

Submit 3 Copies To Appropriate District
Office
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
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

RECEIVED
JUL 21 2010
HOBBSOCD

WELL API NO. <input checked="" type="checkbox"/> 30-025-36569
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

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 ☒

3. Address of Operator
600 N. Marienfeld, Ste. 600; Midland, TX 79701

4. Well Location
SHL Unit Letter M : 660 feet from the South line and 660 feet from the West line
Section 25 Township 19S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3602' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>
OTHER: Commingle M & L Morrow, add addtl L Morrow <input checked="" type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS <input type="checkbox"/>	P AND A <input type="checkbox"/>
CASING/CEMENT JOB <input 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.

The Laguna Deep Unit No. 8 is currently producing from Middle Morrow perfs @ 13170-13254' with a CIBP over Lower Morrow perfs @ 13378-13398'. Cimarex plans to commingle M & L Morrow, as well as add additional L Morrow perfs and install gas lift, as shown below and on the following procedure.

- ND WH & NU 5K BOP. Release o/o tool and release packer. TOOH w/ pkr and tbg.
 - Drill out cement and CIBP @ 13350' and push CIBP to bottom @ 13660'.
 - Re-perf L Morrow 13378-13398' and perf new L Morrow @ 13334-13338' w/ 3 spf, 72 holes.
 - Acidize with 2000 gal Methanol acid.
- RIW w/ tbg, perf sub, pkr, and gas lift valves on tubing with pkr @ 13100'. Begin gas lift injection.

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 July 15, 2010

Type or print name Natalie Krueger email address: nkrueger@cimarex.com Telephone No. 432-620-1936

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 22 2010
Conditions of Approval (if any): 7m

LAGUNA DEEP UNIT # 8

LOWER MORROW RECOMPLETION

API # 30-025-36569

660' FSL & 660' FWL

Section 25, T19S, R33E

Lea County, New Mexico

GL : 3602'
KB : 3631'
TD DRILLER : 13660'
PBTD : CIBP @ 13,350' W/ 35' CMT
SURF CSG : 13-3/8" OD 48#/FT H-40 @ 502' Cmtd W/ 470 SX.(168 SX CIRC)
INTER CSG : 9-5/8" OD 40#/FT J-55 @ 4775' Cmtd W/ 2185 SX. TOC @ 280'-TEMP SUR.
PROD CSG : 5-1/2" OD 17#/FT P-110 @ 13,651' Cmtd W/ 685 SX – STAGE 1
1145 SX – STAGE 2 THROUGH DV TOOL.
DV TOOL : 9965' – tested to 1600#
PACKER : 5-1/2" x 2-3/8" WL AS-1X PKR w/X nipple, 1.875. BTM OF PKR @ 13097'
TUBING : 2-3/8" L-80 (421 JOINTS)
PERFS : MIDDLE MORROW PERFS @ 13170'-74', 13204'-209', 13250'-13254'
LOWER MORROW PERFS @ 13378'-13398' (BELOW CIBP)

LOWER MORROW

1. RECONFIGURE BATTERY FOR GAS LIFT AND INSTALL NEW COMPRESSOR.
2. MIRU SLICK LINE. RIW WITH GR FOR TD CHECK. POOH. RIW AND SET 1.875 PLUG IN X-NIPPLE.
3. MIRU PULLING UNIT. ND WELLHEAD AND NU BOPS. RELEASE ON/OFF TOOL. SWAB WELL DOWN TO 9000'. LATCH ONTO PACKER W/ ON/OFF TOOL. RELEASE PACKER AT 13097'. TOOH WITH PACKER AND TUBING.
4. RIH W/ 4-3/4" BIT, 6 3-1/2" DRILL COLLARS, X-OVER SUB, ON 2-3/8" TUBING. RU FOAM AIR UNIT. DRILL OUT CEMENT AND CIBP @ 13350'. PUSH CIBP TO BOTTOM AT ~13,660', NOTE FILL. CIRCULATE BOTTOMS UP. TOOH AND LAY DOWN TUBING, DRILL COLLARS, AND BIT.
5. MIRU WIRELINE AND FULL LUBRICATOR. RE-PERFORATE LOWER MORROW **13378'-13398'** AND **13334'-13338'** (NEW) UNDERBALANCED WITH PREMIUM DEEP-PENETRATING CHARGES WITH 3 SPF ON 120 DEGREE PHASING (24' - 72 HOLES).
 - CORRELATED TO HALLIBURTON LATEROLOG 10/28/2005
6. DELIVER 2-7/8" PRODUCTION STRING, CVD.
7. PU AND RIW 2 7/8" TBG WITH TREATING PACKER. TEST IN HOLE TO 7000# BELOW SLIPS. SET PACKER 13100' AND TREAT WITH 2000 GAL METHANOL ACID. POOH.
8. RIW W/ 300' OF 2-7/8" TAIL PIPE, PERFORATED SUB, PACKER, AND GAS LIFT VALVES ON 2-7/8" TUBING AS PER DESIGN.. SET PACKER AT 13100'.
9. BEGIN GAS LIFT INJECTION DOWN CASING WITH MAX GAS INJECTION PRESSURE OF 1200 PSI.

CIMAREX ENERGY CO. OF COLORADO

Laguna Deep Unit #8

Spudded: 21-Aug-2005

Gem East (Morrow)

API: 30-025-36569

Recompleted: 6-2006

CURRENT COMPLETION

Howard Miller: 22-Jun-2006

KB: 3,631'

DF: 3,630'

GL: 3,602'

660' FSL & 660' FWL

Sec 25, T-19-S, R-33-E

Lea Co, New Mexico

Casing Strings:

20" OD conductor @ 69'

13-3/8" (17-1/2" hole), 48#, H-40

@ 502' w/ 470 sx cmt

Circ 168 sx

TOC @ surface

9-5/8" (12-1/4" hole), 40#, J-55

@ 4,775' w/ 2185 sx cmt - did not circ

Temp Survey TOC - 280'

1" w/ 50 sx

5-1/2" (8-3/4" hole), 17#, P-110

@ 13,651'

Stage 1: 685 sx cmt

Open DV - circ 25 Bbl cmt

Stage 2: 1145 sx cmt

DV - 9,965'

Marker jt - 13,000'

FC - 13,559'

FS - 13,655'

Morrow Perfs:

13,170'-174' w/6 SPF, 11/10/06

Morrow Perfs:

13,204'-209', 13,250'-54' (60 holes)

10/30/2006

Morrow Perfs:

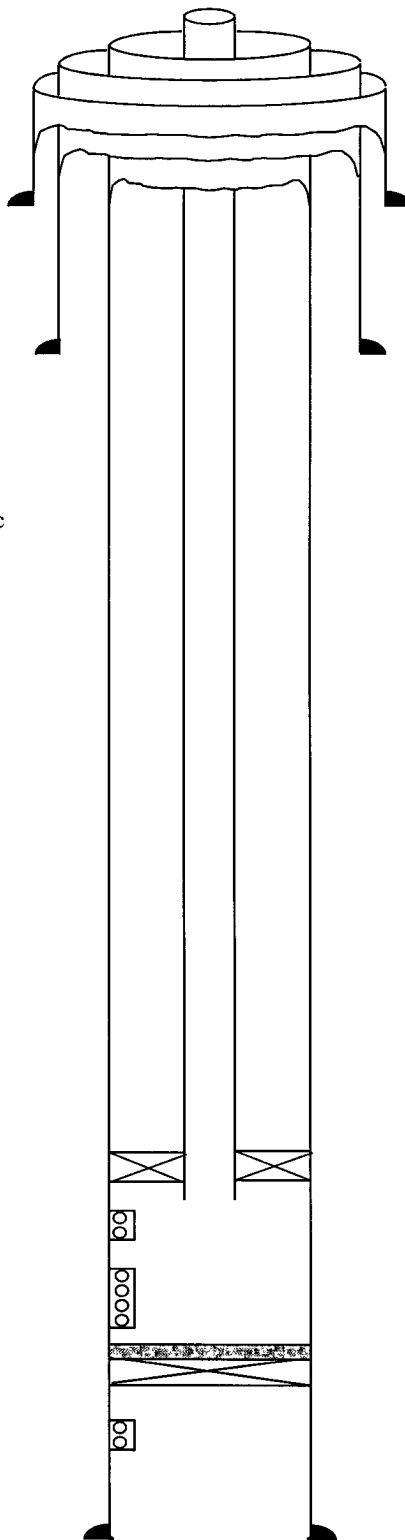
13,378' - 13,398' @ 4 spf

BD w/ KCl - natural flow

6/28/2006 - swabbed dn

... recvd 57 BW w/ 30 min afterflow

BHP bomb = 2050# 185d



Tubing Detail: from 11/21/06 rpt
421 jts 2 3/8" L80 tbg
tubing set in 22000# compression
WL AS-1X pkr w/X nipple, 1.875
Otis Watermelon plug
2 3/8" SN on btm
BTM OF PKR @ 13,097'

5 1/2" CIBP @ 13,350' w/35' cmt

TD: 13,660'

PBTD: 13,507' (original)

4/4/2010 Jesse Parkison