

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Ave., Hobbs, NM 88240
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. 30-015-29871
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name McGruder 13
8. Well Number 001 ST
9. OGRID Number 215099
10. Pool name or Wildcat Happy Valley; Morrow (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK OR A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-107) FOR SUCH PROPOSALS.)

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

2. Name of Operator
Cimarex Energy Co.

3. Address of Operator
PO Box 140907; Irving, TX 75014-0907

4. Well Location
SHL Unit Letter N : 281 feet from the South line and 1924 feet from the West line
BHL Unit Letter N : 1280 feet from the South line and 1777 feet from the West line
Section 13 Township 22S Range 25E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3404' GR

Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☒

OTHER: ☒ Add Perfs Morrow, Atoka

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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

The McGruder 13 No. 1 ST is currently producing out of the Morrow through perfs from 10836'-11151'.
Cimarex intends to abandon current Morrow with CIBP @ 10800' w/ 35' cement and add perfs to the **Morrow** as follows:
10782'-10786' 4 JSPF (Middle Morrow); 10728'-10738' 4 JSPF (Middle Morrow); 10654'-10662' 4 JSPF (Upper Morrow)
Perfs will be **fracture treated** if necessary, and after being tested, pending results set **composite BP @ 10560'**
Next, Cimarex intends to perf the **Atoka** as follows:
10250'-10260' 4 JSPF; 10203'-10210' 4 JSPF
Perfs will be **fracture treated** if necessary and tested.

If applicable flush production from either zone will be produced before proceeding to the next procedure.
If pressures and production are compatible, Cimarex will apply for Downhole Commingling via C-107A form.
See attached procedure.

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 Zeno Farris TITLE Mgr Ops Admin DATE December 13, 2006

Type or print name Zeno Farris email address: zfarris@cimarex.com Telephone No. 972-443-6489

For State Use Only

BRYAN G. ARANT
DISTRICT II GEOLOGIST

APPROVED BY: _____ TITLE _____ DATE DEC 19 2006
Conditions of Approval (if any): _____

DISTRICT I
1525 N. FRENCH DR., HOHES, NM 86240

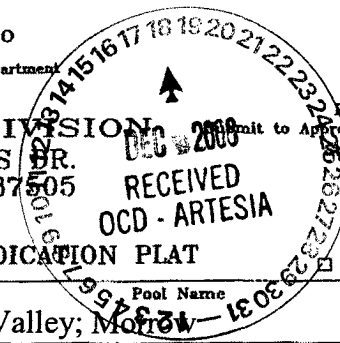
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 86210

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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505



Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Free Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-29871	Pool Code 7806c	Pool Name Happy Valley; Morrow
Property Code	Property Name McGRUDER 13	Well Number 1 ST
GRID No. 215099	Operator Name CIMAREX ENERGY COMPANY	Elevation 3404'

Surface Location

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	22-S	25-E		281	SOUTH	1924	WEST	EDDY

Bottom Hole Location If Different From Surface

UI or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	22-S	25-E		1280	SOUTH	1777	WEST	EDDY

Dedicated Acres 331.08	Joint or Infill Y	Consolidation Code	Order No.
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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 the the information contained herein is true and complete to the best of my knowledge and belief. <i>Zeno Farris</i> Signature Zeno Farris Printed Name Mgr Operations Admin Title 12-13-06 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and that the same is true and correct to the best of my belief. GARY EIDSON FEBRUARY 26 2005 Date Surveyed Signature & Seal of Professional Surveyor <i>Gary E. Eidson</i> 2/17/05 05.11.0182 Certificate No. GARY EIDSON 12841

DISTRICT I
1825 N. FRANCE DR., BOBBS, NM 87505

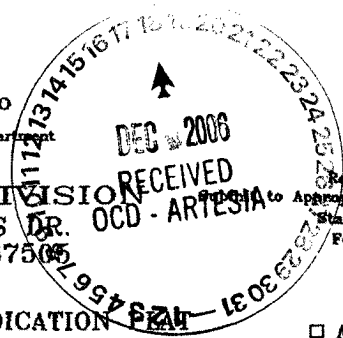
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 87501

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
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Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
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Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION

☐ AMENDED REPORT

API Number 30-015-29871	Pool Code 78055	Pool Name Happy Valley; Atoka (Gas)
Property Code	Property Name McGRUDER 13	Well Number 1 ST
OGRID No. 215099	Operator Name CIMAREX ENERGY COMPANY	Elevation 3404'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	13	22-S	25-E		281	SOUTH	1924	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
N	13	22-S	25-E		1280	SOUTH	1777	WEST	EDDY
Dedicated Acres 331.08	Joint or Infill Y	Consolidation Code	Order No.						

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 the the information contained herein is true and complete to the best of my knowledge and belief. <i>Zeno Farris</i> Signature Zeno Farris Printed Name Mgr Operations Admin Title 12-13-06 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and that the same are true and correct to the best of my belief. Date Surveyed Signature & Seal of Professional Surveyor 05.11.0182 Certificate No GARY EDSON 12641

RECOMMENDED RECOMPLETION PROCEDURE
McGRUDER "13" #1 ST
LEA COUNTY, NEW MEXICO

WELL DATA

SPUD DATE: 25 November 1997
PERM. ZERO PT.: KB=3,367', DF=3,366', GL=3,344'
TOTAL DEPTH: 11,455'
CONDUCTOR CSG: 30" OD @ 31'
CONDUCTOR CSG: 20" 94#, K-55 # @355'
SURFACE CSG: 13-3/8" (17-1/2" hole), 54.5#, J-55 @ 1121'
INTER CSG: 9-5/8" (12-1/4" hole), 40#, HCK & J-55 @ 5,000'
PROD CSG: 5-1/2" (8-3/4" hole), 17#, P-110 & P-110 HC, LT&C @ 11,455'
DV TOOL 8535'
ST KO POINT 5767'
EXISTING PERFS: 10,836 – 11,151'
PBD CIBP @ 10,994'
PRODUCTION PKR: TAC @ 10,546' + 1 JT 2-7/8" MA + 1 2-3/8" perf sub, 2-3/8" Mechanical Hold Down Nipple
TUBING: 2-3/8" 4.7#, L-80, EUE

OBJECTIVE: Recomplete to Middle Morrow.

******* SAFETY IS TOP PRIORITY *******

PROCEDURE:

1. MIRU well service rig. Check Well for pressure, kill with 7% KCl FW if necessary. ND Tree, NU BOP and test.
2. PU on tubing and release TAC set @ 10,546'. POOH & send TAC in for repair.
3. RIH wire line Service Company and run GR-JB to PBD @ 10,994'.
4. Set CIBP @ 10,800'± and cap with 35' cement or as required by NMOCD.
5. Perforate Morrow as follows:
 - 10,782-786 (4' - 4 JSPF) Middle Morrow
 - 10,728-738 (10' - 4 JSPF)* Middle Morrow
 - 10,654-662 (8' - 4 JSPF) Upper MorrowCorrelate to Schlumberger's Platform Express Three Detector Litho-Density Compensated Neutron/HNGS Open Hole log dated 13-May-2005. Perforate with 4 JSPF, 120° phase. Note any pressure changes at surface.
6. If pressure is observed at surface, run Arrowset packer with 1.875" Otis Profile Nipple and 1.781" Seating Nipple on bottom of packer and set @ ±10,560'. RD Wireline and run tubing.

RECOMMENDED RECOMPLETION PROCEDURE

McGRUDER "13" #1 ST LEA COUNTY, NEW MEXICO

7. If no flow or pressure change TIH with Arrowset Packer and RBP on 2-3/8" tubing. Break individual perforation sets down using packer and RBP with 7% KCl FW. Flow test or swab all 3 intervals together, record production rates and pressures. If a flowing test is obtained RU Red Dog well testers (manifold and production unit) ASAP. Place well on test and report results to Midland office.
8. If additional stimulation is required, kill well with 7% KCl FW, pull 2-3/8" tubing and BHA. TIH with 3-1/2" P-110 work string and packer. Set packer at $\pm 10,550'$. MIRU Frac crew and CO2 equipment. Stake and tie-down all lines. Install pump and pop-off set for 1,500 psi on 9-5/8" x 5-1/2" casing annulus. Pressure (max 1000 psi) to be applied on 9-5/8" casing. Pressure test lines to 10,000 psi and frac Morrow 10,654'-10,786' as per attached recommendation.
9. Flow back and test Morrow production through test equipment.
10. Kill well with 7% KCl FW. Release packer and POH with work string.
11. RU wire line Service Company and set composite bridge plug above Morrow perms @ $\pm 10,560'$. Perforate Atoka as follows:
 - 10,250-260 (10' - 4 JSPF) Atoka
 - 10, 203-210 (7' - 4 JSPF) AtokaCorrelate to Schlumberger's Platform Express Three Detector Litho-Density Compensated Neutron/HNGS Open Hole log dated 13-May-2005. Perforate with 4 JSPF, 120° phase. Note any pressure changes at surface.
12. If pressure is observed at surface, run Arrowset packer with 1.875" Otis Profile Nipple and 1.781" Seating Nipple on bottom of packer and set @ $\pm 10,110'$. RD Wireline and run production tubing.
13. If no flow or pressure change is observed, TIH with Arrowset Packer and RBP on 2-3/8" tubing. Break individual perforation sets down using packer and RBP with 7% KCl FW. Flow test or swab both intervals together, record production rates and pressures. If a flowing test is obtained RU Red Dog well testers (manifold and production unit) ASAP. Place well on test and report results to Midland office.
14. If additional stimulation is required, kill well with 7% KCl FW, pull 2-3/8" tubing and BHA. TIH with 3-1/2" P-110 work string and packer. Set packer at $\pm 10,100'$. MIRU Frac crew and CO2 equipment. Stake and tie-down all lines. Install pump and pop-off set for 1,500 psi on 9-5/8" x 5-1/2" casing annulus. Pressure (max 1000 psi) to be applied on 9-5/8" casing. Pressure test lines to 10,000 psi and frac Morrow 10,654'-10,786' as per attached recommendation.
15. RU manifold flow back after frac via 3-1/2" tubing to test production rate on Atoka perms. Report results to Midland office.
16. Kill well with 7% KCl FW. Release packer and POH with work string.

RECOMMENDED RECOMPLETION PROCEDURE

McGRUDER "13" #1 ST LEA COUNTY, NEW MEXICO

17. Run 2-3/8" tubing and Arrowset packer with 1.875" Otis Profile Nipple and 1.781" Seating Nipple on bottom of packer to 10,150'±. Circulate packer fluid behind tubing and set packer. ND BOP, NU well head and tree. Swab well in.
18. Open well to sales and turn over to production foreman.