Adrienne E. Sandoval, Director

Oil Conservation Division

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary

Ms. Deana M. Bennett deana.bennett@modrall.com

NON-STANDARD LOCATION

Administrative Order NSL - 8506

Cimarex Energy Co. [215099] Dos Equis 11 14 Federal Com Well No. 24H API No. 30-025-47645

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	545 FNL & 1726 FWL	С	11	24S	32E	Lea
First Take Point	828 FNL & 1202 FWL	D	11	24S	32E	Lea
Last Take Point/	100 FSL & 1211 FWL	Μ	14	24S	32E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
W/2 W/2 of Section 11	320	Triste Draw; Bone Spring, East	96603
W/2 W/2 of Section 14			

Reference is made to your application received on December 2nd, 2022.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 118 - 109 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 11, encroachment to the E/2 W/2Section 14, encroachment to the E/2 W/2



Administrative Order NSL - 8506 Cimarex Energy Co. Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to achieve the greatest recovery of reserves from the unit and to prevent waste within the Bone Spring formation underlying the W/2 W/2 of Section 11 and the W/2 W/2 of Section 14.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102, submitted with the Authorization to Transport (C-104), to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



Date: 12/29/2022

AES/lrl