*Form 3160-5

UNITED STATES

OCD-HOBBS

FORM APPROVED

(November 1994)	DEPARTMENT OF T BUREAU OF LAND		OCD-HORDS	OMB No 1004-0135 Expires July 31, 1996 5 Lease Senal No
	SUNDRY NOTICES AND I To not use this form for propos Doubled well. Use form 3160	sals to drill or to re	e-enter an proposals.	NM-4314 6 If Indian, Allottee or Tribe Name 7 If Unit or CA/Agreement, Name and/or No
SUBMIT IN	TRIPLICATE - Other instructio	ns on reverse sid	le .	
Type of Well Gas Well Name of Operator Cimarex Energy Co. of Colo	Other			8 Well Name and No. Pipeline B 6 Federal No. 3 9 API Well No
3a Address		3b Phone No (inc	clude area code)	30-025-38045
PO Box 140907; Irving, TX 7	5014-0907	972-401-311	.1	10. Field and Pool, or Exploratory Area
 Location of Well (Footage, Sec , T., R. 2310 FNL & 1980 FWL 6-19S-34E 	M, or Survey Description) Uni + F			E-K; Bone Spring 11. County or Pansh, State Lea County, NM
12. CHECK A	PPROPRIATE BOX(ES) T	O INDICATE N	ATURE OF NOTICE	, REPORT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
X Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abando		Well Integrity Other
Attach the bond under which the work following completion of the involved o testing has been completed. Final At determined that the site is ready for fi	ration (clearly state all pertinent details, in ly or recomplete horizontally, give subsurf will be performed or provide the Bond No perations If the operation results in a mu landonment Notices shall be filed only afternal inspection)	icluded estimated startir face locations and meas on file with BLM/BIA I litiple completion or reco er all requirements, inclu-	ng date of any proposed work ar sured and true vertical depths of Required subsequent reports sh ompletion in a new interval, a Fo uding reclamation, have been co	f all pertinent markers and zones nall be filed within 30 days orm 3160-4 shall be filed once
		12 2002	D	APPROVED

HOBBS OCD

JAMES A. AMOS SUPERVISOR-EPS

14 I hereby certify that the foregoing is true and correct		
Name (Printed/Typed)	Title ,	۸
Natalie Krueger	Regulatory Analyst	
Signature	Date	•
Vatalie Knuge	July 22, 2008	
THIS SPACE FOR FEDE	RAL OR STATE OFFICE USE	
Approved by AAAA	Title	Date
Conditions of Approval, if any, are attached Approval of this notice does not warrant or	Office	•
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	<u> </u>	

Cimarex

Account Representative: Lavell Hanson

Production Water Analysis

Listed below please find water analysis report from: Pipeline B6 Fed, #3

Lab Test No:

2008114659

Sample Date:

04/08/2008

Specific Gravity:

1.096

TDS:

146486

pH:

7.10

Resistivity: .10 @ 71F

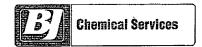
ohms/M

Cations:	mg/L	as:
Calcium	2053	(Ca ⁺⁺)
Magnesium	393	(Mg ⁺⁺)
Sodium	41941	(Na ⁺)
Iron	118.39	(Fe ⁺⁺)
Potassium	4660.8	(K [†])
Barium	0.67	(Ba ^{††})
Strontium	184.96	(Sr ⁺⁺)
Manganese	2.31	(Mn ⁺⁺)
Anions:	mg/L	as:
Bicarbonate	182	(HCO,)
Sulfate	1250	(SO ₄)
Chloride	98700	(CI)
Gases:		
Carbon Dioxide	80	(CO ₂)
Hydrogen Sulfide	0	(H ₂ S)

Cimarex

Lab Test No: 2008114659

DownHole SAT[™] Scale Prediction @ 100 deg. F



Mineral Scale	Saturation Index	Momentary Excess (lbs/1000 bbls)
Calcite (CaCO3)	2.59	.076
Aragonite (CaCO3)	2.2	.0674
Witherite (BaCO3)	< 0.001	-27.2
Strontianite (SrCO3)	.193	757
Magnesite (MgCO3)	.669	0515
Anhydrite (CaSO4)	.266	-550.62
Gypsum (ČaSO4*2H2O)	.311	-516.51
Barite (BaSO4)	1.24	.0757
Celestite (SrSÓ4)	.332	-152.21
Silica (SiO2)	0	-43.62
Brucite (Mg(OH)2)	< 0.001	53
Magnesium silicate	0	-111.98
Siderite (FeCO3)	132.26	.142
Halite (NaCl)	.0898	-122604
Thenardite (Na2SO4)	< 0.001	-83501
Iron sulfide (FeS)	0	0105

Interpretation of DHSat Results:

The Saturation Index is calculated for each mineral species independently and is a measure of the degree of supersaturation (driving force for precipitation) under the conditions modeled. This value ranges from 0 to infinity with 1.0 representing a condition of equilibrium where scale will neither dissolve nor precipitate. Values less than 1.0 are undersaturated and values greater than 1.0 are supersaturated. The scale is logarithmic, i.e. a Saturation Index of 3 is 10 times more saturated than a value of 2.

The Momentary excess is a measure of how much scale would have to precipitate to bring the system back to a non-scaling condition. This value ranges from negative (dissolving) infinity to positive (precipitating) infinity. The Momentary Excess represents the amount of scale possible while the Saturation Level represents the probability that scale will form.

Attachment to Incident of Non Compliance Number KAH-028-08

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1.	Nan	ne(s) of all formation(s) producing water on this lease.		
	<u>E-K</u>	; Bone Spring		
2.	Am	ount of water produced from all formations in barrels per day.		
	30.2	2 bpd		
3.	Atta	ich a current water analysis of produced water from all zones showing at least the total dissolved		
	soli	ds, pH, and the concentrations of chlorides and sulfates.		
4. How water is stored on the lease.				
	1 30	1 300 bbl fiberglass tank		
5.	How water is moved to the disposal facility.			
	1	Trucked		
6.	Ider	ntify the disposal facility by:		
	A.	Facility Operator's Name: Ruthco Oil, LLC		
	B.	Name of facility or well name and number: Hobbs East S A No. 104		
	C.	Type of facility or well (WDW, WIW), etc.: SWD		
	D.	Location by ¼ ¼, Section, Township, and Range: SWNW 30-18S-39E		
7	Atta	ach a copy of the state-issued permit for the Disposal Facility.		

Submit to this office (414 West Taylor; Hobbs, NM 88240) the above-required information on a sundry notice 3160-5. Submit 1 original and 5 copies within the required time frame. This form may be used as an attachment to the sundry notice. Call me at 505-393-3612 if you need to further discuss this matter.

Entered Stephenson 121168

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 3844 Order No. R-3500

APPLICATION OF RICE ENGINEERING & OPERATING, INC., FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21, 1968. at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

MOW, on this 12th day of September, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Rice Engineering & Operating, Inc., is the owner and operator of the Hobbs East San Andres SWD Well No. F-30 (formerly the Humble Oil & Refining Company S. E. Cain Well No. 1), located in Unit F of Section 30, Township 18 South, Range 39 East, NMPM, Hobbs East San Andres Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Queen, San Andres, and Glorieta formations in the perforated intervals at approximately 3808-3834, 3962-3992, 5248-5261, and 5980-6054 feet.
- (4) That the injection should be accomplished through 2 1/2inch plastic-lined tubing; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing or casing.

-2-CASE No. 3844 Order No. R-3500

That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Rice Engineering & Operating, Inc., is hereby authorized to utilize its Hobbs East San Andres SWD Well No. F-30 (formerly the Humble Oil & Refining Company 5. E. Cain Well No. 1), located in Unit F of Section 30, Township 18 South, Range 39 East, NMPH, Hobbs East San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the Queen, San Andres, and Glorieta formations, injection to be through 2 1/2inch tubing into the perforated intervals from approximately 3962-3992, 5248-5261, and 5980-6064 feet;

PROVIDED HOWEVER, that prior to said utilization, the applicant shall cause the perforated interval from 3808 feet to 3834 feet in the subject well to be squeezed with a minimum of 75 sacks of cement and the 4-inch liner set at 6480 feet to be perforated above 5200 feet and additional cementing of said liner effected to ensure the annular space is cemented from said liner shoe back into the 5 1/2-inch casing set at 4464 feet;

PROVIDED FURTHER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing or casing.

- (2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

SEAL

esr/

PORTER, Jr., Member & Secretary