DISTRICT I 1625 N. French Dr., Hobbs, NM 68240 DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised July 16, 2010

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

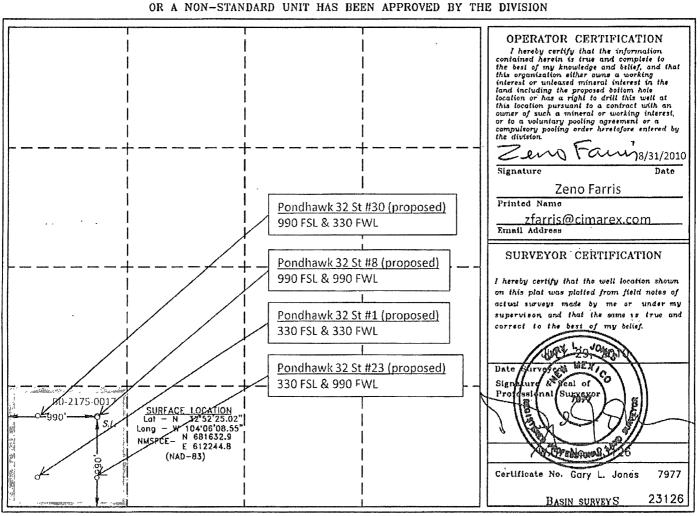
1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV 1220 S. St. Francis Dr., Santa Pe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number			Paol Code			Pool Name					
30-015-38130				96210		Em	Yeso				
Property Code					Well Number						
38306				PON	8						
OGRID No.			HK-1		Elevation						
16268	33		CIN	IAREX E	3643'						
Surface Location											
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
М	32	16 S	29 E		990	SOUTH	990	WEST	EDDY		
			Bottom	Hole Loc	cation If Diffe	erent From Sur	face				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
Dedicated Acre		or Infill Co	nsolidation		der No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



Mud, Casing, Cementing, and BOP Attachment

Pondhawk 32 State No. 8

Cimarex Energy Co. of Colorado Unit M, Section 32 T16S-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: 990 FSL & 990 FWL

Elevation above sea level: 3643' GR

<u>Proposed drilling depth:</u> 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

Pondhawk 32 State No. 8

Cimarex Energy Co. of Colorado Unit M, Section 32 T16S-R29E, Eddy County, NM

Casing & Cementing Plan:

String	Hole Size		Depti	1	Casir	ng OD	Weight	Collar	Grade
Surface	16"	0'	to	450'	New	11¾"	42#	STC	H-40
Intermediate	11"	0'	to	1100'	New	85/811	24#	STC	J-55 [,]
Production	71/811	01	to	6000'	New	5½"	17#	LTC	P-110

Cementing Plan:

Surface

530 sx Class H + 2% CaCl₂ (wt 14.8, yld 1.34)

TOC Surface

Intermediate

<u>Lead:</u> 300 sx Class C Lite + 6# Salt + 1/4# CF (wt 12.7, yld 1.99)

Tail: 200 sx Class C + 2% CaCl₂ (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)

<u>Tail:</u> 200 sx Class H + 2% CaCl₂ (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 8¾" 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:

An 11¾" 3000 PSI working pressure B.O.P. consisting of a one set of blind rams and one set of pipe rams and a 3000 psi annular-type preventor. 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. Test BOP equipment and choke manifold to 250 psi low and 3000 psi high and annular BOP to 250 psi low and 1500 psi high by an independent service company.

BOP unit will be hydraulically operated. Below intermediate casing shoe, BOP will be 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. From the base of the surface pipe through the running of production casing, the well will be equipped with a 3000 psi BOP system.

BOPS will be tested by an independent service company to 250 psi low and 3000 psi high. Hydril will be tested to 250 psi low and 1500 psi high.