.5#/FT P-110 @ 10,359' MD, TOP OF LINER 6,875' (NO CMNT, PEAK SYSTEM)
CIBP : 6,990'
TUBING: 2-7/8" L-80 TUBING TO 9990' (EOT @ 6835.41)
TAC: 2-7/8" x 5-1/2" TAC w/ carbide slips @ 6751'
RODS: 90 1" N-97 rods, 89 7/8" N-97 rods, 79 3/4" N-97 rods, 12 1.5" K bars, 2.5" x 1.25" RHBC pump, gas anchor
LINER TOP: 5-1/2" 17# RSB PKR @ 6,883'
TAILPIPE: 6'X2-3/8" SUB W/ 1.781 NIPPLE /WLEC @ 10,002'
ABO HORIZONTAL: 5 stage frac, 66,250# 30/50 & 40,000# 20/40

5-1/2" 17# N-80: ID=4.892" DRIFT=4.767" BURST=7,740# COLLAPSE=6,280# CAPACITY=.0232 bbls/ft

RECOMPLETION

1. RIG UP PULLING UNIT. TOO H W/ RODS. RELEASE TAC @ 6,751'. TOO H W/ 2-7/8" TUBING. NU BOP.
2. RIH W/ RSB RETRIEVING TOOL AND SET OF JARS ON 3-1/2" 9.3# P110 WORKSTRING. LATCH ON TO RSB. MIRU WIRELINE. RIH W/ 3-1/2" CAST IRON BRIDGE PLUG AND SET 7050'. POOH. TEST PLUG TO 2000 PSI. RIH W/ JET CUTTER TO 7045' AND CUT 3-1/2" TUBING. POOH AND RIG DOWN WIRELINE UNIT.
3. RELEASE PACKER AND POOH W/ PACKER AND LINER STUB. PU WEATHERFORD J-HOOK LATCH FOR WHIPSTOCK W/ BUMPER SUB. RIH TO 6875' AND PRESSURE UP TO 90 PSI (TO CHECK IF OPENHOLE SECTION WILL HOLD HYDROSTATIC OF CEMENT PLUG). RIH AND FISH WHIPSTOCK (TOP OF WHIPSTOCK 6972', TOP RETRIEVING SLOT 6979', BOTTOM OF RETRIEVING SLOT 6981', BOTTOM OF WINDOW 6990'). POOH.
4. RIH TO 6990'. IF OPENHOLE FORMATION HOLDS PRESSURE, PUMP 15 SX CLASS C (1.34 CUFT/SX YEILD). PULL UP AND WAIT ON CEMENT. RIH AND TAG TOC (NEEDS TO BE AT LEAST 6875'). IF IT DOES NOT HOLD PRESSURE ADJUST NUMBER OF SX PUMPED ACCORDINGLY AND DO ADDITIONAL PLUGS UNTIL REACHING 6875'. LOAD HOLE W/ FRESH WATER AND TEST CSG TO 4000#. POOH AND LAY DOWN 3-1/2" WORKSTRING.
5. MIRU WIRELINE. RIH W/ CIBP AND SET AT 2700'. DUMP 10' OF CEMENT. RIH W/ GAMMA RAY TOOL AND CBL. LOG FROM PBSD TO SURFACE. RUN REPEAT WITH NO PRESSURE AND MAIN PASS W/ 1000#. NOTE TOC.

6. RIH W/ PERF GUN. PERFORATE GRAYBURG SAND FROM 2460' - 2470' W/ 4 SPF, 0.41" ENTRY HOLE PREMIUM CHARGES. MONITOR SURFACE PRESSURE. POOH.
7. RIH W/ 5-1/2" AS-1X PACKER ON 2-7/8" TUBING. SET PACKER @ 2,420'. MAKE SWAB RUNS FOR 1 HOUR, NOTE CUT AND FL.
8. MIRU ACID STIMULATION COMPANY. LOAD TUBING W/ 5% KCL. BREAKDOWN PERFORATIONS FROM 2460'-2470' W/ 1500 BBLS 15% HCL/HF MIXED AT 6% : 1.5%, MAX RATE 9 BPM. RECORD ISIP, 5, 10, & 15 MIN PRESSURES. SHUT WELL IN FOR 2 HOURS.
9. FLOW WELL BACK. SWAB WELL, DETERMINE CUT AND ENTRY. IF POSITIVE OIL SHOW AND DEEMED NECESSARY, PROCEED WITH FRACTURE STIMULATION.
10. RIG UP PUMP TRUCK. LOAD TBG W/ 5% KCL. RELEASE PACKER @ 2,420' AND TOOH W/ 2-7/8" TBG.
11. MI AND FILL FRAC TANKS. ND BOPS. NU FRAC VALVE. MIRU FLOWBACK EQUIPMENT. MIRU FRAC CREW.
12. FRAC GRAYBURG SAND ACCORDING TO CIMAREX FRAC DESIGN. SHUT WELL IN FOR 2 HOURS. FLOW BACK FRAC.
13. ND FRAC VALVE. NU BOP. RIH W/ BIT ON 2-7/8" TUBING, TAG SAND AND CIRCUALTE HOLE CLEAN. TOOH W/ BIT AND 2-7/8" TUBING
14. RIH W/ 2-7/8" TUBING, TAC, RODS, AND FRAC PUMP. TURN WELL OVER TO PRODUCTION.

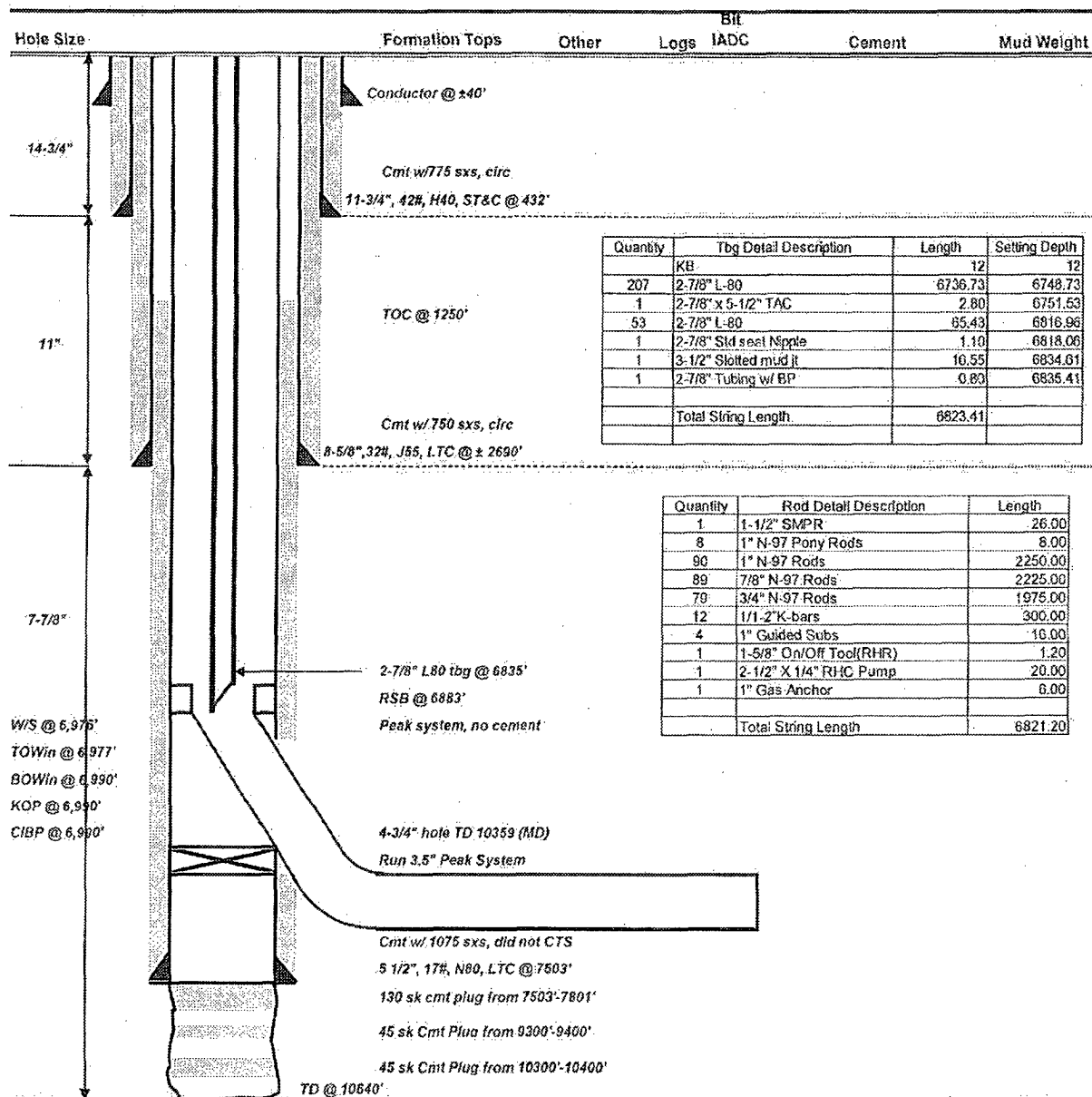


CURRENT
WELLBORE DIAGRAM
 Cimarex Energy Company

2/7/2011

Well: Conoco 22 Fed #1 H
 Location: 22-16S-29E
 County, State: Eddy County, NM
 Surface Location: 2303' FNL & 1427' FWL SHL
 Bottomhole Loc: 1980' FNL & 330' FEL-BHL
 GL: 3667'
 Spud Date: 12/18/2007

API #: 30-015-31457
 Field: County Line Tank
 Objective: Abo Shale



NOTES:

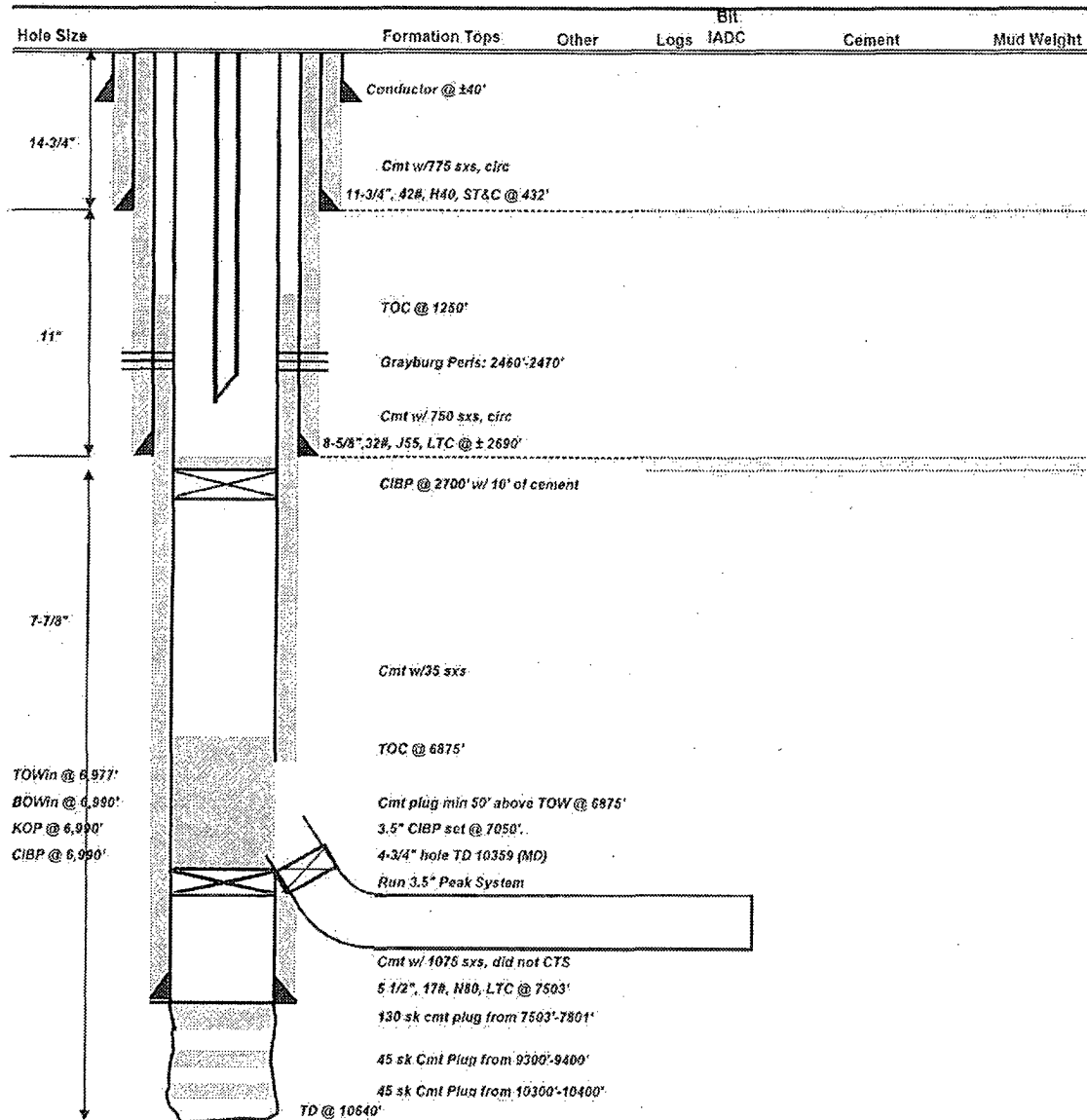


PROPOSED
PROPOSED WELLBORE DIAGRAM
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NOTES:

**Conoco 22 Federal Com 1
30-015-31457
Cimarex Energy Co. of Colorado
February 24, 2011
Conditions of Approval**

- 1. Contact BLM 575-361-2822 a minimum of 4 hours prior to setting CIBP at 7050 feet. PET to witness placement of CIBP in horizontal leg and pressure test.**
- 2. Surface disturbance beyond the originally approved pad must have prior approval.**
- 3. Closed loop system required.**
- 4. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 5. Operator to place 35' of cement on top of CIBP at 2700'.**
- 6. Submit subsequent report with current wellbore schematic and well test when work is completed.**

WWI 022411