

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87210
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

RECEIVED

APR 01 2010

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-36524 ✓
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: KAREN 1 STATE ✓
8. Well Number 002 ✓
9. OGRID Number 162683
10. Pool name or Wildcat SKAGGS; DRINKARD (57000)

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 CO. OF COLORADO ATTN: ZENO FARRIS
3. Address of Operator 600 N. MARIENFELD, SUITE 600, MIDLAND, TEXAS 79701	4. Well Location Unit Letter <u>K</u> : <u>2,310</u> feet from the <u>SOUTH</u> line and <u>1,825'</u> feet from the <u>WEST</u> line Section <u>01</u> Township <u>20S</u> Range <u>37E</u> NMPM County <u>LEA</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,585' GR	
Pit or Below-grade Tank Application ☐ or Closure ☒	
Pit type <u>STEEL</u> 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 <u>* NONE WITHIN 1,000'</u>	

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 ☐
COMMENCE DRILLING OPNS ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
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.

- 1) TAG EXISTING 5-1/2" CIBP @ +/-6,840'; MIX X PUMP A 25 SX. CMT. PLUG @ 6,840'-6,640'.
- 2) CIRCULATE WELL W/ PXA MUD; MIX X PUMP A 25 SX. CMT. PLUG @ 5,504'-5,304' (T/GLORIETA); WOC X TAG CMT.
- 3) MIX X PUMP A 25 SX. CMT. PLUG @ 4,147'-3,947' (T/S.A.).
- 4) MIX X PUMP A 25 SX. CMT. PLUG @ 2,891'-2,691' (T/YATES X B/SALT); WOC X TAG TOP OF CMT. PLUG.
- 5) MIX X PUMP A 25 SX. CMT. PLUG @ 1,570'-1,370' (8-5/8" CSG. SHOE X B/ANHYD); WOC X TAG TOP OF CMT. PLUG.
- 6) MIX X CIRCULATE TO SURFACE A 15 SX. CMT. PLUG @ 120'-3'.
- 7) DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CASING 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. Eyer TITLE AGENT DATE 03/29/10

Type or print name DAVID A. EYER

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

Telephone No. (432) 687-3033

For State Use Only

APPROVED BY [Signature] TITLE Staff MGR DATE 4-5-10

Conditions of Approval, if any: THE OIL CONSERVATION DIVISION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS

(3 STRING CSNG)

OPERATOR CIMAREX ENERGY Co. of Co.

UNIT LETTER K

WELL # 002

SECT 01 TWN

205 RNG 37E

FROM ~~SECRET~~ 2,310 NISL

1,825 EMDL

TD: 7,220'

FORMATION @ TD A30

PBTD: 6,840'

FORMATION @ PBTD DRINKARD

	SIZE	SET @	TOC	TOC DETERMINED BY	
SURFACE	8-5/8"	1,470'	SURF.	CIRC. 114 xxs.	
INTMED 1					
INTMED 2					
PROD	5-1/2"	7,220'	SURF.	CIRC. 131 xxs.	
	SIZE	TOP	BOT	TOC	DETERMINED BY
LINER 1					
LINER 2					
	CUT & PULL @			TOP - BOTTOM	
INTMED 1			PERFS	6,919' - 6,982'	
INTMED 2			OPENHOLE	-	
PROD					

*** REQUIRED PLUGS DISTRICT I**

RUSTLER (ANHYD)	1,461'
YATES	2,791'
QUEEN	3,536'
GRAYBURG	
SAN ANDRES	4,043'
CAPTAN REEF	
DELAWARE	
BELL CANYON	
CHERRY CANYON	
BRUSHY CANYON	
BONE SPRING	
GLORIETA	5,404'
BLINEBRY	
TUBB	
DRINKARD	
ABO	
WC	
PENN	
STRAWN	
ATOKA	
MORROW	
MISS	
DEVONIAN	

[illegible]

DAE 03/29/10