

4/03/2015 DATE IN	SUSPENSE	ENGINEER	4/03/2015 LOGGED IN	NSL TYPE	PHMAM1509341670 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]

[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]

[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]

[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]

[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]

[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- DHC 4753
- Cimarex Energy Co
215095
WCH

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

GTO 10 State Com #1 API: 30-025-36260

Caudill; Atoka (Gas) Pool code: 96231

Check One Only for [B] or [C]

Caudill; Mississippian (Gas) Pool code: 74450

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Hope Knauls

Print or Type Name

Hope Knauls
Signature

Regulatory Technician

Title

hknauls@cimarex.com

e-mail Address

4/2/2015

Date

Cimarex Energy Co.
202 S. Cheyenne Ave.

Suite 1000

Tulsa, Oklahoma 74103-4346

PHONE: 918.585.1100

FAX: 918.585.1133

RECEIVED OOD

2015 APR -3 A 11: 03



April 2, 2015

New Mexico Oil Conservation Division
Mr. Michael McMillian
1220 South St. Francis Dr.,
Santa Fe NM , 87505

RE: GTO State Com #1 (API 30-025-36260)

Dear Mr. McMillian,

Please see attached downhole commingle request, C107A for your approval. Cimarex Energy co. plugged and abandoned the GTO State com #1 well in February 2015. Cimarex was notified by the NMOCD Hobbs office that a review of the well file indicated missing paperwork for the Atoka and Mississippian completions.

In an effort to clean up the well file, Cimarex has submitted completion paperwork for the Mississippian and Atoka completions to the Hobbs office for approval. Cimarex completed the well in the Mississippian and Atoka pools in September and October 2006, the two zones were abandoned in February 2008. From December 2006 to February 2008 Cimarex Energy Co. produced the Mississippian and Atoka and commingled the production without approval. Total production from both pools was reported under the Mississippian. The owners in the Atoka and Mississippian pools are common, please see attached certified letter from our Landman. Reallocation of production for 2006, 2007, and 2008 will not be necessary, per Mr. Ed Martin, NMOCD Santa Fe.

In 2008 the well was recompleted to the Wolfcamp. On February 11, 2015 Cimarex Energy Co. plugged and abandoned this well.

Please find enclosed the following documents for the subject well:

- Administrative application check list
- Plats
- Landman letter certifying common ownership in pools
-

If you have any questions and/or need anything further please contact me at the information below.

Sincerely,

A handwritten signature in black ink that reads "Hope Knauls". The signature is written in a cursive, flowing style.

Hope Knauls
Regulatory Tech
Cimarex Energy Co.
hknauls@cimarex.com
918-295-1799

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1990

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Re-Entry

API Number 30-025-36260	Pool Code 96231	Pool Name Caudill; Atoka (Gas)
Property Code 35696	Property Name GTO "10" STATE COM	Well Number 1
OGRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3908'

Surface Location

UL or lot No. E	Section 10	Township 15 S	Range 36 E	Lot Idn	Feet from the 1450	North/South line NORTH	Feet from the 1100	East/West line WEST	County LEA
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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 line	County
Dedicated Acres 320	Joint or Infill N	Consolidation Code C	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

<p>GTO 10 St. No. 1</p> <p>Lat - N33°02'07.1" Long - W103°17'48.0" NMSPCE - N 792108.776 E 859226.083 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Hope Knauls</u> Signature Hope Knauls Printed Name Regulatory Title 4-2-15 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>MAY 08, 2005 NEW MEXICO 7977 Certificate No. Gary L. Jones 7977 BASIN SURVEYS</p>
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DISTRICT I
1823 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1009 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1990

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OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Re-Entry

API Number 30-025-36260	Pool Code 74450	Pool Name Caudill; Mississippian (Gas)
Property Code 35696	Property Name GTO "10" STATE COM	Well Number 1
OGRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3908'

Surface Location

UL or lot No. E	Section 10	Township 15 S	Range 36 E	Lot Idn	Feet from the 1450	North/South line NORTH	Feet from the 1100	East/West line WEST	County LEA
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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 line	County
Dedicated Acres 320	Joint or Infill N	Consolidation Code C	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

<p>1450'</p> <p>1100'</p> <p>GTO 10 St. No. 1</p> <p>Lat - N33°02'07.1" Long - W103°17'48.0" NMSPEC - N 792108.776 E 859226.083 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Hope Knauls</i> Signature Hope Knauls Printed Name Regulatory Title 4-2-15 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>MAY 1990 NEW MEXICO 7977 Certificate No. Gary L. Jones 7977 BASIN SURVEYS</p>
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Well Name: GTO 10 STATE COM # 001 **API:** 3002536260
Location: E-10-15.0S-36E 1450 FNL 1100 FWL
Lat: 33.0353194 **Long:** -103.297
Operator Name: CIMAREX ENERGY CO. **County:** Lea
Land Type: State **Well Type:** Gas
Spud Date: 5/7/2003 1 **Plug Date:**
Elevation GL: 3916 **Depth TVD:** 12997

Year: 2006						
Pool Name: CAUDILL;MISSISSIPPIAN (GAS)						
Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produ	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	0	0	0	0	0	0
February	0	0	0	0	0	0
March	0	0	0	0	0	0
April	0	0	0	0	0	0
May	0	0	0	0	0	0
June	0	0	0	0	0	0
July	0	0	0	0	0	0
August	0	0	0	0	0	0
September	0	0	0	0	0	0
October	0	0	0	0	0	0
November	0	0	0	0	0	0
December	22	6620	208	31	22	6620

Year: 2007						
Pool Name: CAUDILL;MISSISSIPPIAN (GAS)						
Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produ	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	0	4854	113	30	22	11474
February	0	4287	7	28	22	15761
March	27	3918	13	31	49	19679
April	0	4083	8	30	49	23762
May	0	3496	18	31	49	27258
June	0	2789	8	29	49	30047
July	0	1816	2	31	49	31863
August	0	1551	0	31	49	33414
September	0	1345	5	30	49	34759
October	0	1271	0	31	49	36030
November	15	1064	0	30	64	37094
December	8	1035	0	31	72	38129

Year: 2008						
Pool Name: CAUDILL;MISSISSIPPIAN (GAS)						
Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days Produ	Accum. Oil(BBLS)	Accum. Gas(MCF)
January	7	801	0	28	79	38930
February	0	0	0	0	79	38930

Cimarex Energy Co.
600 N. Marienfeld St.
Suite 600
Midland, TX 79701
MAIN 432.571.7800



April 1, 2015

Mr. Michael A. McMillan
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Ownership Verification
GTO 10 State Com. #1
API No. 30-025-36260
1450' FNL x 1100' FWL
Sec. 10-T15S-R36E
Lea County, New Mexico

Dear Mr. McMillan:

Per the review of our records, it has been determined that there is common ownership for the Mississippian and Atoka zones. Please feel free to contact me if there are any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Burke". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Steve Burke, CPL
Cimarex Energy Co.
Landman
Phone: (432) 571-7827
Fax: (432) 242-2966
sburke@cimarex.com

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised August 1, 2011

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☐ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☐ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Cimarex Energy Co.

600 N. Marienfeld Ste. 600, Midland TX 79701

Operator
GTO 10 State Com #001 Address
Lease E 10-15S-36E Lea, NM
Well No. Unit Letter-Section-Township-Range County

OGRID No. 215099 Property Code 35696 API No. 30-025-36260 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Caudill Atoka (gas)		Caudill Mississippian (gas)
Pool Code	96231		74450
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12292-12366 Perforated		12892-12898 Perforated
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	NA		1000
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 11-10-06 Rates: 0 BO/ 1 BW, 158 MCF	Date: Rates:	Date: 3-18-08 Rates: 6 BO/120 BW, 1300 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 0 % 10 %	Oil Gas % %	Oil Gas 100% 90 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Hope Knauls TITLE Regulatory Tech DATE 4/2/2015
TYPE OR PRINT NAME Hope Knauls TELEPHONE NO. (918) 810-3191
E-MAIL ADDRESS hknauls@cimarex.com