



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 28, 2006

Cimarex Energy Co. of Colorado
c/o Mr. James Bruce
P.O. Box 1056
Santa Fe, NM 87504

Administrative Order NSL-5288-A

Re: Pipeline Deep 6 Federal
Well No. 1
J-6-19S-34E
Lea County

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS06-33531792**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 30, 2006, on behalf of Cimarex Energy Co. of Colorado (Cimarex), and

(b) the Division's records pertinent to Cimarex's request, including the Division's records pertinent to Administrative Order NSL-5288.

Cimarex has requested to complete its Pipeline Deep 6 Federal Well No. 1 (API No. 30-025-37547) in the Atoka and Bone Spring formations at an unorthodox location, 2300 feet from the South line and 1650 feet from the East line (Unit J) of Section 6, Township 19 South, Range 34 East, N.M.P.M., in Lea County, New Mexico. In the Atoka, the S/2 of Section 6 will be dedicated to the well to form a standard 316-acre wildcat Atoka gas spacing unit. The Atoka is governed by statewide Rule 104.C(2), which provides that wells shall be located at least 660 feet from the outer boundary of the spacing unit. This location is approximately 340 feet from the northern boundary of the S/2 of Section 6.

In the Bone Spring, the N/2 of the SE/4 of Section 6 will be dedicated to the well to form a standard 80-acre spacing and proration unit in the EK-Bone Spring Pool (**21650**). This pool is

governed by special pool rules provided in Order No. R-4981, issued in Case No. 5422, which provide that a well shall be located within 150 feet of the center of a quarter/quarter section. The proposed location is approximately 320 feet north and 330 feet east of the center of the NW/4 of the SE/4 of Section 6.

Your application on behalf of Cimarex has been duly filed under the provisions of Division Rules 104.F and 1210.A(2) and Order No. R-4981.

It is our understanding that this well was drilled as a Morrow gas well at an unorthodox Morrow location approved in Order No. NSL-5288, and that Cimarex now seeks to recomplete the well in the Atoka and Bone Spring.

We also understand that the working interest ownership is uniform throughout the section. Accordingly, there are no "affected persons" who must be notified of this application.

By the authority granted me under the provisions of Division Rule 104.F(2) and Order No. R-4981, the above-described non-standard locations are hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



MEF Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs
United States Bureau of Land Management - Carlsbad