

MAY 06 2011

OCD-HOBBS

SECRETARY'S POTASH

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Form 3160-3
(April 2004)FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

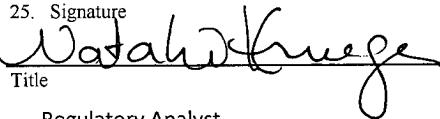
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-27570
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Cimarex Energy Co. of Colorado <162683>		7. If Unit or CA Agreement, Name and No.
3a. Address 600 N. Marienfeld St., Ste. 600; Midland, TX 79701	3b. Phone No. (include area code) 432-571-7800	8. Lease Name and Well No. Diamante 21 Federal #2 <300515>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At Surface 1980 FSL & 330 FEL At proposed prod. Zone 1980 FSL & 330 FWL Horizontal Bone Spring Test		9. API Well No. 30-025-40132
14. Distance in miles and direction from nearest town or post office*		10. Field and Pool, or Exploratory Tonto; Bone Spring, South <59475>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line if any) 330'		11. Sec., T. R. M. or Blk. and Survey or Area 21-19S-33E
16. No of acres in lease 640 acres		12. County or Parish Lea
17. Spacing Unit dedicated to this well N2S2 160 acres		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A	19. Proposed Depth MD 14610, TVD 10100 Pilot Hole 10400	20. BLM/BIA Bond No. on File NM-2575
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3619' GR	22. Approximate date work will start* 03.15.11	23. Estimated duration 25-30 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator Certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Natalie Krueger	Date 01.04.11
Regulatory Analyst		
Approved By (Signature) /s/ Tony J. Herrell	Name (Printed/Typed) /s/ Tony J. Herrell	Date MAY 03 2011
Title FOR STATE DIRECTOR	Office NM STATE OFFICE	

Application approval 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.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.S. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

* (Instructions on page 2)

CAPITAN CONTROLLED WATER BASIN

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Kz 5/9/11

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED MAY 11 2011