

Submit 3 Copies To Appropriate District
Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

RECEIVED

OIL CONSERVATION DIVISION
MAR 30 2011 220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBSD

WELL API NO. 30-025-36524
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: KAREN 1 STATE
8. Well Number 002
9. OGRID Number 162683
10. Pool name or Wildcat SKAGGS; DRINKARD (57000)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,585' GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/> 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>

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	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 <input type="checkbox"/> or Closure <input checked="" type="checkbox"/> 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 ☐
CEMENT JOBS ☐
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.

03/25/11: TAG EXISTING 5-1/2" CIBP @ 6,813'; MIX X PUMP A 25 SX. CMT. PLUG @ 6,813'-6,613' (CALC.); CIRC. WELL W/ PXA MUD; MIX X PUMP A 25 SX. CMT. PLUG @ 5,504'; WOC.

03/26/11: TAG TOP OF CMT. PLUG @ 5,228'; MIX X PUMP A 25 SX. CMT. PLUG @ 4,147'-3,947' (CALC.); MIX X PUMP A 25 SX. CMT. PLUG @ 2,891'; WOC X TAG TOP OF CMT. PLUG @ 2,586'; MIX X PUMP A 25 SX. CMT. PLUG @ 1,570'; WOC X TAG TOP OF CMT. PLUG @ 1,390'; MIX X CIRCULATE TO SURFACE A 20 SX. CMT. PLUG @ 120'-3'; DIG OUT X CUT OFF WELLHEAD 3' B.G.L.; WELD ON STEEL PLATE TO CASINGS X INSTALL DRY HOLE MARKER.

WELL PLUGGED AND ABANDONED 03/26/11.

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 03/28/11

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 STATE AGENT DATE 3-30-2011

Conditions of Approval, if any: