Revised March 23, 2017

ID NO. 205060		NSP	- 2154	
RECEIVED:	REVIEWER:		TYPE:	PLEL2309733722
	-	ABOV	THIS TABLE FOR OCD DIVISION USE O	DNLY



NEW MEXICO OIL CO	INSERVATION DIVISION
- Geological & Eng 1220 South St. Francis Driv	
	Control of the Contro
	PLICATION CHECKLIST
	TIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND SING AT THE DIVISION LEVEL IN SANTA FE
Applicant: Cimarex Energy Co.	OGRID Number: 215099
Vell Name: Cascade 19 Federal Wells	API: Various
WC-025G-09S253309; UPRWolfcamp	Pool Code: 98180
	N REQUIRED TO PROCESS THE TYPE OF APPLICATION IED BELOW
1) TYPE OF APPLICATION: Check those which app A. Location – Spacing Unit – Simultaneous De NSL NSP (PROJECT AREA)	,
B. Check one only for [1] or [1]  [1] Commingling – Storage – Measureme  DHC CTB PLC PC  [11] Injection – Disposal – Pressure Increas	C □OLS □OLM e - Enhanced Oil Recovery □EOR □PPR
2) NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders  B. Royalty, overriding royalty owners, reverse c. Application requires published notice  D. Notification and/or concurrent approved.  E. Notification and/or concurrent approved.  F. Surface owner  G. For all of the above, proof of notification.  No notice required	Application Content Complete Complete
3) <b>CERTIFICATION:</b> I hereby certify that the information administrative approval is <b>accurate</b> and <b>comp</b> understand that <b>no action</b> will be taken on this notifications are submitted to the Division.	lete to the best of my knowledge. I also
Note: Statement must be completed by an indi	vidual with managerial and/or supervisory capacity.
Dono M. Bornott	04/06/2023 Date
Deana M. Bennett  Print or Type Name	
· · · · · · · · · · · · · · · · · · ·	505-400-4497
10001 1120111	Phone Number

deana.bennett@modrall.com

e-mail Address

Signature



LAWYERS

### VIA ELECTRONIC FILING

April 6, 2023

Acting Director Dylan M. Fuge and OCD Engineering Bureau Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Cimarex Energy Co. for administrative approval of a 640-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised Section 29, Township 25 South, Range 33 East, Lea County New Mexico.

Dear Director Fuge/OCD Engineering Bureau

Pursuant to Rule 19.15.16.15(B)(5) NMAC, Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, is seeking administrative approval of a 640-acre, more or less, non-standard spacing unit ("NSU") for its Cascade 29 Federal wells listed below (the "Wells") to be drilled in Section 29, Township 25 South, Range 33 East, Lea County, New Mexico. The only pool within the Bone Spring formation underlying the proposed non-standard spacing unit is WC-025 G-09 S253309P; UPR Wolfcamp (Code 39981), which follows the statewide spacing rules. Within the proposed non-standard spacing unit, Cimarex intends to drill the following Wells within the Bone Spring formation:

Well Name	<u>API</u>
Cascade 29 Federal 15H	(30-025-46355)
Cascade 29 Federal 16H	(30-025-46305)
Cascade 29 Federal 17H	(30-025-46306)
Cascade 29 Federal 18H	(30-025-50787)
Cascade 29 Federal 71H	(30-025-50784)
Cascade 29 Federal 72H	(30-025-50291)
Cascade 29 Federal 73H	(30-025-50292)
Cascade 29 Federal 74H	(30-025-50293)
Cascade 29 Federal 75H	(30-025-50294)

C-102s for each well are attached hereto as **Exhibit A**. Each well will comply with the statewide setback requirements for the non-standard spacing unit.

Earl E. DeBrine 505.848.1810 edebrine@modrall.com

Deana M. Bennett 505.848.1834 Deana.bennett@modrall.com

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com Page 2

Cimarex seeks administrative approval of this non-standard spacing unit to match the pending Communitization Agreement to provide for efficient development and to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit. Accordingly, approval of this administrative application will allow for full development of the communitized acreage, promote efficiently located surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines; and promote effective well spacing.

A tract map of is attached hereto as **Exhibit B**. Also included in Exhibit B is a map comparing and contrasting the standard versus non-standard unit scenario, a tract map showing the approximate Well locations, and a list of the Wells.

**Exhibit C** is a letter from reservoir engineer explaining the need for a non-standard unit and the benefits associated with a non-standard, as opposed to standard, unit. Exhibit C includes three attachments that compare and contrast the standard versus non-standard unit scenario.

Cimarex is providing notice to all affected parties in the tracts that adjoin the proposed non-standard spacing unit, and the Bureau of Land Management. The are no State minerals so no notice to the State Land Office is required. A chart identifying the offset affected parties, as well as proof of mailing notice of the application (including a copy of the application) to affected persons entitled to notice is attached hereto as **Exhibit D**. Also included in Exhibit D is a map identifying the affected tracts and ownership for notice purposes.

Your attention to this matter is appreciated.

Sincerely,

Earl E. DeBrin

Deana M. Bennett

Attorneys for Cimarex

Energy Co.

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Azicc, NM 87410 Phone: (\$05) 334-6178 Fax: (\$05) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Sants Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

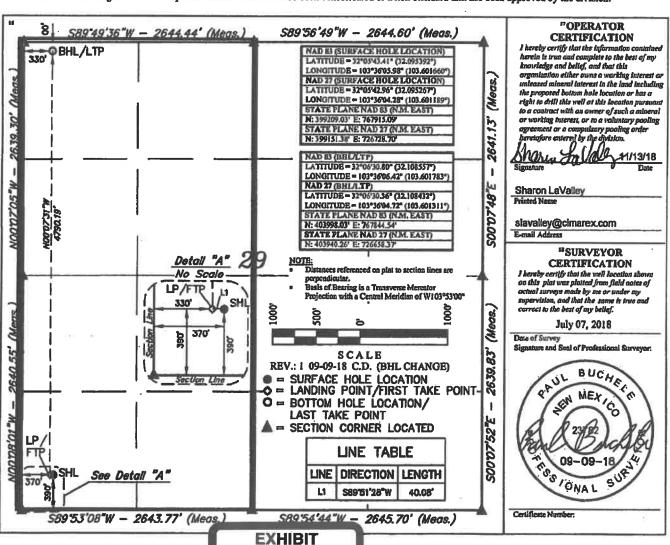
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025 - 46355	98180 Pool Code	WC-025 G-09 S253309P:Up	ool Name ':Upr Wolfcamp	
Property Code		perty Name E 29 FEDERAL	* Well Number 15H	
<sup>7</sup> OGRID No. 215099		rator Name I ENERGY CO.	*Elevation 3402.3'	

Surface Location UL or lot no. Lot Idu East/West line County 33E 29 **25S** M 390 SOUTH 370 WEST LEA Bottom Hole Location If Different From Surface Township Lot 1dn Feet from the North/South line Feet from the East/West line 29 25S 33E 100 NORTH 330 WEST LEA Joint or Infill 15 Order No. 320

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Released to Imaging: 5/2/2023 5:02:01 PM

District I	
1625 N. French Dr., Hobbs, NM 88240	
Phone: (575) 393-6161 Fax: (575) 393-0720	1
District II	-
811 S. First St., Artesia, M. 80210 Phone: (375) 748-1283 mg 67 BBS	_
Phone: (575) 748-1283 178 675 144 120 C	
	V
1000 Rio Brazos Road, Aztec, NM 87410	
Phone: (505) 334-6178 Fax: (\$0\$),334-6170	
District IV 1220 S. St. Francia Dr., Senta Fc, NM 84803	nt ns
1220 S. St. Francia Dr., Senta Fe, NM 87805 2	-012

me: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.

1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

RECEIVEDELL LOCATION AND ACREAGE DEDICATION PLAT

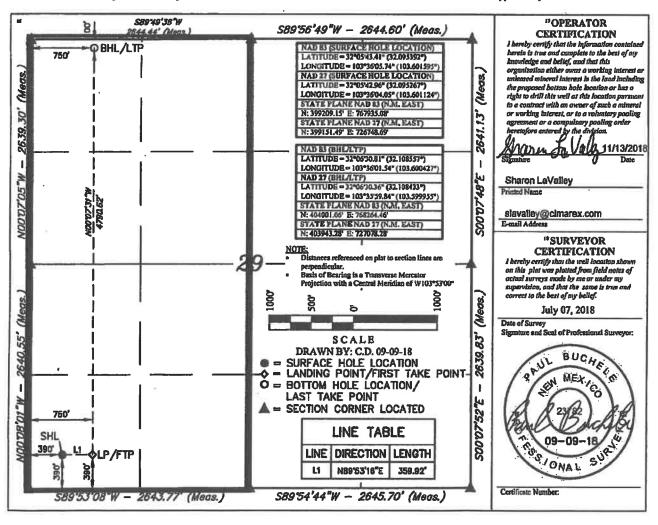
30-025 4 6 30 4	<sup>2</sup> Pool Code 98180	<sup>5</sup> Pool Name WC-025 G-09 S253309P:Upr Wolfcamp		
37981		Property Name ADE 29 PEDERAL	4 Well Number 16H	
7 OGRID No. 215099		Operator Nome REX ENERGY CO.	PElevation 3402.7	

"Surface Location

UL or lot no.	Section 29	Township 25S	Range 33E	Lot Idn	Feet from the 390	North/South line SOUTH	Feet from the 390	East/West line WEST	County LEA
					220	DOULL	370	11 8-03 4	A TANANA

"Bottom Hole Location If Different From Surface

UL or lot no. D	Section 29	Township 258	Ranga 33E	Lot Idn	Feel from the 100	North/South line NORTH	Feet from the 750	Ensi/West line WEST	County LEA
Dedicated Aer	is n1	olat or Infill	14 Coas	lidation Code	15 Order No.				



District
1625 1 Pmch Dr., Hobbs, NM 88240
Phong (455) 393-6161 Fex: (525) 393-0720
Distribution
BIT S Prest St., Assida, NM 88241
Phong (457) 748 (203) Fex: (4748-9720
Distribution
1000 assistance Stock, Article Med 87410
Phong (1650) 334-6178 Fex. (47) 334-6178
District
122 1 St. Prest Dr., Sand Fl. NM 87503
Phong (505) 4295460 Fen (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

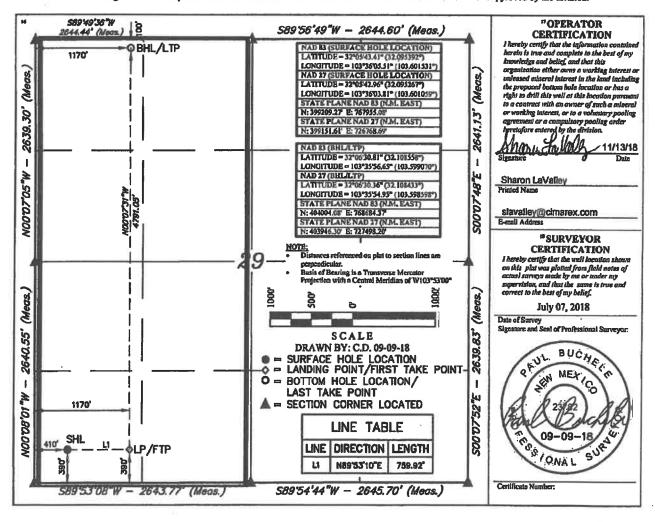
30-025 4 6 30 6	<sup>2</sup> Pool Code 98180	WC-025 G-09 \$253309P; Upr Wolfcamp		
Property Code		Property Name CADE 29 FEDERAL	• Well Number 17H	
<sup>2</sup> OGRID No. 215099		Operator Name LREX ENERGY CO.	Etevation 3402,21	

Surface Location

UL or lot no. M	Section 29	Township 25S	Ronge 33E	Lot lide	Feet from the 390	North/South line SOUTH	Feet from the 410	East/West time WEST	County LEA	١
										•

"Bottom Hole Location If Different From Surface

UL or lot no.	Section 29	100	Township 25S	Renge 33E	Lot Idn	P	eet from the 100	North/South line NORTH	Feet from the 1170	East/West line WEST	County
Dedicated Acro	23	to Jo	iat or Infil	u Conse	Rdation Code		il Order No.		2011-1		



District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

MENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-50787	<sup>2</sup> Pool Code 98180	<sup>3</sup> Pool Name 98180 WC-025 G-09 S253309P;UPR WC				
4 Property Code 39981	.1	<sup>5</sup> Property Name CASCADE 29 FEDERAL	<sup>6</sup> Well Number 18H			
215099 No.		<sup>6</sup> Operator Name CIMAREX ENERGY CO.	<sup>9</sup> Elevation 3402.4			

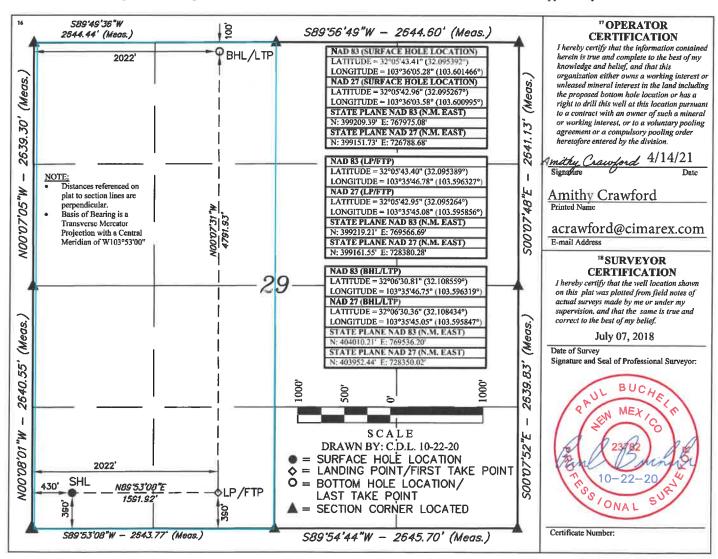
### Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	25S	33E		390	SOUTH	430	WEST	LEA

### "Bottom Hole Location If Different From Surface

UL or lot no. C	Sect 2	Q	Township 25S	Range 33E	Lot Idn	F	eet from the 100	North/South line NORTH	Feet from the 2022	East/West line WEST	County LEA
12 Dedicated Acre 320	28	13 Jo	int or Infill	<sup>14</sup> Conso	lidation Code		15 Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



WELL DOES NOT QUALIFY AS A DEFINNING WELL

Released to Imaging: 11/10/2022 9:37:49 AM

Released to Imaging: 5/2/2023 5:02:01 PM

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

70100	WC-025 G-09 S253309P;UPR W	VOLFCAMP		
		<sup>6</sup> Well Number 71H		
4		9 Elevation 3398.5		
	CASCAD 8 Opt	6 Property Name CASCADE 29 FEDERAL  6 Operator Name CIMAREX ENERGY CO.		

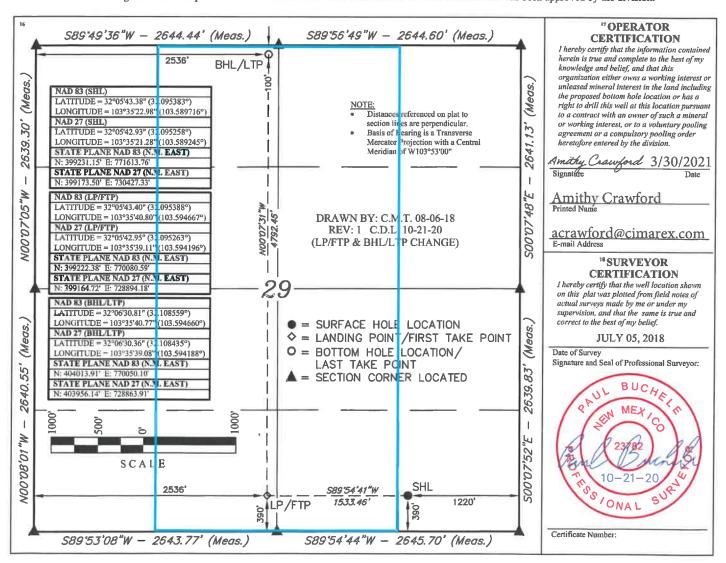
Surface Location

P 29 25S 33E 390 SOUTH 1220	or lot no. P	20 25	vnship Range SS 33E	Lot Idn	Feet from the 390	North/South line SOUTH	Feet from the 1220	East/West line EAST	County LEA
-----------------------------	-----------------	-------	------------------------	---------	-------------------	---------------------------	--------------------	------------------------	---------------

"Bottom Hole Location If Different From Surface

UL or lot no.	Section 29	Township 25S	Range 33E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 2536	East/West line WEST	County LEA
12 Dedicated Acre 320	es 13 J	oint or Infill	14 Conso	lidation Code	15 Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Released to Imaging: 11/10/2022 9:25:29 AM

Released to Imaging: 5/2/2023 5:02:01 PM

District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

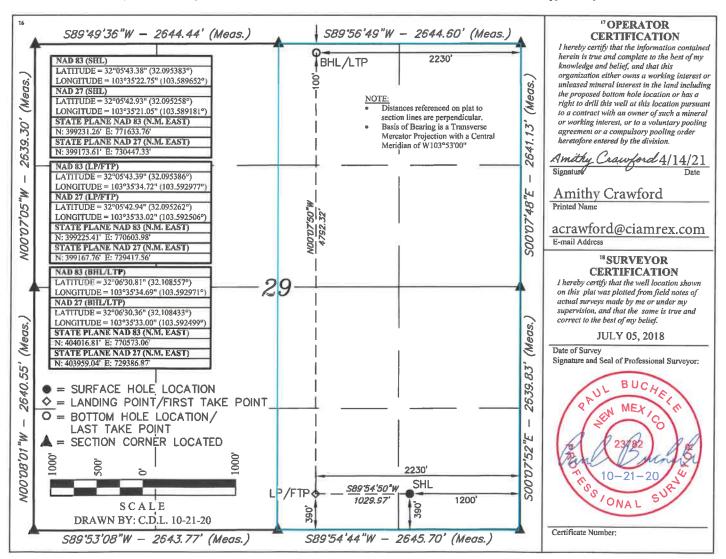
30-025-50291	98180 Code	WC-025 G-09 S253309P;	JPR WOLFCAMP
4 Property Code	CAS	<sup>5</sup> Property Name	<sup>6</sup> Well Number
39981		CADE 29 FEDERAL	72H
<sup>7</sup> OGRID No.	CIMA	<sup>8</sup> Operator Name	<sup>9</sup> Elevation
215099		AREX ENERGY CO.	3398.8

### "Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	29	25S	33E		390	SOUTH	1200	EAST	LEA

### "Bottom Hole Location If Different From Surface

UL or lot no. B	Sect 2		Township 25S	Range 33E	Lot Idn	Fe	eet from the 100	North/South line NORTH	Feet from the 2230	East/West line EAST	County LEA
12 Dedicated Acre 320	es	13 J <sub>0</sub>	int or Infill	14 Conso	lidation Code		15 Order No.				



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 Santa Fe, NM 87505 District IV

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

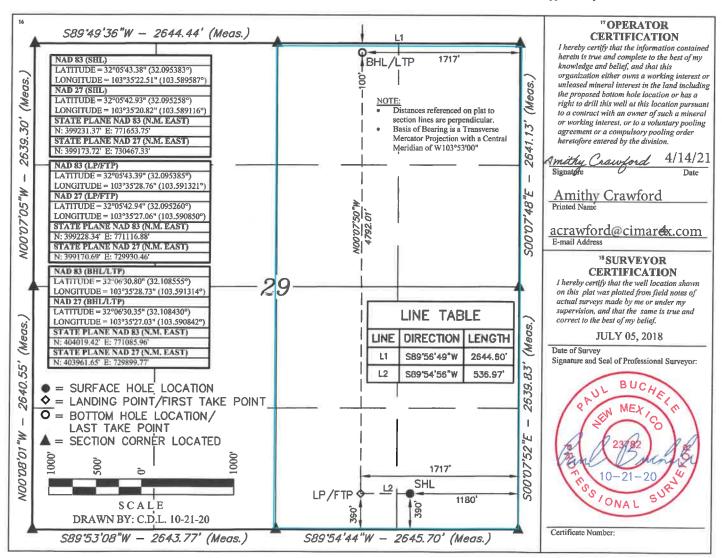
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION DEAT

	WELL LOCATION AT	ND ACKEAGE DEDICATION PLAT			
30-025-50292	<sup>2</sup> Pool Code 98180	98180 WC-025 G-09 S253309P;UPR WOLFCAMP			
4 Property Code 39981		<sup>5</sup> Property Name CASCADE 29 FEDERAL			
<sup>7</sup> OGRID No. 215099		Operator Name REX ENERGY CO.	9 Elevation 3397.7		

Surface Location UL or lot no. Township Lot Idn Feet from the North/South line Feet from the East/West line County P 29 25S 33E 390 SOUTH 1180 **EAST** LEA "Bottom Hole Location If Different From Surface

UL or lot no. Section Township Feet from the North/South line Feet from the East/West line County В 29 25S 33**E** NORTH 100 EAST LEA 12 Dedicated Acres 320 13 Joint or Infill 14 Consolidation Code 15 Order No.



<u>District 1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

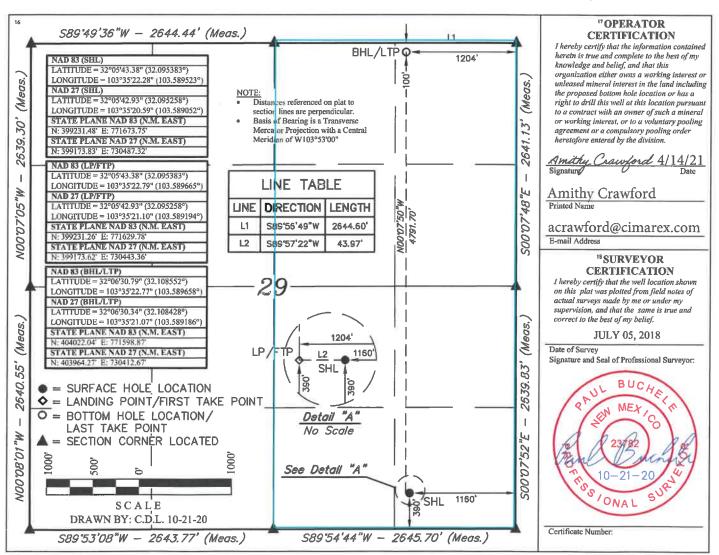
30-025-50293	98180	WC-025 G-09 S253309P; UPR WC	DLFCAMP	
4 Property Code		roperty Name	6 Well Number	
39981		DE 29 FEDERAL	74H	
70GRID No.		perator Name	<sup>9</sup> Elevation	
215099		EX ENERGY CO.	3397.5	

Surface Location

UL or lot no. P	Section 29	Township 25S	Range 33E	Lot Idn	Feet from the 390	North/South line SOUTH	Feet from the 1160	East/West line EAST	County LEA

"Bottom Hole Location If Different From Surface

UL or lot no.	Section 29	Township 25S	Range 33E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 1204	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acre 320	es 13 J	oint or Infill	14 Consc	lidation Code	15 Order No.				



<u>District 1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

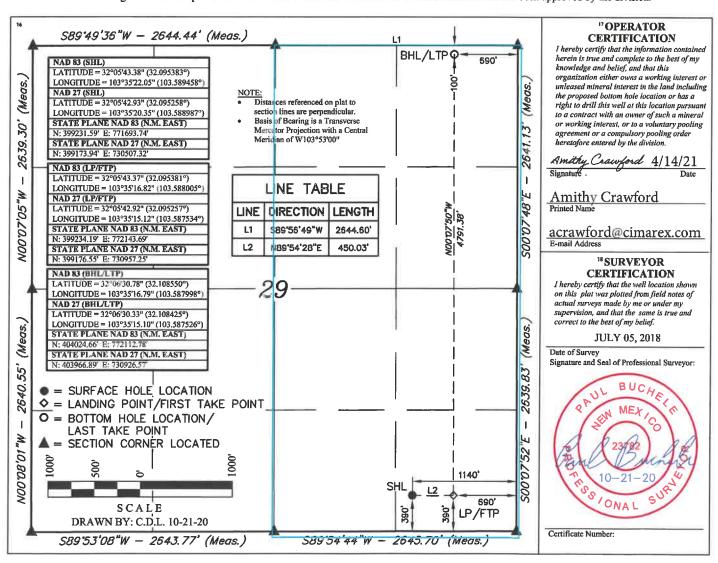
30-025-50294 <sup>er</sup>	<sup>2</sup> Pool Code 98180	WC-025 G-09 S2 <sup>3</sup> F309P;UPI	RWOLFCAMP
Property Code	5 Pro	<sup>6</sup> Well Number	
39981	CASCAL	75H	
<sup>7</sup> OGRID No.		erator Name	<sup>9</sup> Elevation
215099		X ENERGY CO.	3397.4

### <sup>10</sup> Surface Location

1	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
- 1	P	29	25S	33E		390	SOUTH	1140	EAST	LEA

### "Bottom Hole Location If Different From Surface

UL or lot no. A	Sect 2	ο Ι	Township 25S	Range 33E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 690	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acre 320	es	13 Jo	int or Infili	14 Conso	lidation Code	15 Order No.				



### Well List with Pool Code

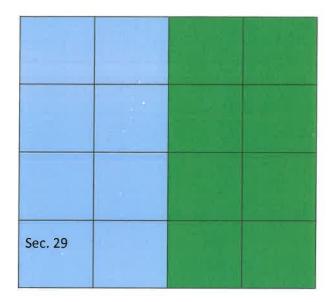
### Wolfcamp:

Pool Code: 98180; WC-025 G	-09 S253309P; Upper \	Nolfcamp
Cascade 29 Federal 15H	(30-025-46355)	Proposed Well
Cascade 29 Federal 16H	(30-025-46305)	Proposed Well
Cascade 29 Federal 17H	(30-025-46306)	Proposed Well
Cascade 29 Federal 18H	(30-025-50787)	Proposed Well
Cascade 29 Federal 71H	(30-025-50784)	Proposed Well
Cascade 29 Federal 72H	(30-025-50291)	Proposed Well
Cascade 29 Federal 73H	(30-025-50292)	Proposed Well
Cascade 29 Federal 74H	(30-025-50293)	Proposed Well
Cascade 29 Federal 75H	(30-025-50294)	Proposed Well

Proposed Non-Standard Horizontal Spacing Unit Section 29, T26S-R33E: All 640.00 Acres

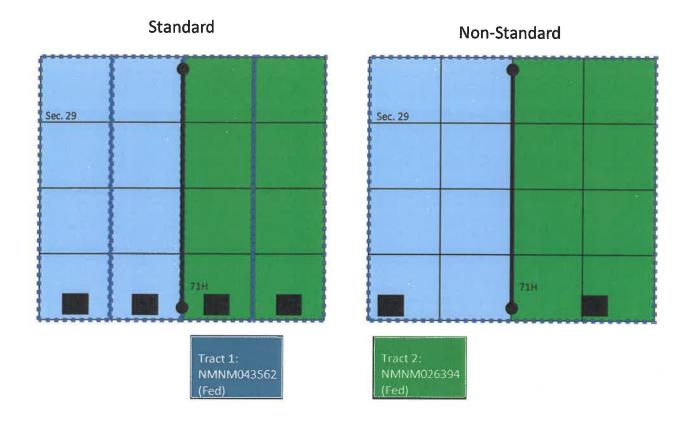
Tract 1: NMNM043562 (Fed)

Tract 2: NMNM026394 (Fed)

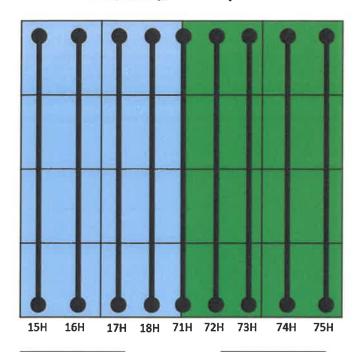




Standard Spacing Unit Versus Non-Standard Spacing Unit



# **Wolfcamp** Development



Planned Development (5/23):

Tract 1: NMNM043562 (Fed) Tract 2: NMNM026394 (Fed)



March 20, 2023

### VIA E-FILING

Acting Director Dylan M. Fuge and OCD Engineering Bureau Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Cimarex Energy Co. for administrative approval of a 640-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised Section 29, Township 25 South, Range 33 East, Lea County New Mexico.

Dear Director Fuge/OCD Engineering Bureau:

Cimarex Energy Co., OGRID Number 215099, respectfully requests administrative approval of a 640-acre, more or less, non-standard unit ("NSU") comprised of Section 29, Township 25 South, Range 33 East, Lea County, New Mexico. The NSU would be dedicated to the following wells (the "Wells"):

Well Name	API Number
Cascade 29 Federal 15H	(30-025-46355)
Cascade 29 Federal 16H	(30-025-46305)
Cascade 29 Federal 17H	(30-025-46306)
Cascade 29 Federal 18H	(30-025-50787)
Cascade 29 Federal 71H	(30-025-50784)
Cascade 29 Federal 72H	(30-025-50291)
Cascade 29 Federal 73H	(30-025-50292)
Cascade 29 Federal 74H	(30-025-50293)
Cascade 29 Federal 75H	(30-025-50294)

The Wells will develop the Wolfcamp formation, and the only pool within the Wolfcamp formation underlying the proposed NSU is WC-025 G-09 S253309P; UPR Wolfcamp (Code 39981), which follows the statewide spacing rules. If Cimarex were to follow the state-wide rules, Cimarex would have to have two (2) 320-acre units (using a proximity tract on each half section to create the 320-acre units) to have standard units. In addition, Cimarex would have to apply for non-standard location approval for the Cascade 29 Federal 71H well. Alternatively, Cimarex could have three standard 320-acre spacing units, but that would require that the units overlap. In Cimarex' opinion, a single non-standard unit is preferable to allow for more efficient development of the acreage as well as to match the corresponding proposed Communitization Agreement. In addition, a single 640-acre unit is optimal given that Cimarex owns 100% of the working interests in Section 29. None of the proposed wells



encroach on any of the offsetting tracts, and therefore no offsetting tracts will be affected by this application. Cimarex is giving notice to the offsetting tracts as required by OCD's regulations.

Approval will allow Cimarex to use fewer surface facilities, which will in turn reduce surface disturbance by consolidating roads, tanks, and pipelines. In addition, approval of Cimarex' application promotes effective well spacing and will allow Cimarex to commingle production.

Conversely, if Cimarex' NSU application is not approved, Cimarex will need to construct additional flowlines, roads, and an additional CTB. I have included as Exhibits C-1 and C-2 slides showing that no additional facilities are needed for a non-standard unit (C-1) and the additional required infrastructure needed if Cimarex has to develop the Wells using standard spacing (C-2).

Exhibit C-3 compares and contrasts, in table format, the reduced surface acreage and the cost savings that will occur if the NSU is approved. Developing the acreage as a single, non-standard unit will result in 25 acres less surface disturbance than if Cimarex has to develop the acreage using standard units. If Cimarex' NSU application is approved, that would eliminate the need to build an additional central tank battery, which effectively cuts permitted fugitive VOC emissions, spill risk, and flares in half. In addition, total capital costs would be significantly reduced because no additional infrastructure is required to operate the single, non-standard unit.

In my opinion, approval of the NSU is in the best interest of conservation, prevention of waste, and protection of correlative rights.

Thank you for your consideration. Should you have any questions please contact me at Eddie.Behm@coterra.com or (432) 571-7865.

Sincerely,

Eddie Behm

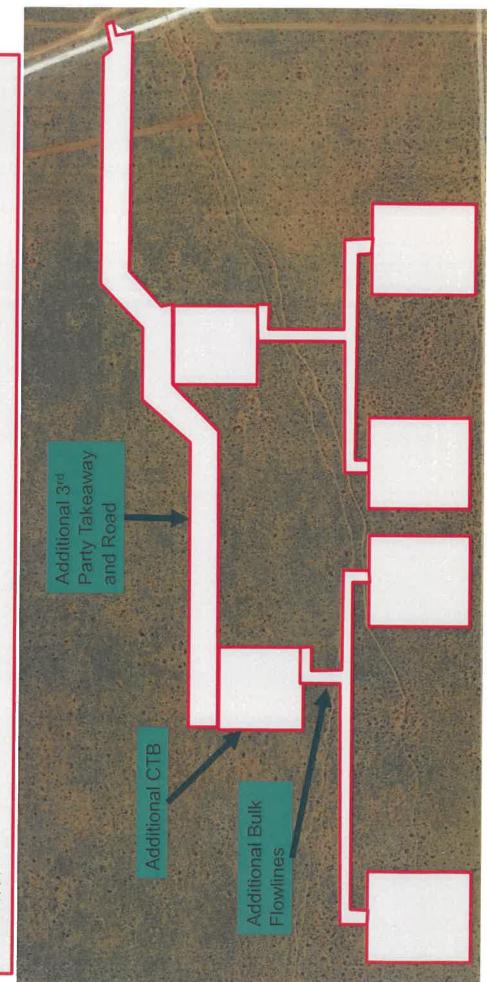
Reservoir Engineer

Cimarex Energy Co.

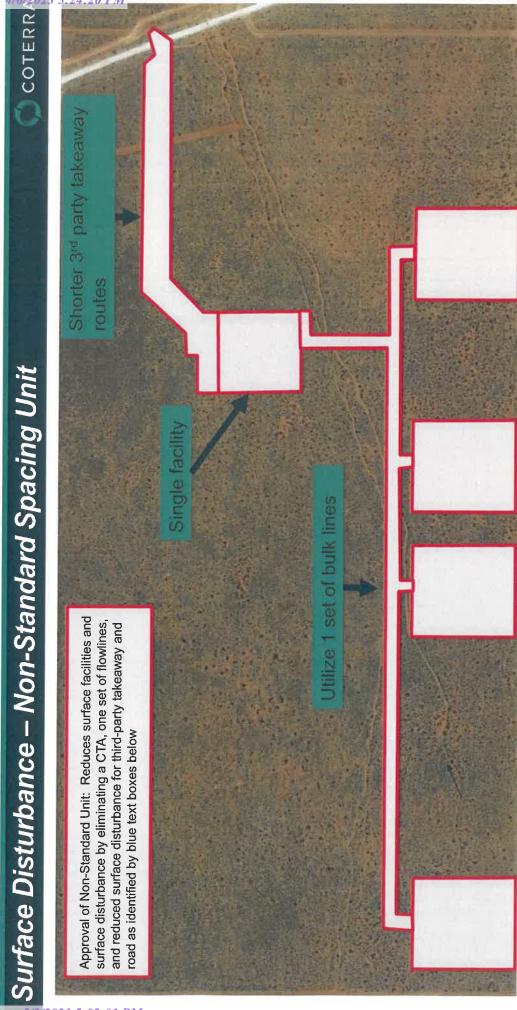
COTERR



Standard Spacing Unit: Requires additional CTB, additional flowlines, and additional surface disturbance for third-party takeaway and road as identified by blue text boxes below









2	
Ш	
-	
0	
C	

# Environmental and Capital Savings

Scenario	Design Basis per CTB (BOPD)	CTB/Equipment Pipeline Cost Cost (\$M)	Pipeline Cost (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Standard Spacing Unit	20,000	\$13,760	\$4,260	\$18,020	56
Non-Standard Spacing Unit	20,000	\$11,630	\$3,600	\$15,230	43
Savings		\$2,130	\$660	\$2,790	2

Approval of a non-standard unit will allow consolidation of all production into a single facility and will eliminate the need to build an additional central tank battery and flowlines. Elimination of the additional central tank battery effectively cuts permitted fugitive VOC emissions, spill risk, and flares in half.





April 6, 2023

Deana M. Bennett 505.848.1834 dmb@modrall.com

### **VIA CERTIFIED MAIL**

### TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. for administrative approval of a 640-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised Section 29, Township 25 South, Range 33 East, Lea County New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application. If no objection is received within this twenty-day period, the application may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Eddie Behm Reservoir Engineer Cimarex Energy Co. Eddie.Behm@coterra.com (432) 571-7865

Sincerely,

Deana M. Bennet

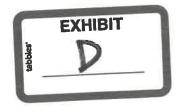
Attorney for Cimarex Energy Co.

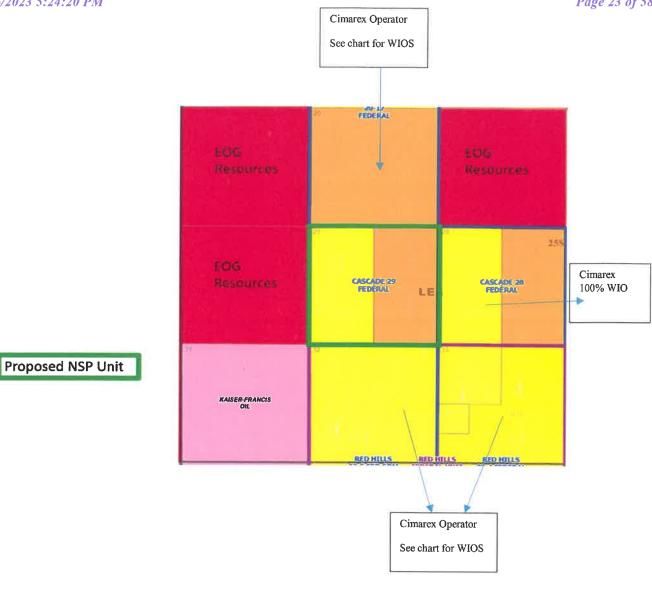
Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com





Offsetting Sections	Operator	WIOs If Needed N/A if Cimarex IS NOT operator	Date Notice Letter Sent
Section 21, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 20, T25S-R33E	Cimarex	CRP I LLC OXY USA Inc.	4/6/2023
Section 19, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 30, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 31, T25S-R33E	Kaiser Francis	N/A	4/6/2023
Section 32, T25S-R33E	Cimarex	Magnum Hunter Production Inc. (Cimarex affiliate) BTA Oil Producers COG Operating LLC Concho Oil & Gas LLC CXA Oil and Gas Holdings LP Devon Energy Production Co LP Finley Production Co LO Grasslands Energy LP Richard Scott Briggs	4/6/2023
Section 33, T25S-R33E	Cimarex	Magnum Hunter Production Inc. (Cimarex affiliate) COG Operating LLC Concho Oil & Gas LLC CXA Oil and Gas Holdings LP Devon Energy Production Co LP	4/6/2023

-
ag
e
25
0
58

		Finley Production Co LO Grasslands Energy LP Richard Scott Briggs	
Section 28, T25S-R33E	Cimarex	Cimarex is 100% WIO	N/A

# Other Notice Parties:

Other Notice Parties	Date Notice Letter Sent	
Bureau of Land Management	4/6/2023	

### **PS Form 3877**

# Type of Mailing: CERTIFIED MAIL 04/06/2023

lene Schi drall Spe	rling Roehl Harris & Sisk P.A.		Form 3877				
Fourth S	treet, Suite 1000 NM 87102		: CERTIFIED MAII /06/2023			Firm Maili	ing Book ID: 244097
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0106 3087 07	Grasslands Energy LP attn: Traci Tucker 5128 Apache Plume Rd., Suite 300 Fort Worth TX 76109	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
2	9314 8699 0430 0106 3087 14	Richard Scott Briggs 1920 E. Riverside Dr., Suite A-120 #505 Austin TX 78741	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
3	9314 8699 0430 0106 3087 21	Finley Production Co. LP c/o Finley Resources Inc. Agent P.O. Box 2200 Fort Worth TX 76113	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
4	9314 8699 0430 0106 3087 38	CRP I LLC 6301 Waterford Blvd., Suite 215	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
5	9314 8699 0430 0106 3087 45	Oklahoma City OK 73118 CXA Oil and Gas Holdings LP 1302 West Ave. Austin TX 78701	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
6	9314 8699 0430 0106 3087 52	Devon Energy Production Company Attn: Land Department 333 W. Sheridan Ave. Oklahoma City OK 73102	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
7	9314 8699 0430 0106 3087 69	COG Operating LLC Attn: Brian Dart 600 W. Illinois Ave. Midland TX 79701	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
8	9314 8699 0430 0106 3087 76	Concho Oil and Gas Attn: Brian Dart 600 W. Illinois Ave. Midland TX 79701	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
9	9314 8699 0430 0106 3087 83	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
10	9314 8699 0430 0106 3087 90		\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
11	9314 8699 0430 0106 3088 06	Oxy USA Inc. 5 Greenway Plaza, Suite 110	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice
12	9314 8699 0430 0106 3088 13	Houston TX 77046 BTA Oil Producers	\$2.46	\$4.15	\$2.10	\$0.00	82762.0128.Casca Notice

### **PS Form 3877**

# Type of Mailing: CERTIFIED MAIL 04/06/2023

Firm Mailing Book ID: 244097

7: 5/z	Line	USPS Article Number	Name, Street, City, State, Zip			Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
2/2023 5	13	9336 0699 0430 0106 3088 26	Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa OK 74136			\$2.46	\$4.15	\$2.10	\$6.65	82762.0128.Casca Notice
9.0				T	otals:	\$31.98	\$53.95	\$27.30	\$6.65	
.01							Grand	Total:	\$119.88	
	t Number of l ted by Sende			Dated:						

13

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aziec, NM 87410 Phone: (505) 334-6178 Fas: (505) 334-6170 <u>District 14.</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Porm C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

SEP 1 1 PRODED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

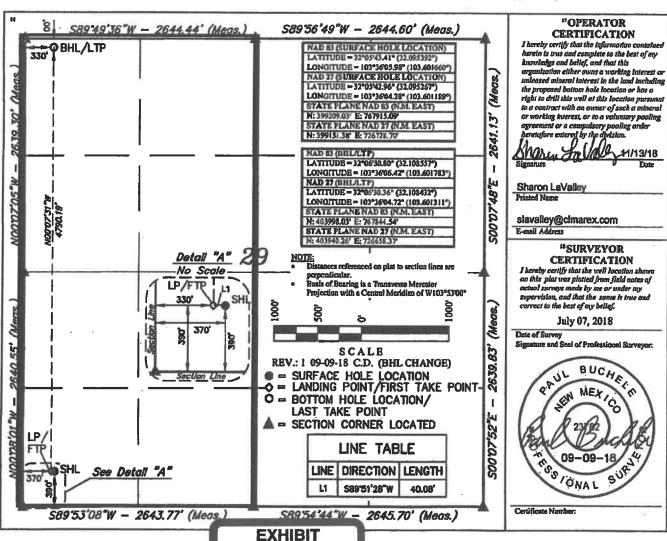
30-025 - 46 3 55	98180 2 Pool Cade	98180 Pool Code WC-025 G-09 S253309P:Upr Wolfcamp				
Property Code		perty Name E 29 FEDERAL	4 Well Number 15H			
7 OGRID No. 215099		rator Name CENERGY CO.	Flevation 3402.3			

Surface Location

UL or lot no. M	Section 29	Township 25S	Ronge 33E	Lot Idn	Feet from the 390	North/South line SOUTH	Feel from the 370	East/West line WEST	County LEA
				T Y		020100 . 70			

"Bottom Hole Location If Different From Surface

VL or lot no. D	Section 29	ac	Township 25S	Range 33E	Lot Jdn	Feet from the 100	North/South line NORTH	Feet from the 330	East/West line WEST	County LEA
Dedicated Acre 320	H	ນ ງູ	int or Infill	14 Consc	olidation Code	15 Order No.				



District I
1625 N. French Dr., Hobba, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. Frat St., Artesia, MA 88210
Phone: (575) 748-1283 Fax 67 B BS
District III
1000 Rio Emaus Road, Astec, NM 87410
Phone: (393) 334-6178 Fax: (393) 334-6170
District IV
1220 S. St. Francis Dr., Senta Fe, NM 8760

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

RECEIVED ELL LOCATION AND ACREAGE DEDICATION PLAT

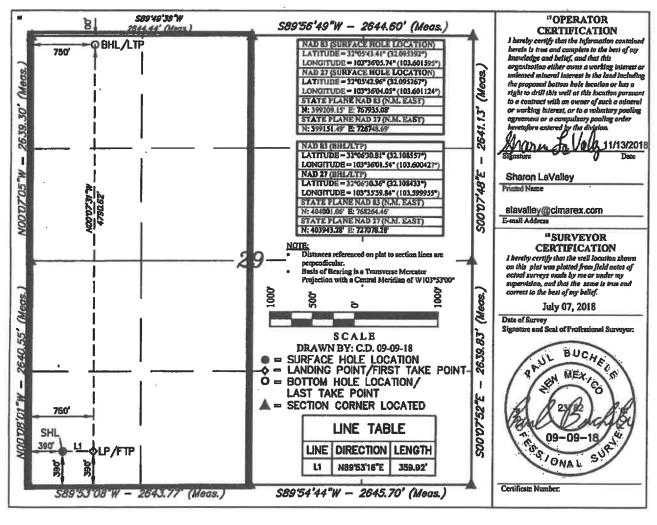
30-025 4 6 30 9	*Pool Code 98180	WC-025 G-09 S253308P:Upr Wolfcamp					
39981		Property Name CASCADE 29 FEDERAL					
7 OGRID No. 215099		Operator Name CIMAREX ENERGY CO.					

"Surface Location

- 1	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County
-1	M	29	258	33E	200 3001	390	SOUTH	390	WEST	LEA

"Bottom Hole Location If Different From Surface

	UL or lot no. D	Setti 29		Township 258	Rango 33E	Lot Idn	Fe	el from the 100	North/South line NORTH	Feet from the 750	East/West line WEST	County LEA
I	Dedicated Aere 320	13	n 30	int or Infili	If Couse	iidailoa Code	T	15 Order No.				



District 1 1625 to 15 meh Dr., Hobbs, NM 88240 Phono (1835) 393-6161 Fac: (530) 393-0720 ri St., Adida, NM 713 75) 748 123 Fax: 748-9720 Emzer Band, Azie Ma 87410 05) 334-6 78 Fm: (FT) 334-6170 Preside Dr., San NM 87505 05) 420-3460 Far (PS) 476-3462

### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

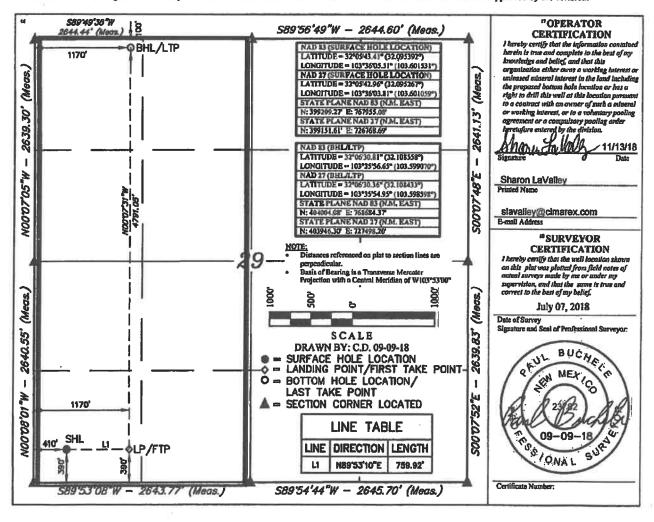
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025 4 6 30 6	<sup>2</sup> Pool Code 98180	1 001 149010			
Property Code	CAS	Fruperty Name CADE 29 FEDERAL	Well Number     17H		
<sup>2</sup> OGRID No. 216099	CIMA	Operator Name AREX ENERGY CO.	Elevation 3402,21		

►Surface Location										
VL or let no. M	Section 29	Township 25S	Ronge 33E	Lot Ids	Feet from the 390	North/South line SOUTH	Feet from the 410	East/Vest line WEST	County	

"Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Has	County
D	29	25S	33E		100	NORTH	1170	WEST	LEA
13 Dedicated Acre 320	a lo i	olat or Infil	# Const	ildation Code	ts Order No.				



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

C

320

12 Dedicated Acres

29

### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

LEA

### WELL LOCATION AND ACREAGE DEDICATION PLAT

30-02	API Number 5-50787	,		<sup>3</sup> Pool Name 98180 WC-025 G-09 S253309P:UPR WOLFCAM						
4 Property C 39981	Code			<sup>5</sup> Property Name CASCADE 29 FEDERAL						
70GRID 1 215099	Vo.				<sup>9</sup> Elevation 3402.4					
					"Surface	Location		"		
UL or lot no. M			Range 33E	Lot Idn Feet from the SOUTH Feet from the East/West line SOUTH 430 WEST					County LEA	
		· · · · · · · · · · · · · · · · · · ·	11	Bottom H	ole Location I	f Different From	Surface			
UL or lot no.				Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	

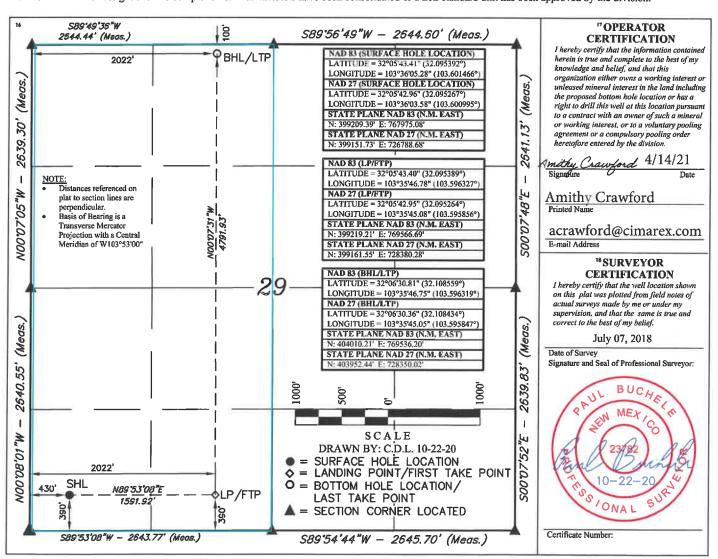
NORTH

2022

WEST

15 Order No. No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

100



WELL DOES NOT QUALIFY AS A DEFINNING WELL

33Ĕ

14 Consolidation Code

25S

13 Joint or Infill

Released to Imaging: 11/10/2022 9:37:49 AM

Released to Imaging: 5/2/2023 5:02:01 PM

District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-50784		<sup>2</sup> Pool Code <b>98180</b>	OLFCAMP	
<sup>4</sup> Property Code 39981		cascai	<sup>6</sup> Well Number 71 H	
7 OGRID No. 215099			perator Name EX ENERGY CO.	<sup>9</sup> Elevation 3398.5

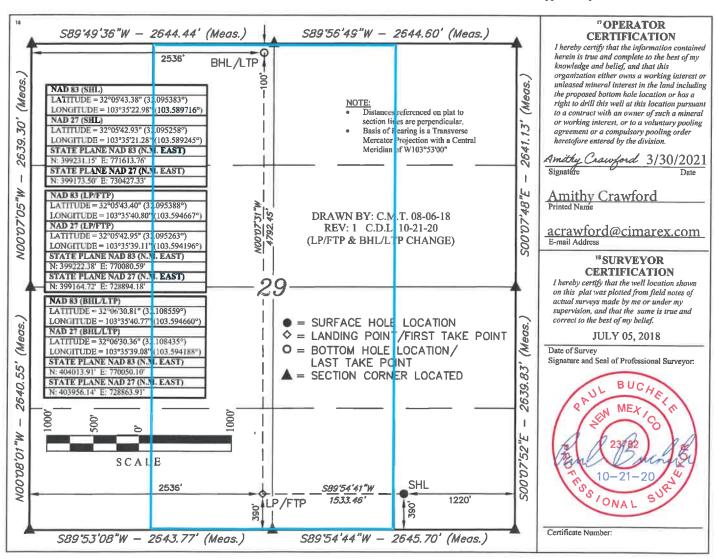
### "Surface Location

UL or lot no. P	Section 29	Township 25S	Range 33E	Lot ldn	Feet from the 390	North/South line SOUTH	Feet from the 1220	East/West line EAST	County LEA

### "Bottom Hole Location If Different From Surface

UL	C or lot no.	Section 29	Township 25S	Range 33E	Lot Idn		from the 100	North/South line NORTH	Feet from the 2536	East/West line WEST	County LEA
	12 Dedicated Acres 320		Joint or Infill	14 Conso	olidation Code	1	15 Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Released to Imaging: 11/10/2022 9:25:29 AM

Released to Imaging: 5/2/2023 5:02:01 PM

District 1	1625 N. French Dr., Hobbs, NM 88240	
Phone: (575) 393-6161	Fax: (575) 393-0720	
District II	811 S. First St., Artesia, NM 88210	
Phone: (575) 748-1283	Fax: (575) 748-9720	
District III	1000	Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178	Fax: (505) 334-6170	
District IV	1220 S. St. Francis Dr., Santa Fe, NM 87505	

Phone: (505) 476-3460 Fax: (505) 476-3462

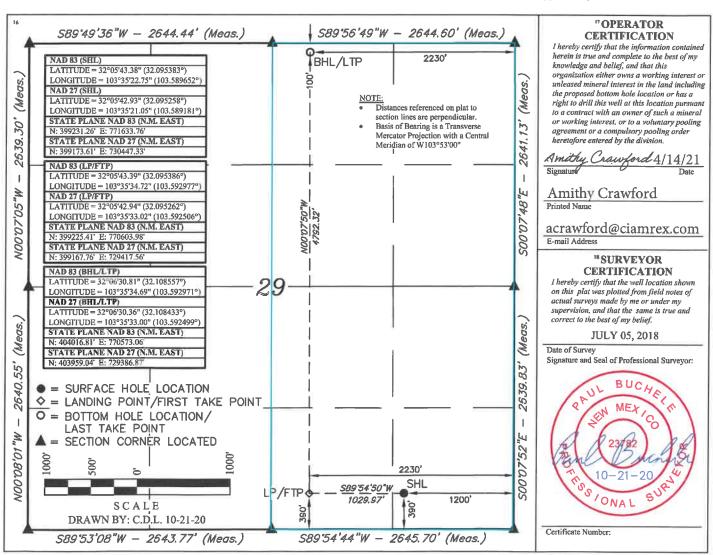
# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025	-50291		9	8180 Code		WC-025 G-09 S253309P;UPR WOLFCAMP						
4 Property C 39981	Code		<sup>5</sup> Property Name CASCADE 29 FEDERAL							<sup>6</sup> Well Number 72H		
<sup>7</sup> OGRID 1 215099	√o.				8 Operate CIMAREX E	or Name NERGY CO.				<sup>9</sup> Elevation 3398.8		
	"Surface Location											
UL or lot no. P	Section 29	Township 25S	Range 33E	Lot Idn	Feet from the 390	North/South line SOUTH	Feet from the 1200	East/We EA:		County LEA		
	"Bottom Hole Location If Different From Surface											
UL or lot no. B					Feet from the 100	North/South line NORTH	Feet from the 2230	East/We		County LEA		
12 Dedicated Acr	es 13 J	oint or Infill	14 Consc	lidation Code	15 Order N	0.						



District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025-5029	2	<sup>2</sup> Pool Code 98180	WC-025 G-09 S253309P; UPR WOLFCAMP					
<sup>4</sup> Property Code 39981			Property Name DE 29 FEDERAL	<sup>6</sup> Well Number 73H				
7 OGRID No. 215099			perator Name EX ENERGY CO.	<sup>9</sup> Elevation 3397.7				

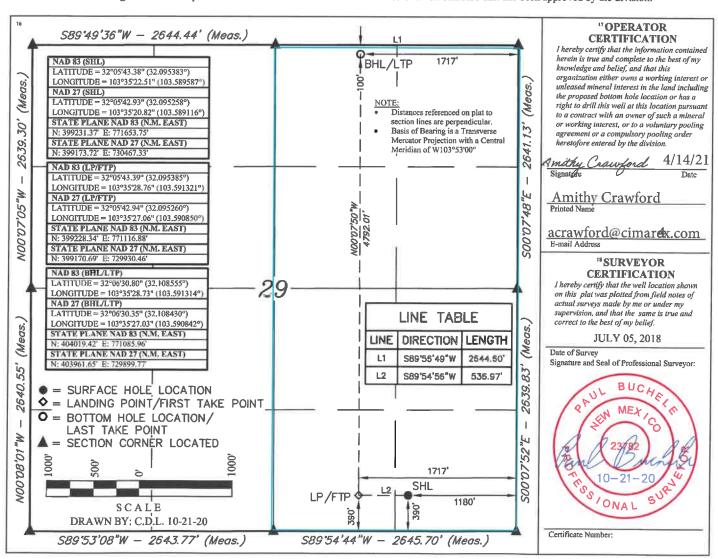
### Surface Location

UL or lot no. Section P 29	Township 25S	Range 33E	Lot Idn	Feet from the 390	North/South line SOUTH	Feet from the 1180	East/West line EAST	County LEA
----------------------------	-----------------	--------------	---------	----------------------	---------------------------	-----------------------	------------------------	---------------

### "Bottom Hole Location If Different From Surface

UL or lot no. B	Section 29	Township 25S	Range 33E	Lot Idn	Feet from the 100	North/South line NORTH	Feet from the 1717	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acre 320	28 1	Joint or Infill	14 Conse	olidation Code	15 Order No.		•		

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Released to Imaging: 6/30/2022 3:29:31 PM

District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

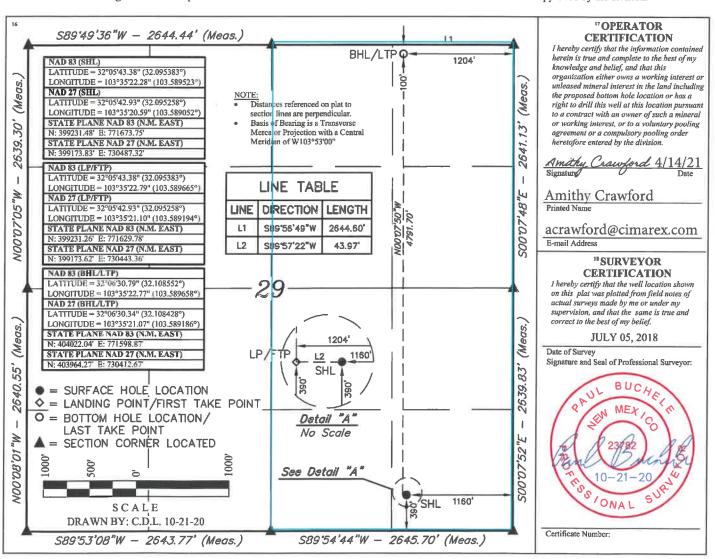
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-025	APL NO.	293			98180		7	VC-025 G-09	S253309P;UI	PR WOLFCA	MP		
<sup>4</sup> Property C 39981	ode				<sup>5</sup> Property Name CASCADE 29 FEDERAL						<sup>6</sup> Well Number 74H		
215099	Vo.					Name Selevation NERGY CO. 3397.5							
	<sup>10</sup> Surface Location												
UL or lot no. P	Sect 2		Township 25S	Range 33E	Lot Idn	Feet from 390		North/South line SOUTH	Feet from the 1160	East/West line EAST	County LEA		
				11	Bottom H	ole Loca	tion I	f Different From	Surface				
UL or lot no. Section T		Township 25S	Range 33E	Lot Idn	Feet from the		North/South line NORTH	Feet from the 1204	East/West line EAST	County LEA			
12 Dedicated Acres 13 Joint or Infill				14 Conse	solidation Code 15 Orde						-14		

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Released to Imaging: 6/30/2022 3:32:44 PM

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

# State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

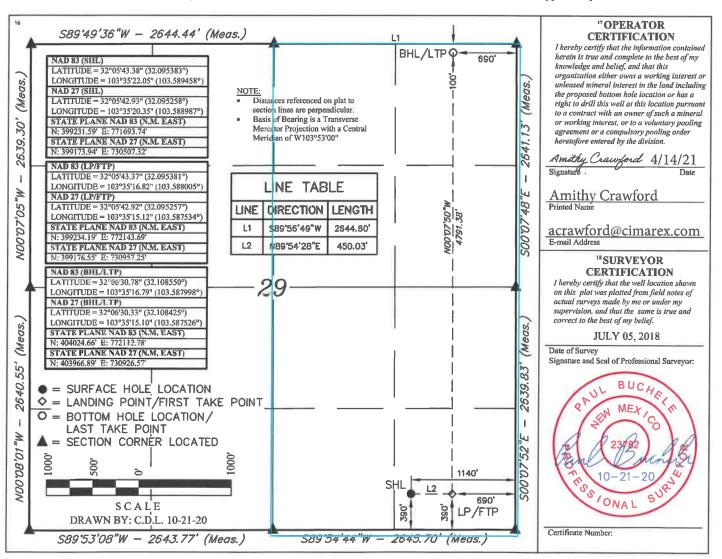
30-025-50294 Number	<sup>2</sup> Pool Code 98180							
<sup>4</sup> Property Code		operty Name	<sup>6</sup> Well Number					
39981		DE 29 FEDERAL	75H					
<sup>7</sup> OGRID №.		erator Name	<sup>9</sup> Elevation					
215099		X ENERGY CO.	3397.4					

<sup>10</sup>Surface Location

UL or lot no. P Section Township Range Lot Idn P 29 25S 33E	Feet from the North/South line SOUTH	Feet from the East/West line 1140 EAST	County LEA
---	--------------------------------------	--	---------------

"Bottom Hole Location If Different From Surface

UL or lot no.	Sec 2	0	Township 25S	Range 33E	Lot Idn	F	eet from the 100	North/South line NORTH	Feet from the 690	East/West line EAST	County LEA
12 Dedicated A	cres	13 <b>J</b> (	oint or Infill	14 Consc	lidation Code		15 Order No.				





April 6, 2023

Deana M. Bennett 505.848.1834 dmb@modrall.com

# VIA CERTIFIED MAIL

### TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. for administrative approval of a 640-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised Section 29, Township 25 South, Range 33 East, Lea County New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application. If no objection is received within this twenty-day period, the application may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Eddie Behm Reservoir Engineer Cimarex Energy Co. Eddie.Behm@coterra.com (432) 571-7865

Sincerely,

Deana M. Bennett

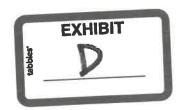
Attorney for Cimarex Energy Co.

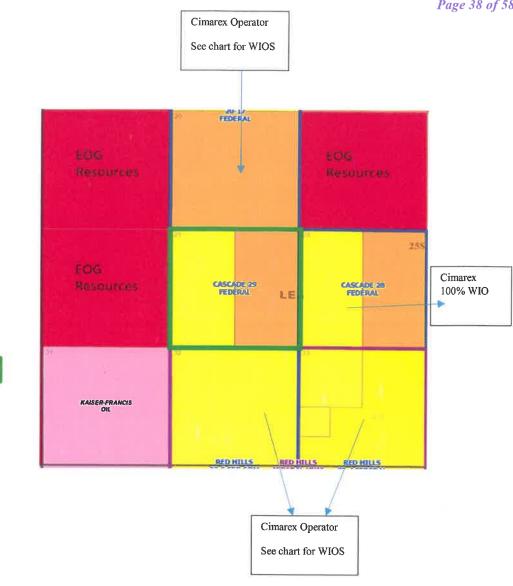
Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com





Proposed NSP Unit

Offsetting Sections	Operator	WIOs If Needed N/A if Cimarex IS NOT operator	Date Notice Letter Sent
Section 21, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 20, T25S-R33E	Cimarex	CRPILLC	4/6/2023
		OXY USA Inc.	
Section 19, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 30, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 31, T25S-R33E	Kaiser Francis	N/A	4/6/2023
Section 32, T25S-R33E	Cimarex	Magnum Hunter Production Inc. (Cimarex affiliate) BTA Oil Producers COG Operating LLC Concho Oil & Gas LLC CXA Oil and Gas Holdings LP Devon Energy Production Co LP Finley Production Co LO Grasslands Energy LP Richard Scott Briggs	4/6/2023
Section 33, T25S-R33E	Cimarex	Magnum Hunter Production Inc. (Cimarex affiliate) COG Operating LLC Concho Oil & Gas LLC CXA Oil and Gas Holdings LP Devon Energy Production Co LP	4/6/2023

	N/A
Finley Production Co LO Grasslands Energy LP Richard Scott Briggs	Cimarex is 100% WIO
	Cimarex
	Section 28, T25S-R33E

Other Notice Parties:

Other Notice Parties	Date Notice Letter Sent
Bureau of Land Management	4/6/2023

		Firm Mailing Book ID: 244097	Reference Contents	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice
		Firm Mailing	Rest.Del.Fee	80.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			RR Fee	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10
			Service Fee	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15
M M M	PS Form 3877 Type of Mailing: CERTIFIED MAIL,		Postage	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46
	PS Fe Type of Mailing:		Name, Street, City, State, Zip	Grasslands Energy LP atm: Traci Tucker 5128 Apache Plume Rd., Suite 300 Fort Worth TX 76109	Richard Scott Briggs 1920 E. Riverside Dr., Suite A-120 #505 Austin TX 78741	Finley Production Co. LP c/o Finley Resources Inc. Agent P.O. Box 2200 Fort Worth TX 76113	CRP I LLC 6301 Waterford Blvd., Suite 215	Oktanoma City OK 73118 CXA Oil and Gas Holdings LP 1302 West Ave. Austin TX 78701	Devon Energy Production Company Atm: Land Department 333 W. Sheridan Ave. Oklahoma City OK 73102	COG Operating LLC Attn: Brian Dart 600 W. Illinois Ave. Midland TX 79701	Concho Oil and Gas Attr. Brian Dart 600 W. Illinois Ave. Midland TX 79701	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	EOG Resources Inc. Attn: Matthew Gray 5509 Champions Drive Midland TX 79706	Oxy USA Inc. 5 Greenway Plaza, Suite 110 Houston TX 77046	BTA Oil Producers 104 S. Pecos St. Midland TX 79701
	Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000	7010 2111	USPS Article Number	9314 8699 0430 0106 3087 07	9314 8699 0430 0106 3087 14	9314 8699 0430 0106 3087 21	9314 8699 0430 0106 3087 38	9314 8699 0430 0106 3087 45	9314 8699 0430 0106 3087 52	9314 8699 0430 0106 3087 69	9314 8699 0430 0106 3087 76	9314 8699 0430 0106 3087 83	9314 8699 0430 0106 3087 90	9314 8699 0430 0106 3088 06	9314 8699 0430 0106 3088 13
Relec	Parlene Schuman Parket Sperling Rochl Harris P 500 Fourth Street, Suite 1000 Albuquerons NW 87102	Imagir	rg: 5/2	 2/2023 5:0	∾ 92:01 F	e PM	4	\$	9	7	∞	6	10	Π	12

3877	
Form	
PS	

CERTIFIED MAIL	
ė,	04/06/2023
ype of Mailing	_
E	

Firm Mailing Book ID: 244097	Reference Contents	82762.0128.Casca Notice			
Firm Maili	Rest.Del.Fee	\$6.65	\$6.65	\$119.88	
	RR Fee	\$2.10	\$27.30	Grand Total:	
н	Service Fee RR Fee	\$4.15	\$53.95	Grand	
PS Form 3877 (ype of Mailing: CERTIFIED MAIL 04/06/2023	Postage	\$2.46	Totals: \$31.98		
PS Form 3877 illing: CERTIF 04/06/2023			Totals:		
P pe of Mail					Dated:
E	Name, Street, City, State, Zip	Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa OK 74136			Postmaster: Name of receiving employee
Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suitc 1000 Albuquerque NM 87102	cle Number	9336 0699 0430 0106 3088 26 Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa OK 74136			Total Number of Pieces Received at Post Office
National Schuman Modrall Sperling Roehl Harris 500 Fourth Street, Suite 1000 Albuquerque NM 87102	e USPS A				List Number of Pieces  Listed by Sender
Karlene Modrall Nodrall Nodrall Released to Imagin	rg: 5/2	EI 2/2023 5	5:02	2:01	List Num Listed by



April 6, 2023

Deana M. Bennett 505.848.1834 dmb@modrall.com

# VIA CERTIFIED MAIL

### TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. for administrative approval of a 640-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised Section 29, Township 25 South, Range 33 East, Lea County New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application. If no objection is received within this twenty-day period, the application may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Eddie Behm Reservoir Engineer Cimarex Energy Co. Eddie.Behm@coterra.com (432) 571-7865

Sincerely,

Deana M. Bennett

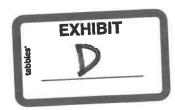
Attorney for Cimarex Energy Co.

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com





Offsetting Sections	Operator	WIOs If Needed N/A if Cimarex IS NOT operator	Date Notice Letter Sent
Section 21, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 20, T25S-R33E	Cimarex	CRP I LLC OXY USA Inc.	4/6/2023
Section 19, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 30, T25S-R33E	EOG Resources	N/A	4/6/2023
Section 31, T25S-R33E	Kaiser Francis	N/A	4/6/2023
Section 32, T25S-R33E	Cimarex	Magnum Hunter Production Inc. (Cimarex affiliate) BTA Oil Producers COG Operating LLC Concho Oil & Gas LLC CXA Oil and Gas Holdings LP Devon Energy Production Co LP Finley Production Co LO Grasslands Energy LP Richard Scott Briggs	4/6/2023
Section 33, T25S-R33E	Cimarex	Magnum Hunter Production Inc. (Cimarex affiliate) COG Operating LLC Concho Oil & Gas LLC CXA Oil and Gas Holdings LP Devon Energy Production Co LP	4/6/2023

	N/A
Finley Production Co LO Grasslands Energy LP Richard Scott Briggs	
	Cimarex
	Section 28, T25S-R33E

Other Notice Parties:

other Notice Parties	Date Notice Letter Sent
ureau of Land Management	4/6/2023

		Firm Mailing Book ID: 244097	Reference Contents	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice	82762.0128.Casca Notice
		Firm Mailing	Rest.Del.Fee	80.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			RR Fee	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10
			Service Fee	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15
M M M	PS Form 3877 Type of Mailing: CERTIFIED MAIL,		Postage	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46
	PS Fe Type of Mailing:		Name, Street, City, State, Zip	Grasslands Energy LP atm: Traci Tucker 5128 Apache Plume Rd., Suite 300 Fort Worth TX 76109	Richard Scott Briggs 1920 E. Riverside Dr., Suite A-120 #505 Austin TX 78741	Finley Production Co. LP c/o Finley Resources Inc. Agent P.O. Box 2200 Fort Worth TX 76113	CRP I LLC 6301 Waterford Blvd., Suite 215	Oktanoma City OK 73118 CXA Oil and Gas Holdings LP 1302 West Ave. Austin TX 78701	Devon Energy Production Company Atm: Land Department 333 W. Sheridan Ave. Oklahoma City OK 73102	COG Operating LLC Attn: Brian Dart 600 W. Illinois Ave. Midland TX 79701	Concho Oil and Gas Attr. Brian Dart 600 W. Illinois Ave. Midland TX 79701	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	EOG Resources Inc. Attn: Matthew Gray 5509 Champions Drive Midland TX 79706	Oxy USA Inc. 5 Greenway Plaza, Suite 110 Houston TX 77046	BTA Oil Producers 104 S. Pecos St. Midland TX 79701
	Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000	7010 2111	USPS Article Number	9314 8699 0430 0106 3087 07	9314 8699 0430 0106 3087 14	9314 8699 0430 0106 3087 21	9314 8699 0430 0106 3087 38	9314 8699 0430 0106 3087 45	9314 8699 0430 0106 3087 52	9314 8699 0430 0106 3087 69	9314 8699 0430 0106 3087 76	9314 8699 0430 0106 3087 83	9314 8699 0430 0106 3087 90	9314 8699 0430 0106 3088 06	9314 8699 0430 0106 3088 13
Relec	Parlene Schuman Parket Sperling Rochl Harris P 500 Fourth Street, Suite 1000 Albuquerons NW 87102	Imagir	rg: 5/2	 2/2023 5:0	∾ 92:01 F	e PM	4	\$	9	7	∞	6	10	Π	12

3877	
Form.	
PS	

Type of Mailing: CERTIFIED MAIL	04/06/2023	
I		

Firm Mailing Book ID: 244097	Reference Contents	82762.0128.Casca Notice			
Firm Maili	Rest.Del.Fee	\$6.65	\$6.65	\$119.88	
	RR Fee	\$2.10	\$27.30	Grand Total:	
T	Service Fee RR Fee	\$4.15	\$53.95	Grand	
PS Form 3877 Type of Mailing: CERTIFIED MAIL 04/06/2023	Postage	\$2.46	\$31.98		
PS Form 3877 iling: CERTIF 04/06/2023			Totals:		
P pe of Mail					Dated:
£	Name, Street, City, State, Zip	Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa OK 74136			Postmaster: Name of receiving employee
l Harris & Sisk P.A. c 1000 2	USPS Article Number N2	9336 0699 0430 0106 3088 26 Kaiser-Francis Oil Company 6733 South Yale Avenue Tulsa OK 74136			Total Number of Pieces Received at Post Office
National Schuman  Modrall Sperling Roehl Harris & Sisk P.A.  500 Fourth Street, Suite 1000  Albuquerque NM 87102	Line USPS A	13 9336 06			List Number of Pieces Listed by Sender
교보육 공 Released to Imagin	g: 5/2	2/2023 5	5:02	2:01	PM

13



March 20, 2023

### VIA E-FILING

Acting Director Dylan M. Fuge and OCD Engineering Bureau Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Cimarex Energy Co. for administrative approval of a 640-acre, more or less, non-standard spacing unit in the Wolfcamp Formation comprised Section 29, Township 25 South, Range 33 East, Lea County New Mexico.

Dear Director Fuge/OCD Engineering Bureau:

Cimarex Energy Co., OGRID Number 215099, respectfully requests administrative approval of a 640-acre, more or less, non-standard unit ("NSU") comprised of Section 29, Township 25 South, Range 33 East, Lea County, New Mexico. The NSU would be dedicated to the following wells (the "Wells"):

Well Name	API Number
Cascade 29 Federal 15H	(30-025-46355)
Cascade 29 Federal 16H	(30-025-46305)
Cascade 29 Federal 17H	(30-025-46306)
Cascade 29 Federal 18H	(30-025-50787)
Cascade 29 Federal 71H	(30-025-50784)
Cascade 29 Federal 72H	(30-025-50291)
Cascade 29 Federal 73H	(30-025-50292)
Cascade 29 Federal 74H	(30-025-50293)
Cascade 29 Federal 75H	(30-025-50294)

The Wells will develop the Wolfcamp formation, and the only pool within the Wolfcamp formation underlying the proposed NSU is WC-025 G-09 S253309P; UPR Wolfcamp (Code 39981), which follows the statewide spacing rules. If Cimarex were to follow the state-wide rules, Cimarex would have to have two (2) 320-acre units (using a proximity tract on each half section to create the 320-acre units) to have standard units. In addition, Cimarex would have to apply for non-standard location approval for the Cascade 29 Federal 71H well. Alternatively, Cimarex could have three standard 320-acre spacing units, but that would require that the units overlap. In Cimarex' opinion, a single non-standard unit is preferable to allow for more efficient development of the acreage as well as to match the corresponding proposed Communitization Agreement. In addition, a single 640-acre unit is optimal given that Cimarex owns 100% of the working interests in Section 29. None of the proposed wells



encroach on any of the offsetting tracts, and therefore no offsetting tracts will be affected by this application. Cimarex is giving notice to the offsetting tracts as required by OCD's regulations.

Approval will allow Cimarex to use fewer surface facilities, which will in turn reduce surface disturbance by consolidating roads, tanks, and pipelines. In addition, approval of Cimarex' application promotes effective well spacing and will allow Cimarex to commingle production.

Conversely, if Cimarex' NSU application is not approved, Cimarex will need to construct additional flowlines, roads, and an additional CTB. I have included as Exhibits C-1 and C-2 slides showing that no additional facilities are needed for a non-standard unit (C-1) and the additional required infrastructure needed if Cimarex has to develop the Wells using standard spacing (C-2).

Exhibit C-3 compares and contrasts, in table format, the reduced surface acreage and the cost savings that will occur if the NSU is approved. Developing the acreage as a single, non-standard unit will result in 25 acres less surface disturbance than if Cimarex has to develop the acreage using standard units. If Cimarex' NSU application is approved, that would eliminate the need to build an additional central tank battery, which effectively cuts permitted fugitive VOC emissions, spill risk, and flares in half. In addition, total capital costs would be significantly reduced because no additional infrastructure is required to operate the single, non-standard unit.

In my opinion, approval of the NSU is in the best interest of conservation, prevention of waste, and protection of correlative rights.

Thank you for your consideration. Should you have any questions please contact me at Eddie.Behm@coterra.com or (432) 571-7865.

Sincerely,

Eddie Behm

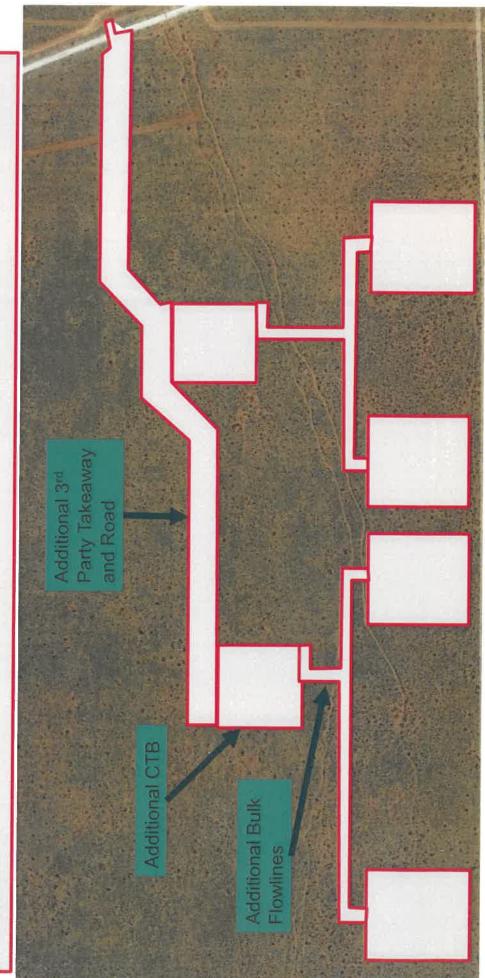
Reservoir Engineer

Cimarex Energy Co.

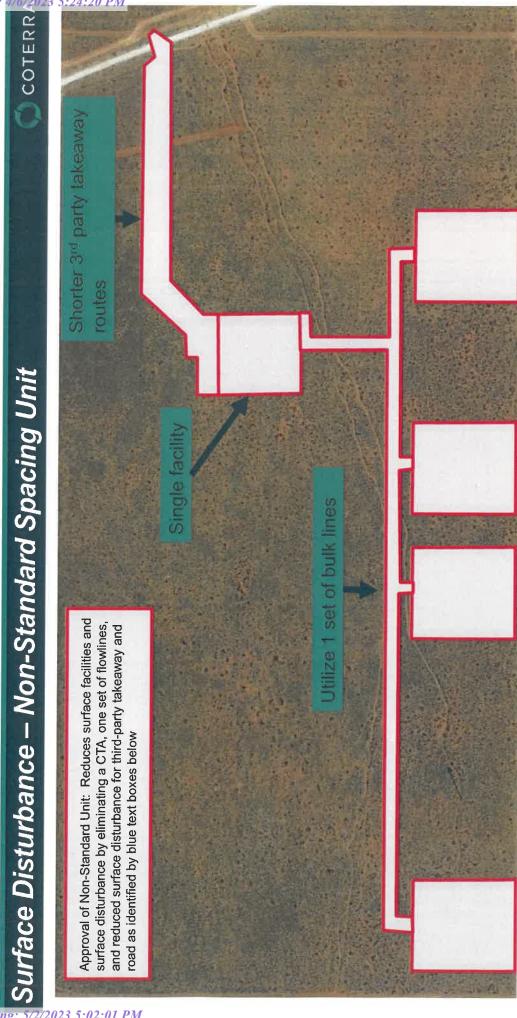
COTERR



Standard Spacing Unit: Requires additional CTB, additional flowlines, and additional surface disturbance for third-party takeaway and road as identified by blue text boxes below









2
Ш
-
0
C
6

# Environmental and Capital Savings

Scenario	Design Basis per CTB (BOPD)	CTB/Equipment Pipeline Cost Cost (\$M)	Pipeline Cost (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Standard Spacing Unit	20,000	\$13,760	\$4,260	\$18,020	56
Non-Standard Spacing Unit	20,000	\$11,630	\$3,600	\$15,230	43
Savings		\$2,130	\$660	\$2,780	

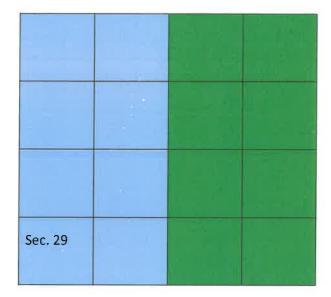
Approval of a non-standard unit will allow consolidation of all production into a single facility and will eliminate the need to build an additional central tank battery and flowlines. Elimination of the additional central tank battery effectively cuts permitted fugitive VOC emissions, spill risk, and flares in half.



Proposed Non-Standard Horizontal Spacing Unit Section 29, T26S-R33E: All 640.00 Acres

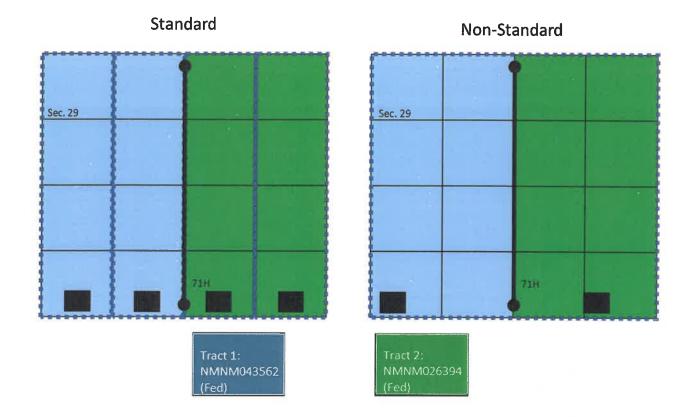
Tract 1: NMNM043562 (Fed)

Tract 2: NMNM026394 (Fed)

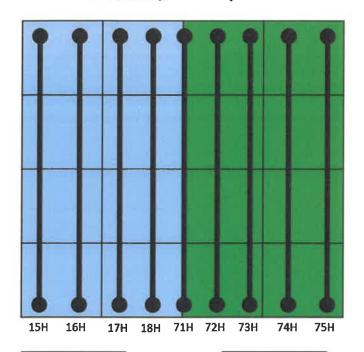




Standard Spacing Unit Versus Non-Standard Spacing Unit



# **Wolfcamp** Development



Planned Development (5/23):

Tract 1: NMNM043562 (Fed) Tract 2: NMNM026394 (Fed)

# Well List with Pool Code

# Wolfcamp:

Pool Code: 98180; WC-025 G	-09 S253309P; Upper \	Nolfcamp
Cascade 29 Federal 15H	(30-025-46355)	Proposed Well
Cascade 29 Federal 16H	(30-025-46305)	Proposed Well
Cascade 29 Federal 17H	(30-025-46306)	Proposed Well
Cascade 29 Federal 18H	(30-025-50787)	Proposed Well
Cascade 29 Federal 71H	(30-025-50784)	Proposed Well
Cascade 29 Federal 72H	(30-025-50291)	Proposed Well
Cascade 29 Federal 73H	(30-025-50292)	Proposed Well
Cascade 29 Federal 74H	(30-025-50293)	Proposed Well
Cascade 29 Federal 75H	(30-025-50294)	Proposed Well

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 205060

## **CONDITIONS**

Operator:	OGRID:
CIMAREX ENERGY CO.	215099
600 N. Marienfeld Street	Action Number:
Midland, TX 79701	205060
	Action Type:
	[UF-NSP] Non-Standard Proration (NSP)

### CONDITIONS

Created By	Condition	Condition Date
llowe	None	4/7/2023