

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
OIL CONSERVATION DIVISION
JUN 30 2008
1220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBS OGD

<p>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.)</p> <p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>WELL API NO. 30-025-38558</p>
<p>2. Name of Operator Cimarex Energy Co. of Colorado</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>3. Address of Operator PO Box 140907; Irving, TX 75014-0907</p>		<p>6. State Oil & Gas Lease No.</p>
<p>4. Well Location SHL Unit Letter G : 1980 feet from the North line and 1980 feet from the East line Section 36 Township 19S Range 33E NMPM County Lea</p>		<p>7. Lease Name or Unit Agreement Name Pennzoil B 36 State</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3608' GR</p>		<p>8. Well Number 003</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>9. OGRID Number 162683</p>
<p>Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____</p>		<p>10. Pool name or Wildcat Apache Ridge; Bone Spring</p>
<p>Pit Liner Thickness: _____ Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>		

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, Acidize <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.

In an effort to increase production in this Apache Ridge; Bone Spring well, Cimarex proposes the following operations:

- 1) Use scale inhibitor in any kill fluids pumped.
- 2) Run 3.69" gauge ring/junk basket and tag PBTD at +/-10063'.
- 3) Perforate 3 spf w/ 3-1/8" guns as follows:
 - a. 9394-9416' 22' 67 holes
 - b. 9444-9452' 8' 25 holes
 - c. 9457-9461' 4' 13 holes
 - d. 9464-9468' 4' 13 holes

TOTAL 38', 118 holes
- 4) Acidize using 3800 gallons 7.5% Bone Spring Acid (same blend as pumped on Pennzoil B 36 #1) packer/plug w/ ball catcher. Swab back load. Scale squeeze entire interval.)
- 5) TOH w/ packer and plug. Run pumping equipment and put on production. Monitor scale residuals.

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 27, 2008

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

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APPROVED BY: Chris Williams TITLE OCD DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUL 07 2008

Conditions of Approval (if any):