

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

OCD Hobbs

RECEIVED
FEB 07 2011
HOBBSLease Serial No.
NMNM36916

If Indian, Allottee or Tribe Name

If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

NORTH MADURO FEDERAL UNIT 6

2. Name of Operator

Contact: NATALIE E KRUEGER

CIMAREX ENERGY COMPANY OF CO-Mail: nkrueger@cimarex.com

9. API Well No.

30-025-40038

3a. Address

600 N MARIENFELD STREET, SUITE 600
MIDLAND, TX 79701

3b. Phone No. (include area code)

Ph: 432-620-1936

Fx: 432-620-1940

10. Field and Pool, or Exploratory
CRAZY HORSE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 20 T19S R33E SWNW Lot E 2310FNL 610FWL

11. County or Parish, and State

LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Cimarex has changed casing plans as shown below:

Surface Casing:

In 16 in. hole, set 11 5/8" 42#, H40, ST&C @ 1350'. Cement with Lead: 500 sxs Class C + 4% D20, 1% S001, 0.2% D46, 0.125 lb/sx D130, 12.9 ppg, 1.96 yeild, 10.84 gal/sx and Tail: 200 sxs Class C + 0.125 lb/sx D130, 14.8 ppg 1.33 yld, 6.35 gal/sx, TOC @ surface (100% excess).

Intermediate Casing:

In 11 in. hole, set 8 5/8" 24#, J55, STC @ 3000'. Cement with Lead: 500 sxs 35:65 Poz:C + 5% D44, 6% D20, 0.2% S001, 1% D112, 2lb/sx D42, 0.125 lb/sx D130, 12.6 ppg, 2.04 ft3/sx, 11.28 gal/sx, Tail: 200 sxs C + 0.2% D13, 14.8 pg, 1.33 ft3/sx, 6.35 gal/sx. TOC @ surface (25% Excess).

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #101865 verified by the BLM Well Information System

For CIMAREX ENERGY COMPANY OF CO, sent to the Hobbs

Committed to AFMSS for processing by CHERYLE RYAN on 02/03/2011 (11CMR0086SE)

Name (Printed/Typed) NATALIE E KRUEGER

Title REGULATORY

Signature

(Electronic Submission)

Date 02/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved By

/s/ Chris Walls

Title

FEB 3 2011

Date 02/03/2011

Conditions of approval, if any, are attached. Approval of this notice does not warrant or 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.

Office Hobbs

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any statement or representation which is false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

MAR 15 2011

PETROLEUM ENGINEER

Additional data for EC transaction #101865 that would not fit on the form

32. Additional remarks, continued

Production Casing:

In 7 $\frac{7}{8}$ " in. hole, set 5 $\frac{1}{2}$ " 17#, J55, LTC @ 5510'. Cement with Lead: 150 sx 35/65 Poz/ C + 5% Salt (D044) + 10% Extender Gel (D020) + 0.02% Anti Foam (D046) + 1% Fluid Loss (D112) + 3 lbs/sx Extender (D042) + 0.125 lbs/sx Lost Circ Flakes, Mixed at 12.6 ppg. Yeild 2.04 cuft/sx, 12.6 gal/sx Fresh Water, Tail: 250 sx PVL+ 0.2% D167 + .2% D65 + .1% D13 + 1.3% NaCl 13.0 ppg 1.4 ft³/sx, TOC ^{2800'}, TOT 3800' (25% Excess).

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Cimarex Energy Co. of Colorado
LEASE NO.:	NMNM36916
WELL NAME & NO.:	North Maduro Unit 6
SURFACE HOLE FOOTAGE:	2310' FNL & 610' FWL
API# :	3002540038
LOCATION:	Section 20, T. 19 S., R 33 E., NMPM
COUNTY:	Eddy County, New Mexico

A. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possible lost circulation in the Capitan Reef.

Possible water and brine flows in the Artesia and Salado groups.

- 1. The 11-3/4 inch surface casing shall be set at approximately 1350 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.**
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.**
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Intermediate casing is to be kept 50% full of fluid to meet minimum collapse requirement.

- 2. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:

☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.

Special Capitan Reef requirements:

If any lost circulation occurs below the base of the intermediate casing, the operator is to switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the production casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.

In addition, daily drilling reports are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning from the setting of the intermediate casing until the production casing is set. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the production well bore and submit to the appropriate BLM office.

- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

- 4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

CRW 020311