

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., 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.

30-025- 38896

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) 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 M : 480 feet from the South line and 480 feet from the East line
Section 24 Township 15S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3769' 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: ☐

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.

Cimarex has changed drilling plans on the proposed Challenger 24 Fee No. 2 and would now like to make it a horizontal Wolfcamp test. Please see proposed operations below:

- Set surface, intermediate, and production (pilot hole) casing as permitted. Log and evaluate.
- Set whipstock plug @ 9228.' Mill window from 9213' to 9223' and kick off 4 3/4" hole @ 9218.' Drill horizontally to TD of MD 11159' and TVD 9413.'
- In 4 3/4" hole, run 4-stage 2 7/8" 6.5# N/L-80 EUE 8rd (Ultra-FX 500) tubing to TD. No cement.
- Complete as a horizontal Denton; Wolfcamp oil well.

Spacing unit will change from SWSW 24-15S-37E to W2SW 24-15S-37E. BHL will be 2310' FSL & 480' FWL (SHL remains the same).

Please see attached revised plat and preliminary directional survey.

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Natalie Krueger TITLE Regulatory Analyst DATE May 8, 2008

Type or print name Natalie Krueger Email address: nkruieger@cimarex.com Telephone No. 469-420-2723

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER

Conditions of Approval (if any):

DATE

MAY 16 2008

DISTRICT I
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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 30-025-	Pool Code 17290	Pool Name Denton; Wolfcamp
Property Code	Property Name CHALLENGER "24" FEE	Well Number 2
OGRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3769

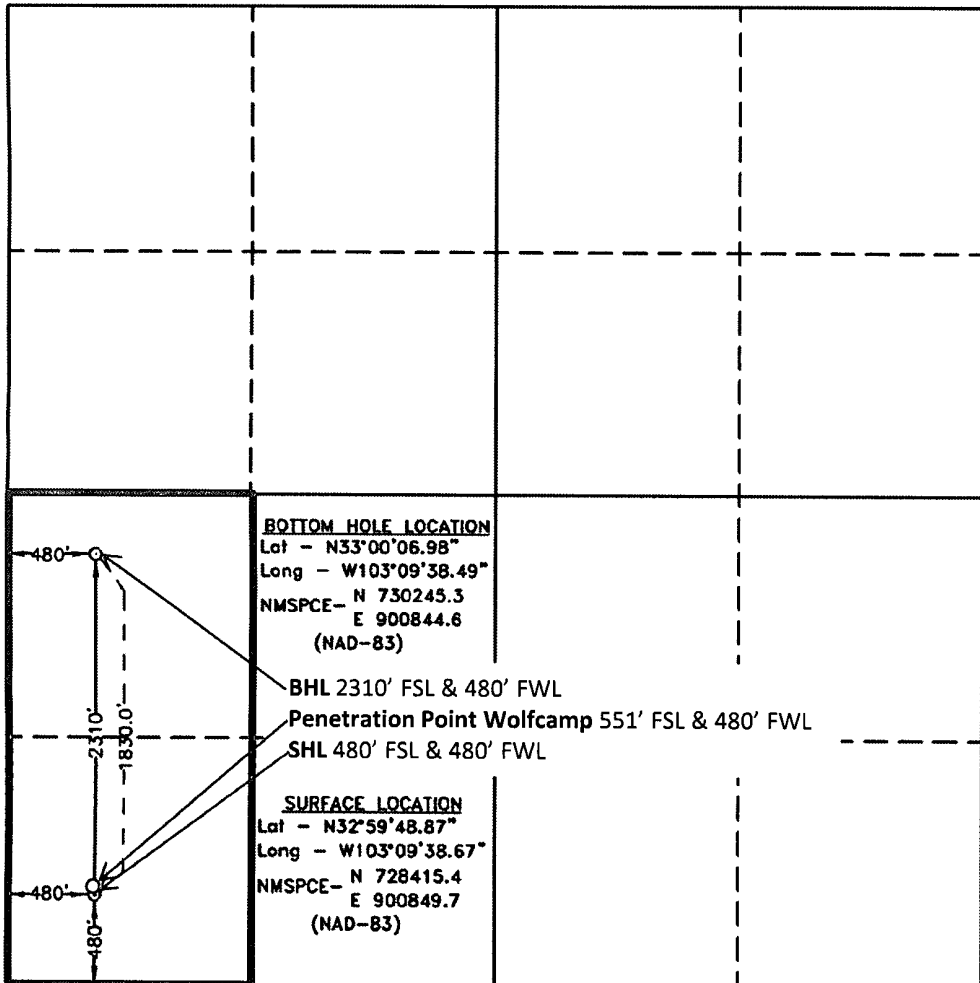
Surface Location

UL or lot No. M	Section 24	Township 15 S	Range 37 E	Lot Idn	Feet from the 480'	North/South line SOUTH	Feet from the 480'	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No. L	Section 24	Township 15 S	Range 37 E	Lot Idn	Feet from the 2310'	North/South line SOUTH	Feet from the 480'	East/West line WEST	County LEA
Dedicated Acres 80	Joint or Infill	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 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. <u>Zeno Farris</u> 05-08-08 Signature Date Zeno Farris Printed Name 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. MAY 07, 2008 Date Surveyed <u>Gary L. Jones</u> Signature Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS
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Weatherford®

Drilling Services

Proposal



CHALLENGER 24 FEE #2

LEA COUNTY, NEW MEXICO

WELL FILE: **PLAN 1**

MAY 7, 2008

Weatherford International, Ltd.

P.O. Box 61028

Midland, TX 79711 USA

+1 432.561.8892 Main

+1.432.561.8895 Fax

www.weatherford.com



CHALLENGER 24 FEE #2 LEA COUNTY, NEW MEXICO



SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0 00	0 00	0 48	0 00	0 00	0 00	0 00	0 00	0 00	
2	9218 00	0 00	0 48	9218 00	0 00	0 00	0 00	0 00	0 00	
3	9524 31	90 00	0 48	9413 00	194 99	1 63	29 38	0 48	195 00	
4	11159 21	90 00	0 48	9413 00	1829 84	15 30	0 00	0 00	1829 91	PBHL

WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
#2	0 00	0 00	728415 40	900849 70	32°59'48 857N	103°09'38 688W	N/A

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL	9413.00	1829.84	15.30	730245.30	900844.60	Point

FIELD DETAILS

Lea Co., NM (NAD 83)

Geodetic System US State Plane Coordinate System 1983
Ellipsoid GRS 1980
Zone New Mexico, Eastern Zone
Magnetic Model bggm2007

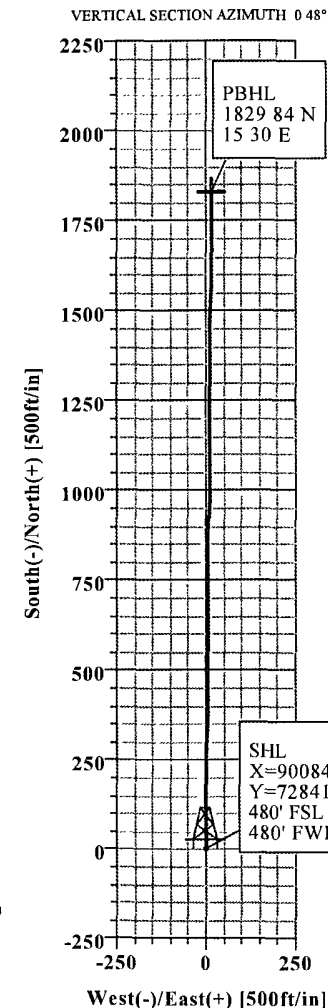
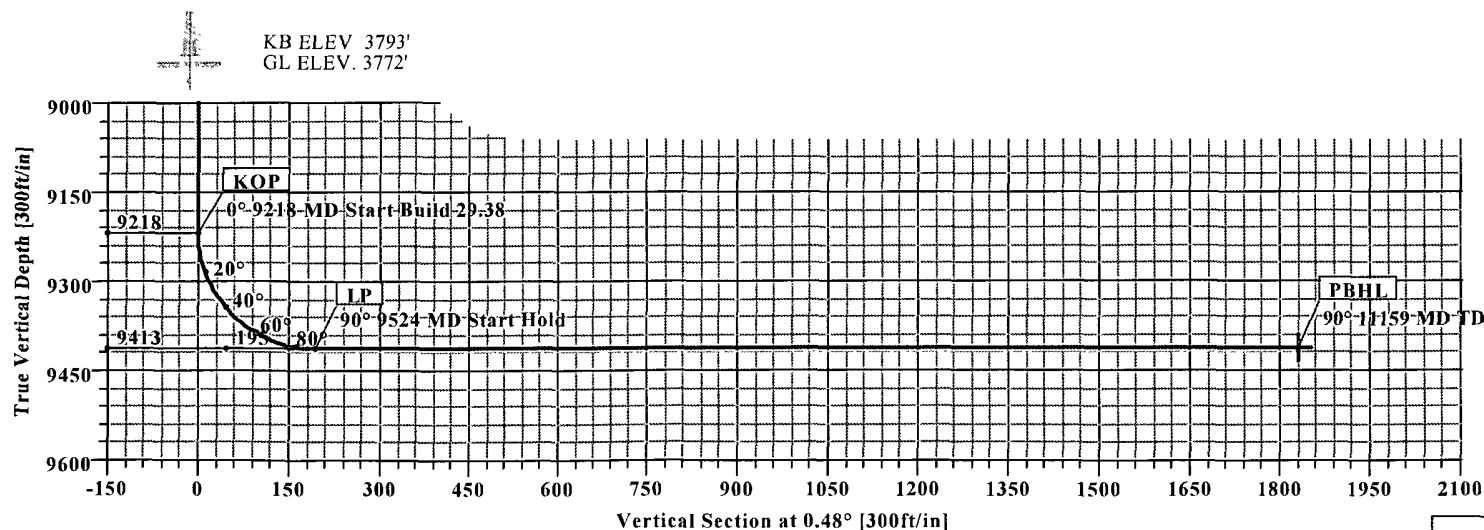
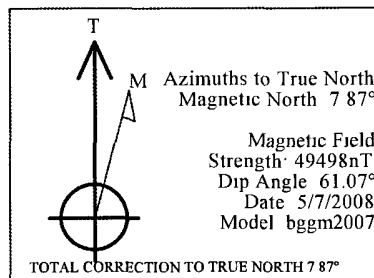
System Datum Mean Sea Level
Local North True North

SITE DETAILS

Challenger 24 Fee #2
480' FSL 480' FWL of SEC 24, T-15-S, R-37-E

Site Centre Northing 728415 40
Easting 900849 70

Ground Level 3772 00
Positional Uncertainty 0 00
Convergence 0 64



Plan Plan #1 (#2/1)

Created By: Lindsey Maddux

Date 5/7/2008



Weatherford International, Inc.

Proposal Plan Report



Weatherford

Company: Cimarex	Date: 5/7/2008	Time: 22:15:48	Page: 1
Field: Lea Co., NM (NAD 83)	Co-ordinate(NE) Reference:	Site: Challenger 24 Fee #2 True North	
Site: Challenger 24 Fee #2	Vertical (TVD) Reference:	SITE: 3793.0	
Well: #2	Section (VS) Reference:	Well: (0.00N,0.00E,0.48Azi)	
Wellpath: 1	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Plan: Plan #1	Date Composed: 5/7/2008
Principal: Yes	Version: 1
	Tied-to: From Surface

Field: Lea Co., NM (NAD 83)

Map System: US State Plane Coordinate System 1983	Map Zone: New Mexico, Eastern Zone
Geo Datum: GRS 1980	Coordinate System: Site Centre
Sys Datum: Mean Sea Level	Geomagnetic Model: bggm2007

Site: Challenger 24 Fee #2

480' FSL 480' FWL of SEC 24, T-15-S, R-37-E

Site Position:	Northing: 728415 40 ft	Latitude: 32 59 48.857 N
From: Map	Easting: 900849 70 ft	Longitude: 103 9 38.688 W
Position Uncertainty: 0.00 ft		North Reference: True
Ground Level: 3772.00 ft		Grid Convergence: 0.64 deg

Well: #2	Slot Name:
Well Position: +N/-S 0.00 ft	Northing: 728415.40 ft
+E/-W 0.00 ft	Easting: 900849.70 ft
Position Uncertainty: 0.00 ft	Latitude: 32 59 48.857 N
	Longitude: 103 9 38.688 W

Wellpath: 1	Drilled From: Surface
Current Datum: SITE	Tie-on Depth: 0.00 ft
Magnetic Data: 5/7/2008	Above System Datum: Mean Sea Level
Field Strength: 49498 nT	Declination: 7.87 deg
Vertical Section: Depth From (TVD)	Mag Dip Angle: 61.07 deg
ft	+N/-S
	ft
0.00	0.00
	Direction
	deg
	0.48

Plan Section Information

MD	Incl	Azim	TVD	+N/-S	+E/-W	DLS	Build	Turn	TFO	Target
ft	deg	deg	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	deg	
0.00	0.00	0.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9218.00	0.00	0.48	9218.00	0.00	0.00	0.00	0.00	0.00	0.00	
9524.31	90.00	0.48	9413.00	194.99	1.63	29.38	29.38	0.00	0.48	
11159.21	90.00	0.48	9413.00	1829.84	15.30	0.00	0.00	0.00	0.00	PBHL

Survey

MD	Incl	Azim	TVD	N/S	E/W	VS	Build	Turn	DLS	TFO	Comment
ft	deg	deg	ft	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	deg	
9200.00	0.00	0.48	9200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48	KOP
9218.00	0.00	0.48	9218.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48	
9220.00	0.59	0.48	9220.00	0.01	0.00	0.01	29.38	0.00	29.38	0.00	
9230.00	3.53	0.48	9229.99	0.37	0.00	0.37	29.38	0.00	29.38	0.00	
9240.00	6.46	0.48	9239.95	1.24	0.01	1.24	29.38	0.00	29.38	0.00	
9250.00	9.40	0.48	9249.86	2.62	0.02	2.62	29.38	0.00	29.38	0.00	
9260.00	12.34	0.48	9259.68	4.51	0.04	4.51	29.38	0.00	29.38	0.00	
9270.00	15.28	0.48	9269.39	6.89	0.06	6.89	29.38	0.00	29.38	0.00	
9280.00	18.22	0.48	9278.96	9.77	0.08	9.77	29.38	0.00	29.38	0.00	
9290.00	21.16	0.48	9288.38	13.14	0.11	13.14	29.38	0.00	29.38	0.00	
9300.00	24.09	0.48	9297.60	16.99	0.14	16.99	29.38	0.00	29.38	360.00	
9310.00	27.03	0.48	9306.62	21.30	0.18	21.30	29.38	0.00	29.38	0.00	
9320.00	29.97	0.48	9315.41	26.07	0.22	26.07	29.38	0.00	29.38	0.00	
9330.00	32.91	0.48	9323.94	31.29	0.26	31.29	29.38	0.00	29.38	0.00	
9340.00	35.85	0.48	9332.20	36.93	0.31	36.94	29.38	0.00	29.38	360.00	
9350.00	38.78	0.48	9340.15	43.00	0.36	43.00	29.38	0.00	29.38	0.00	
9360.00	41.72	0.48	9347.78	49.46	0.41	49.46	29.38	0.00	29.38	0.00	



Weatherford International, Inc.

Proposal Plan Report

**Weatherford**

Company: Cimarex
Field: Lea Co., NM (NAD 83)
Site: Challenger 24 Fee #2
Well: #2
Wellpath: 1

Date: 5/7/2008 Time: 22:15:48 Page: 2
Co-ordinate(NE) Reference: Site: Challenger 24 Fee #2 True North
Vertical (TVD) Reference: SITE 3793.0
Section (VS) Reference: Well (0.00N,0.00E,0.48Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	Build deg/100ft	Turn deg/100ft	DLS deg/100ft	TFO deg	Comment
9370.00	44.66	0.48	9355.07	56.30	0.47	56.30	29.38	0.00	29.38	0.00	
9380.00	47.60	0.48	9362.00	63.51	0.53	63.51	29.38	0.00	29.38	360.00	
9390.00	50.54	0.48	9368.55	71.06	0.59	71.06	29.38	0.00	29.38	0.00	
9400.00	53.48	0.48	9374.70	78.94	0.66	78.94	29.38	0.00	29.38	0.00	
9410.00	56.41	0.48	9380.45	87.13	0.73	87.13	29.38	0.00	29.38	0.00	
9420.00	59.35	0.48	9385.76	95.59	0.80	95.60	29.38	0.00	29.38	0.00	
9430.00	62.29	0.48	9390.64	104.32	0.87	104.33	29.38	0.00	29.38	0.00	
9440.00	65.23	0.48	9395.06	113.29	0.95	113.30	29.38	0.00	29.38	0.00	
9450.00	68.17	0.48	9399.01	122.48	1.02	122.48	29.38	0.00	29.38	0.00	
9460.00	71.11	0.48	9402.49	131.85	1.10	131.85	29.38	0.00	29.38	0.00	
9470.00	74.04	0.48	9405.49	141.39	1.18	141.39	29.38	0.00	29.38	0.00	
9480.00	76.98	0.48	9407.99	151.07	1.26	151.07	29.38	0.00	29.38	0.00	
9490.00	79.92	0.48	9409.99	160.87	1.34	160.87	29.38	0.00	29.38	0.00	
9500.00	82.86	0.48	9411.49	170.75	1.43	170.76	29.38	0.00	29.38	0.00	
9510.00	85.80	0.48	9412.48	180.70	1.51	180.71	29.38	0.00	29.38	0.00	
9520.00	88.74	0.48	9412.95	190.69	1.59	190.70	29.38	0.00	29.38	0.00	
9524.31	90.00	0.48	9413.00	194.99	1.63	195.00	29.38	0.00	29.38	0.00	LP
9600.00	90.00	0.48	9413.00	270.69	2.26	270.69	0.00	0.00	0.00	0.00	
9700.00	90.00	0.48	9413.00	370.68	3.10	370.69	0.00	0.00	0.00	0.00	
9800.00	90.00	0.48	9413.00	470.68	3.94	470.69	0.00	0.00	0.00	0.00	
9900.00	90.00	0.48	9413.00	570.67	4.77	570.69	0.00	0.00	0.00	0.00	
10000.00	90.00	0.48	9413.00	670.67	5.61	670.69	0.00	0.00	0.00	0.00	
10100.00	90.00	0.48	9413.00	770.67	6.44	770.69	0.00	0.00	0.00	0.00	
10200.00	90.00	0.48	9413.00	870.66	7.28	870.69	0.00	0.00	0.00	0.00	
10300.00	90.00	0.48	9413.00	970.66	8.12	970.69	0.00	0.00	0.00	0.00	
10400.00	90.00	0.48	9413.00	1070.66	8.95	1070.69	0.00	0.00	0.00	0.00	
10500.00	90.00	0.48	9413.00	1170.65	9.79	1170.69	0.00	0.00	0.00	0.00	
10600.00	90.00	0.48	9413.00	1270.65	10.62	1270.69	0.00	0.00	0.00	0.00	
10700.00	90.00	0.48	9413.00	1370.65	11.46	1370.69	0.00	0.00	0.00	0.00	
10800.00	90.00	0.48	9413.00	1470.64	12.30	1470.69	0.00	0.00	0.00	0.00	
10900.00	90.00	0.48	9413.00	1570.64	13.13	1570.69	0.00	0.00	0.00	0.00	
11000.00	90.00	0.48	9413.00	1670.64	13.97	1670.69	0.00	0.00	0.00	0.00	
11100.00	90.00	0.48	9413.00	1770.63	14.80	1770.69	0.00	0.00	0.00	0.00	
11159.21	90.00	0.48	9413.00	1829.84	15.30	1829.91	0.00	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<--- Latitude ---> Deg Min Sec			<--- Longitude ---> Deg Min Sec		
PBHL			9413.00	1829.84	15.30	730245.30	900844.60	33	0	6.960 N	103	9	38.509 W

Formations

MD	TVD	Formations	Lithology	Dip Angle	Dip Direction



Weatherford International, Inc.

Proposal Plan Report

**Weatherford**

Company:	Cimarex	Date:	5/7/2008	Time:	22:15:48	Page:	3
Field:	Lea Co., NM (NAD 83)	Co-ordinate(NE) Reference:	Site: Challenger 24 Fee #2, True North				
Site:	Challenger 24 Fee #2	Vertical (TVD) Reference:	SITE 3793.0				
Well:	#2	Section (VS) Reference:	Well (0.00N, 0.00E, 0.48Azi)				
Wellpath:	1	Survey Calculation Method:	Minimum Curvature				Db: Sybase

Annotation

MD ft	TVD ft	
9218.00	9218.00	KOP
9524.31	9413.00	LP
11159.21	9413.00	PBHL

Casing Points

MD	TVD	Diameter	Hole Size	Name