

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

August 24, 2007

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

## **Administrative Order NSL-5674**

Re: Laguna Deep Unit Well No. 11  
D-25-19S-33E  
Lea County

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS07-21450911**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on August 1, 2007, on behalf of Cimarex Energy Co. of Colorado (Cimarex), and

(b) the Division's records pertinent to Cimarex's request.

Cimarex has requested to drill its Laguna Deep Unit Well No. 11 to the Morrow formation at an unorthodox gas well location, 660 feet from the North line and 410 feet from the West line (Unit D) of Section 25, Township 19 South, Range 33 East, N.M.P.M., in Lea County, New Mexico. The W/2 of Section 25 will be dedicated to this well in order to form a standard 320-acre gas spacing unit in the East Gem-Morrow Gas Pool (77380). This request is governed by statewide Rule 104.C(2), which provides that wells may be located no closer than 660 feet to a unit boundary. The proposed location is less than 660 feet from the western boundary of the proposed unit.

Your application on behalf of Cimarex has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that this location was selected to conform to United States Bureau of Land Management siting requirements.


We also understand that working interest ownership is identical as between the W/2 of Section 25 (subject unit) and the E/2 of Section 26 (offset unit). Accordingly, there are no "affected persons" who must be notified of this application.

Pursuant to the authority granted me under the provisions of Division Rule 104.F(2) the above-described non-standard location is hereby approved.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

 Mark E. Fesmire, P.E.  
Director

MEF/db

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