

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

RECEIVED

JUN 22 2009

HOBBSOCD

CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-35833
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 Shelley 35 State
8. Well Number 4
9. OGRID Number 1162683
10. Pool name or Wildcat Monument, Tubb

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

3. Address of Operator
600 North MARSHFIELD Suite 600 Midland, TX 79701

4. Well Location
Unit Letter G : 2310 feet from the North line and 2310 feet from the EAST line
Section 35 Township 14S Range 37E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Oil theft

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.

At around 8:45 am on 6-8-09, I received a call from one pumpjack in the Monument, NM leases. He informed me that he was missing some oil (117 bbls). We called the LEA County Sheriff Dept. to make a report. The officer took pictures & said it would be turned over to dept. for further investigation.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Hugo Naegele Jr TITLE Production Foreman DATE 6/10/09

Type or print name Hugo Naegele Jr E-mail address: hnaegele@CIMAREX.com PHONE: 390-9394
For State Use Only

APPROVED BY: Tom W. Hill TITLE DISTRICT 1 SUPERVISOR DATE JUN 24 2009
Conditions of Approval (if any):

PROPERTY	PROPERTY STATUS		1- STOLEN 2- STOLEN & RECOVERED 3- RECOVERED (STOLEN THIS JURIS.)		4- RECOVERED (STOLEN OTHER JURIS) 5- EVIDENCE 6- LOST		7- FOUND 8- COUNTERFEIT/FORGED 9- DAMAGED/DESTROYED/VANDALIZED		10- BURNED 11- SEIZED 12- INFO IN CRIME		13- SAFEKEEPING 14- UNKNOWN 15- EMBEZZLED			
	PROPERTY TYPE		02- ALCOHOL 04- BICYCLES 06- CLOTHES/PURS 07- COMPUTER HARDWARE/SOFTWARE 08- CONSUMABLE GOODS 09- CREDIT/DEBIT CARDS 10- DRUGS/NARCOTICS 11- DRUG/NARCOTIC EQUIPMENT		12- FARM EQUIPMENT 13- FIREARMS 14- GAMBLING EQUIPMENT 15- HOUSEHOLD GOODS 17- JEWELRY/PRECIOUS METALS 18- LIVESTOCK 19- MARC/WAREHSE		20- MONEY 21- NEGOTIABLE INSTRUMENTS 22- NON-NEGOTIABLE INSTRUMENTS 23- OFFICE EQUIPMENT 25- PURSES/HANDBAGS/WALLETS 26- RADIOS/TV/VCRs 27- RECORDINGS-AUDIO/VISUAL 29- STRUCTURES-SINGLE OCCUPANCY		30- STRUCTURES-OTHER DWELLINGS 31- STRUCTURES-OTHER COMM/BUSINESS 32- STRUCTURES-INDUSTRIAL/MANUF 33- STRUCTURES-PUBLIC/COMMUNITY 34- STRUCTURES-STORAGE 35- STRUCTURES-OTHER 36- TOOLS 38- VEHICLE PARTS/ACCESSORIES		40- SKIS/SKI EQUIPMENT 77- OTHER 88- PENDING INVENTORY 99- SPECIAL CATEGORY			
	DRUG TYPE		A- CRACK B- COCAINE C- HASHISH		D- HEROIN E- MARIJUANA F- MORPHINE		G- OPTUM H- OTHER NARCOTICS I- LSD		J- PCP K- OTHER HALLUCINOGENS L- AMPH/METHAM.		M- OTHER STIMULANTS N- BARBITURATES O- OTHER DEPRESSANTS		P- OTHER DRUGS U- UNKNOWN X- OVER 3 TYPES	
	FIELD UNIT OF MEASURE		GM-GRAM		KG-KILOGRAM		OZ-OUNCE		LB-POUND		GL-GALLON		NP-NO PLANT LT-LITER	
PROPERTY	1-PROPERTY STATUS	PROPERTY TYPE	TYPE OF ITEM		MAKE/BRAND		MODEL		CALIBER		VALUE (EXCEPT DRUGS)			
	1	77	Crude Oil								\$7,030.80			
	SUSPECTED DRUG TYPE	QUANTITY/ UNIT OF MS	DESCRIPTION (COLOR,SIZE,FEATURES,ETC)		SERIAL/OAN		DATE RECOVERED		NIC NO					
		15.92 Br	Black Brown production oil.											
	2-PROPERTY STATUS	PROPERTY TYPE	TYPE OF ITEM		MAKE/BRAND		MODEL		CALIBER		VALUE (EXCEPT DRUGS)			
	SUSPECTED DRUG TYPE	QUANTITY/ UNIT OF MS	DESCRIPTION (COLOR,SIZE,FEATURES,ETC)		SERIAL/OAN		DATE RECOVERED		NIC NO					
	3-PROPERTY STATUS	PROPERTY TYPE	TYPE OF ITEM		MAKE/BRAND		MODEL		CALIBER		VALUE (EXCEPT DRUGS)			
	SUSPECTED DRUG TYPE	QUANTITY/ UNIT OF MS	DESCRIPTION (COLOR,SIZE,FEATURES,ETC)		SERIAL/OAN		DATE RECOVERED		NIC NO					
	4-PROPERTY STATUS	PROPERTY TYPE	TYPE OF ITEM		MAKE/BRAND		MODEL		CALIBER		VALUE (EXCEPT DRUGS)			
	SUSPECTED DRUG TYPE	QUANTITY/ UNIT OF MS	DESCRIPTION (COLOR,SIZE,FEATURES,ETC.)		SERIAL/OAN		DATE RECOVERED		NIC NO					
	M.O. EVENT CODES (AGENCY OPTIONAL USE)										TOTAL VALUE STOLEN \$ 7,030.80		TOTAL VALUE REC \$	
	SYNOPSIS	day, June 8, 2009 at approximately 0923 hours, I Deputy Earl Burnett was dispatched to Sec35-T19S-R37E in reference to larceny of C												
See Attached Narrative.														
NARRATIVE														
CERT./STATUS	"I WILL PROSECUTE/TESTIFY SHOULD THE OFFENDER BE ARRESTED"		YES	NO	"I UNDERSTAND IT IS A CRIMINAL OFFENSE TO FILE A FALSE REPORT TO POLICE"		COMPLAINANT / VICTIM CERTIFICATION SIGNATURE				DATE			
	REPORTING OFFICER (PRINT)		RANK		ID NO	DATE	DETECTIVE/FOLLOW-UP OFFICER/REFERRED TO				ID NO	DATE		
	Earl Burnett		Deputy		L-14	06/09/09								
	ASSISTING OFFICER (PRINT)		RANK		ID NO	DATE	PROCESSED BY		DATE	DATA ENTRY PERSON		DATE		
	APPROVING OFFICER (PRINT)		RANK		ID NO	DATE	EXCEPTION CODE		A-DEATH B-DECLINED C-EXTRA DENIED	D-REF COOPERATE E-3IVE N-NOT APPLIC		DATE		
AGENCY OPTIONAL USE (DISTRIBUTION, OTHER OFFICERS, ETC)							CASES CLEARED BY THIS ARREST		CASE NO		CASE NO			

LEA COUNTY SHERIFF'S DEPARTMENT NARRATIVE REPORT	ORIGINAL OFFENSE DATE	CASE NUMBER	PAGE	OF
	06/08/09	20098078		
ORIGINAL OFFENSE REPORTED	ORIGINAL VICTIM'S NAME (LAST, FIRST, MI)		DATE OF BIRTH	
Larceny over \$2,500	Cimarex Energy Company		N/A	

Basis for Investigation: On Monday, June 8, 2009 at approximately 0923 hours, I Deputy Earl Burnett was dispatched to oil field location Sec35-T19S-R37E in reference to Larceny of crude oil.

Contact with reporting party / Victim: Upon my arrival I made contact with (RP) Dustan Lord who is the Gauger for (V) Cimarex Energy Co. Dustan stated he pulled up to location to check the water and oil tank and noticed the oil tank readings were low according to the tank mounted gauge. Dustan stated he last checked the tank on Sunday, June 7, 2009 and the reading on the outside of the tank was 5' 3". Dustan stated when he showed up on Monday, June 8, 2009 the reading was 1' 9" which indicate there was a loss of 42" of product missing from the tank. Dustan stated the average amount of product in barrels is approximately 115.92 barrels according to his hand gauge measurements. I asked Dustan what was the current price per barrel of product. Dustan stated the oil price per barrel is approximately 60 dollars per barrel. I asked Dustan for the estimated value of the amount of product stolen from the location. Dustan stated the estimated dollar amount of oil per barrel totaled to \$7,030.80. I asked Dustan if there were any possible suspects who might have taken the product. Dustan stated his company had recently canceled the lease with Vista Services located in Eunice. Dustan stated his foreman Hugo Naegele called the Vista office to ascertain if there was any one in the area Saturday before the oil was stolen. Hugo stated the personnel at Vista Services told him that there was not a truck out in the area Saturday or Sunday. Dustan stated after he had reported the theft of the oil to his foreman he noticed a pumper for Dean Contract Pumping coming from a tank battery owned by Vista. Dustan stated the gauger told him he had seen a Vista truck in the area over the weekend. Dustan stated he then check with Maclaskey Oilfield Services to see if any of their drivers had been at the location of Sunday and they told him they only had one load of water taken from the location which occurred on Saturday. *hauled a load from the lease near it.*

Witness statements: There are no witnesses at this time.

Suspect Statements: There are no known suspects at this time. Dustan believed subject working for the company Vista services maybe the suspect who took the oil.

Characteristics / Condition of scene: The area of the tank batteries consisted of rocks and gravel. No visible foot prints were found. I observed a set of double tire tracks in front of the crude oil tank battery.

Total Amount of value taken: Dustin calculated the amount of crude oil stolen out of the tank is 115.92 barrels which totals to \$7,030.80 at \$60.00 per barrel.

Pertinent Documents / Attachments / Written Statements: Dustan handed me a copy of two field work tickets for Maclaskey delivering water to other locations which was the last trucks at the location.

Coordination with D.A.'s Office: Not at this time.

Case Status: Referred to Investigation.

Reporting Deputy:		Date:	Reviewed By:		Date:
E. Burnett L-14		06/09/09	Sgt. Jon C. MARTINEZ		06/16/09
Prosecution Waived:	State	Victim			
Case Closed:	Warrant	Arrest	Unfounded	Referral	Suspended
Information Only					

STATE OF NEW MEXICO SUPPLEMENTAL REPORT				ORIGINAL OFFENSE DATE 06/08/09	SUPP. DATE 06/18/09	CASE NO.	INC. NO. 20098078	PAGE	OF
ORIGINAL OFFENSE REPORTED Larceny over \$2,500				ORIGINAL VICTIM'S NAME (LAST, FIRST, MIDDLE) Cimarex Energy Company				DATE OF BIRTH N/A	
LOCATION OF OCCURANCE Sec35-T19S-R37E South of Monument Highway									
<p>In primary report it was previously stated Maclaskey had removed a load of water from the location where the crude oil was stolen from. I was contacted by Hugo who stated the load of water was not taken from the same location, but from another location in the area.</p> <p>As previously stated in my report. The company Vista Well Service was not the least owner of the tank battery located to the east of Cimarex location. Instead Pride Energy is the owner of the lease and Vista did the transporting of the product.</p> <p>Case status: Still under investigation, by investigators.</p>									
<div> <div> <div>REPORTING OFFICER E. Burnett</div> <div>RANK Deputy</div> <div>I.D. NO. L-14</div> <div>DATE 06/18/09</div> </div> <div> <div>DETECTIVE / FOLLOW-UP OFFICER /REFERRED TO</div> <div>I.D. NO.</div> <div>DATE</div> </div> </div> <div> <div>ASSISTING OFFICER</div> <div>RANK</div> <div>I.D. NO.</div> <div>DATE</div> <div>PROCESSED BY</div> <div>DATE</div> <div>DATA ENTRY PERSON</div> <div>DATE</div> </div> <div> <div>APPROVING OFFICER</div> <div>RANK</div> <div>LD NO.</div> <div>DATE</div> <div> <div>INCIDENT STATUS</div> <div> <div>ACT</div> <div>INACT</div> <div>CLOSED</div> <div>UNF</div> <div>CLA</div> <div>CLE</div> </div> <div>EXECPT CODE</div> <div> A-DEATH OF OFFENDER B-PROG. DECLINED C-EXTRADITION DENIED D-VICTIM REF TO COOPERATE E-JUVENILE NO CUSTODY N- NOT APPLICABLE </div> </div> <div>DATE</div> </div>									

AGENCY OPTIONAL USE (DISTRIBUTION, OTHER OFFICERS, ETC.)

CASES CLEARED BY THIS ARREST

CASE NO.

CASE NO.