

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-6870
2. Name of Operator Cimarex Energy Co. of Colorado		6. If Indian, Allottee or Tribe Name
3a. Address PO Box 140907; Irving, TX 75014-0907		7. If Unit or CA/Agreement, Name and/or No. NM-82537
3b. Phone No. (include area code) 972-401-3111		8. Well Name and No. Pipeline Deep 7 Federal Com No. 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1480' FSL & 1215' FEL 7-19S-34E		9. API Well No. 30-025-37113
		10. Field and Pool, or Exploratory Area Quail Ridge; Morrow, North (Gas) <i>Bone Springs</i>
		11. County or Parish, State Lea County, NM

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

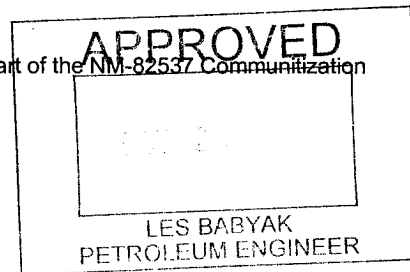
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 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 checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, included 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 site is ready for final inspection.)

Well is currently producing 90 mcfpd & 10 bopd from Morrow perms @ 13204' - 13346'.

Propose to re-enter well and set CIBP at 13180' w 35' cement and perf & test several Bone Spring intervals between 9324' - 10128' per attached procedure.

Please note that if the Bone Spring interval is productive, the well will no longer be part of the NM-82537 Communitization Agreement.



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Zeno Farris

Signature

Zeno Farris

Title

Manager Operations Administration

Date

October 3, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

Title

Date

FEB 06 2007

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.

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

Title 18 U.S.C. Section 1001, 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.

(Instructions on reverse)



Cimarex Energy Company

Pipeline Deep 7 Fed #2

Bonesprings Completion Procedure (version 1.0)

Sec 7-T9S-R36E, 1480' FSL & 1,215' FEL

Quail Ridge Field

Lea County, New Mexico

Intermediate Casing: 9 5/8" 40# K-55 set from Surface to 3,500'
100% Burst: 3,950 psi
Production Casing: 5 1/2" 17# P-110 LTC set from Surface to 13,700'. PBTD: +/- 13,572'. DV Tool @ 8,516'.
100% Burst: 10,640 psi. 100% Collapse: 7,480 psi

1. Prep location for completion operations. MIRU completion unit, flowback tank, choke manifold and flowline. Maximum anticipated reservoir pressure is 4,500 psi.
2. Check for pressure on all casing strings. Bleed pressure to FB tank and check for flow.

Bonesprings

3. Spot one frac tank containing 480 bbls 7% KCL water w/ 2 gpt LS-300 - referred to as **KCL mix water**.
4. Kill well as necessary with KCL-mix. ND wellhead, NU 5K psi BOP.
5. Release 5 1/2" Arrowset 1X MOD packer, load hole with +/-300 bbls of KCL-Mix and POOH with 402 jts of 2 3/8" L-80, packer and WLEG. Stand tubing back.
6. Send packer in to be redressed.
7. RU XXX WL unit and RIH with 5 1/2" CIBP. Set CIBP at 13,180'. Dump 35' cement cap on top of plug.
8. RU Kill truck to test CIBP to 5,000 psi.
9. Once plug tests, perforate from the bottom up per the following schedule with 4" Ported Gun with 23 gm charge (or equivalent) to achieve 0.42" EHD in 5-1/2" casing at 120 phasing, 3 spf. Correlate to HES CBL/GR dated 3-30-06.

Total Shots		Shots/ft		top shot		bot shot	
13	shots	3	sh/ft	from	10124	to	10128
13	shots	3	sh/ft	from	10111	to	10115
13	shots	3	sh/ft	from	10089	to	10093
13	shots	3	sh/ft	from	10076	to	10080
52	shots	across			10076	to	10128

10. RDMO WL unit.

11. Spot **16 cleaned** frac tanks. Fill 16 tanks each with 480 bbls of fresh water w/ biocide. A frac supervisor should spot the tanks and provide biocide. Fluids will be continuous-mixed. No gel may be put into the frac tanks.
12. Proppant Bulk Equipment will consist of **2 Bulk Unit** set up for a **Blender**. Order a total of **490,000 lbs** of **20/40 PR-6000 or equivalent**.
13. MIRU frac equipment for a **single-day / three-stage** frac job as follows for 60 bpm at 5,800 psi:
 Wellhead rated for 10,000 psi. Stage Head Capable of a running a 5 1/2" Composite Frac Plug Through. No casing saver to be used.
 Hydration Unit/Tank for 2.0 min hydration time
 Blender capable of 75 bpm.
 Fluid QA Van
 Primary Horsepower: 8,530 HHP
 Standby HHP to guarantee 60 bpm will be achieved throughout the treatment
 Acid Transport with XXX gals of 28% HCl with 2.0 gpt AcidGel, 2.0 gpt Corrosion Inhibitor, 2.0 gpt Non-Emulsifier, and 5.0 gpt Iron Control. ****Acid will be cut on the fly with water to dilute to 15% and maintain rate while flushing.**
 Computer Monitor Vehicle rigged to monitor two Pressure Transducers
 Blender Densitometer, In-line High Pressure Densitometer, and Real-time Viscosity
14. Prime up pumps, and verify flowmeter agreement. Pressure test lines against the Frac Valve to 10,000 psi and hold for 5 min. An acceptable test will have a final bleed-off rate of less than **100 psi/min**.
15. Open Frac Valve and note SICP. Establish injection water with gel, then begin pumping 2,750 gals of 15% acid at 6-10 BPM. Perform the fracturing treatment per the attached Pump Schedule spreadsheet. Do not exceed a **maximum allowable pressure of 9,000 psi**. Displace the well as pressures allow.
16. RD Frac Equipment. RU Wireline to set Composite Frac Plug at +/- 9,900. Test to 1,000 psi over shut-in pressure..
17. Perforate 2nd Stage as follows w/ 4" Casing Gun with 120 deg Phasing 23 gram charge to obtain a 0.42 inch min EHD and FP of at least 8 inches.

Total Shots		Shots/ft		top shot		bot shot	
13	shots	3	sht/ft	from	9794	to	9798
13	shots	3	sht/ft	from	9770	to	9774
13	shots	3	sht/ft	from	9752	to	9756
13	shots	3	sht/ft	from	9738	to	9742
52	shots	across			9738	to	9798

18. POOH with Perforating Guns. RU Frac Equipment.
19. Pressure test lines against the Frac Valve to 10,000 psi and hold for 5 min. An acceptable test will have a final bleed-off rate of less than **100 psi/min**.
20. Open Frac Valve and note SICP. Establish rate and perform the fracturing treatment per the attached 2nd Stage Pump Schedule spreadsheet. Do not exceed a **maximum allowable pressure of 9,000 psi**. Displace the well as pressures allow.
21. RD Frac Equipment. RU Wireline to set Composite Frac Plug at +/- 9,400'. Test to 1,000 psi over shut-in pressure.

22. Perforate 3rd Stage as follows w/ 4" Casing Gun with 120 deg Phasing 23 gram charge to obtain a 0.42 inch min EHD and FP of at least 8 inches. ****Breakdown first setting with water before finishing perforating runs.**

Total Shots		Shots/ft			top shot		bot shot
9	shots	2	sht/ft	from	9324	to	9328
13	shots	2	sht/ft	from	9308	to	9314
9	shots	2	sht/ft	from	9298	to	9302
9	shots	2	sht/ft	from	9284	to	9288
9	shots	2	sht/ft	from	9274	to	9278
9	shots	2	sht/ft	from	9260	to	9264
9	shots	2	sht/ft	from	9248	to	9252
9	shots	2	sht/ft	from	9238	to	9242
76	shots		across		<u>9238</u>	to	<u>9328</u>

23. POOH with Perforating Guns. RU Frac Equipment.
24. Pressure test lines against the Frac Valve to 10,000 psi and hold for 5 min. An acceptable test will have a final bleed-off rate of less than **100 psi/min**.
25. Open Frac Valve and note SICP. Establish rate and perform the fracturing treatment per the attached 3rd Stage Pump Schedule spreadsheet. Do not exceed a **maximum allowable pressure of 9,000 psi**. Displace the well as pressures allow.
26. RD Frac Equipment.
27. Once all stages on the Bonesprings Completion are finished. Prepare to RIH to drill out plugs.
28. After all plugs are drilled out, wait on order to run production assembly.
29. Prepare to turn over to production.

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-37113	Pool Code	Pool Name Quail Ridge; Bone Spring
Property Code 34666	Property Name PIPELINE DEEP "7" FEDERAL COM	Well Number 2
OGRID No. 162683	Operator Name Cimarex Energy Co. of Colorado	Elevation 3766'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	7	19 S	34 E		1480'	SOUTH	1215'	EAST	LEA

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 N	Consolidation Code	Order No. NSL Pending
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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. Signature Zeno Farris Printed Name Mgr Operations Admin Title October 3, 2006 Date	
	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 supervision, and that the same is true and correct to the best of my belief. December 1, 2004 Date Surveyed Signature of Professional Surveyor W.O. Jones Registered Professional Surveyor W.O. No. 4914 Certificate No. 7977 JLP BASIN SURVEYS	