

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

1625 N. French Dr., Hobbs, NM 87240

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

FEB 22 2010

HOBBSOCD

OIL CONSERVATION DIVISION

220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-26493
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: PENNZOIL STATE
8. Well Number 001
9. OGRID Number
10. Pool name or Wildcat LOVINGTON; UPPER PENN, NE

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 ☐	7. Lease Name or Unit Agreement Name: PENNZOIL STATE
2. Name of Operator CIMAREX ENERGY CO. OF COLORADO ATTN: ZENO FARRIS	8. Well Number 001
3. Address of Operator 600 N. MARIENFELD, SUITE 600, MIDLAND, TEXAS 79701	9. OGRID Number
4. Well Location Unit Letter G : 1,980 feet from the NORTH line and 1,980 feet from the EAST line Section 18 Township 16S Range 37E NMPM County LEA	10. Pool name or Wildcat LOVINGTON; UPPER PENN, NE
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,851' - GR	
Pit or Below-grade Tank Application ☐ or Closure ☒	
Pit type STEEL Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material NONE WITHIN 1,000'	

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 COMPLETION ☐
- OTHER: ☐

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
- COMMENCING OPNS. ☐ PLUG AND ABANDONMENT ☐
- CASING TEST CEMENT JOB ☐
- OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including the beginning and ending dates of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed operations or recompletion.

- 1) SET 4-1/2" CIBP @ 11,350'; MIX X PUMP A 25 SX. CMT. PLUG @ 11,350'; CIRC. WELL W/ FXA MUD.
- 2) PUMP A 25 SX. CMT. PLUG @ 9,995'-9,745' (T/WC); PUMP A 25 SX. CMT. PLUG @ 7,825'-7,750' (T/TUBB).
- 3) PERF. X ATTEMPT TO SQZ. A 40 SX. CMT. PLUG @ 5,050'-4,950' (T/SA); WOC X TAG TOP OF CMT. PLUG.
- 4) CUT X PULL 4-1/2" CSG. @ +/-4,305'; PUMP A 50 SX. CMT. PLUG @ 4,355'-4,255'; WOC X TAG CMT. PLUG.
- 5) PUMP A 40 SX. CMT. PLUG @ 3,315'-3,215' (T/YATES); PUMP A 40 SX. CMT. PLUG @ 2,180'-2,080' (T/ANHY.)
- 6) PUMP A 40 SX. CMT. PLUG @ 340'-240' (13-3/8" CSG. SHOE); WOC X TAG TOP OF CMT. PLUG.
- 7) MIX X CIRC. TO SURFACE A 25 SX. CMT. PLUG @ 63'-3'.
- 8) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CASINGS X INSTALL DRY HOLE MARKER.

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 David A. Eyler TITLE AGENT DATE 02/14/10

Type or print name DAVID A. EYLER

E-mail address: deyler@milagro-res.com

Telephone No. (432) 687.3033

For State Use Only

APPROVED BY [Signature] TITLE STAFF MGR DATE 2-26-10

Conditions of Approval, if any:

CIMAREX ENERGY

Pennzoil State #1

SPUDDED 10/27/79

API : 30-025-26493

WI = 32.07466% NI = 23.92416%

CURRENT COMPLETION

KB: ?
GL: 3851'

1980' FNL & 1980' FEL
Sec 18 T16S R37E Unit G
NE Lovington Penn
Lea Co, New Mexico

13-3/8" @ 386'
10/79 (17-1/2" hole) 48# grade?
w/400 sx cmt TOC surf, cmt circ

8-5/8" @ 4305'
11/79 (11" hole) 24.3# grade??
w/1400 sx cmt TOC surf, cmt circ

Tops: (from completion report)

Yates 3265 San Andres 5000 Glorietta 6405 Tubb 7700
Wolfcamp 9870 Strawn 11290 Strawn lime 11200-11470

Well History:

Notes:

original operator W.C. Blanks, then
American Cometra, then Swift Energy,
Mallon Oil, Gruy, Cimarex

2006

Squeeze casing leak from 5651' - 5721' with 200 sx
Class H w/ 2% CACL2 w/ thixotropic hardener

Tbg:

345 jts 2 3/8" L-80

TAC

6 jts 2 3/8" L-80

SN

Perf Sub

MA

EOT @ 11458'

Rods:

Polish Rod 26'

7/8" Pony 2'

7/8" Rods 4350'

3/4" Rods 6950'

1 1/2" Sinker bars 100'

Total 11428'

4-1/2" @ 11,525'

12/79 (7-7/8" hole) 10.5# grade??
w/1600 sx cmt TOC 7500' by ???

TD = 11,530'

Perf Strawn 12/20/79 Welex 1 spf (21 holes total)

11,372 - 407 acidized w/500 gal MCA

11,443 - 453 acidized w/2000 gal 15%

actual perfs (10 holes) 11372,73,74,76,77,78,, 404, 5, 6, 7
actual (11 holes) 11443, 44,45,46,47,48,49,50,51,52,53
acidized w/500 gal MCA, & 2000 gal 15%
originally flowed 449 BOPD 0 BW 665 MCFPD 1/31/80
FTP 380 psi CP 900 psi