

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. 30-025-37991
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Pennzoil B 36 State
8. Well Number 001
9. OGRID Number 162683
10. Pool name or Wildcat Apache Ridge; Bone Spring

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		7. Lease Name or Unit Agreement Name Pennzoil B 36 State
2. Name of Operator Cimarex Energy Co. of Colorado		8. Well Number 001
3. Address of Operator PO Box 140907; Irving, TX 75014-0907		9. OGRID Number 162683
4. Well Location Unit Letter <u>H</u> : <u>1980</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>36</u> Township <u>19S</u> Range <u>33E</u> NMPM County <u>Lea</u>		10. Pool name or Wildcat Apache Ridge; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3619' GR		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Add Bone Spring Perfs & Install Artificial Lift System <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Well is currently flowing from Bone Spring perfs @ 9441'-9472' -- 9486'-9510' -- 9520'-9544.'

Cimarex proposes to perform the following operations in order to increase production:

- Perf Bone Spring 9391'-9416' with 3½" to 4" casing guns, 3 spf, 120° phasing, premium charges
- Set RBP @ 9440' and packer @ 9350'
- Acidize w/ 2000 gal 7½% Bone Spring Blend Acid and 115 ball sealers
- Swab back load
- TOH w/ RBP & pkr
- Install production tubing string: bull-plugged 2 jt mud anchor, perf sub @ 100' below perfs (approx 9650'), mechanical SN w/ strainer nipple, 275' tbg, TAC w/ 35K shear 50' above perfs...set TAC in 16-20 points of tension
- Install rod pump: 20-125-RHBM-24-6-00 pump, 300' 1½" K-baars, 227-5675' of ¾" Norris 97 rods, 147-3675' ¾" Norris 97 rods

Turn well back onto production/sales as an Apache Ridge; Bone Spring oil well.

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 Natalie Krueger TITLE Regulatory Analyst DATE June 12, 2008

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUN 17 2008  
Conditions of Approval (if any):

RECEIVED

JUN 13 2008

HOBBS OCD