

DATE IN 11/24/08	SUSPENSE	ENGINEER W Jones	LOGGED IN 11/25/08	DHC 4126	PKUR0833055594
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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]**

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

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[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.

Natalie Krueger		Regulatory Analyst	11/21/08
Print or Type Name	Signature	Title	Date
		nkrueger@cimarex.com	
		e-mail Address	

5215 N. O'Connor Blvd
Suite 1500
Irving, TX 75039
972-443-3111 (phone)
972-443-6486 (fax)

RECEIVED

Cimarex Energy Co. of Colorado 2008 NOV 24 AM 11 07

November 21, 2008

New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505
Attn: Mr. Will V. Jones

RE: Airpark 35 Federal Com No. 1
30-015-35613
C-107-A – Application for Downhole Commingling – Wolfcamp & Cisco-Canyon

Dear Mr. Jones,

Enclosed is an original Form C-107-A (Application for Downhole Commingling) for the well mentioned above.

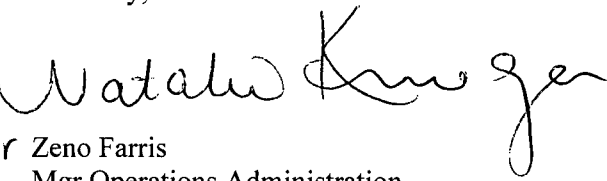
This well was completed in the Morrow in 04-08 with perfs at 11250'-11256.' Cimarex proposes to re-enter, set a CIBP @ 11175' w/ 35' cement, and then perf the Cisco-Canyon at 9800'-9939' and the Wolfcamp at 9062'-9355.' Then, the 2 zones will be combined in a 4-stage frac, with production numbers to be derived from running a production log post-frac. At that time, the allocation percentages will be submitted to the NMOCD for use in the production reporting split.

It is anticipated that the reservoir pressure from these two zones will be compatible and the resulting volumes would not warrant a casing/tubing dual completion.

All royalty, overriding royalty, and working interest owners are identical in the two zones, and will not be harmed by a Cisco-Canyon/Wolfcamp commingling.

If you have any questions or need further information, please call me at 972-443-6489.

Sincerely,


for Zeno Farris
Mgr Operations Administration

zfarris@cimarex.com

.....

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., 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-102
Revised October 12, 2005

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35613	Pool Code	Pool Name Wildcat Wolfcamp
Property Code	Property Name AIRPARK "35" FEDERAL COM	Well Number 1
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3601'

Surface Location

UL or lot No. K	Section 35	Township 24 S	Range 25 E	Lot Idn	Feet from the 1580	North/South line SOUTH	Feet from the 1880	East/West line WEST	County EDDY
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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	Consolidation Code P	Order No. DHC Pending						

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>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Zeno Farris</u> 11-21-08 Signature Date</p> <p>Zeno Farris Printed Name</p>
<p>Lat - N32°10'14.8" Long - W104°22'08.4" NMSPCE - N 425869.374 E 530308.072 (NAD-83)</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>MARCH 30, 2007 Date Surveyed</p> <p><u>GARY L. JONES</u> Signature of State of New Mexico Professional Surveyor</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87506

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-35613	Pool Code 97566	Pool Name Walnut Canyon; Upper Penn
Property Code	Property Name AIRPARK "35" FEDERAL COM	Well Number 1
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3601'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	35	24 S	25 E		1580	SOUTH	1880	WEST	EDDY

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	Joint or Infill	Consolidation Code		Order No.					
320		P		DHC Pending					

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>at - N32°10'14.8\"/> long - W104°22'08.4\"/> NMSPCE- N 425869.374 E 530308.072 (NAD-83)</p>	<h3 style="text-align: center;">OPERATOR CERTIFICATION</h3> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p style="text-align: right; font-size: 1.2em;">Zeno Farris</p> <hr/> <div style="display: flex; justify-content: space-between;"> Signature 11-21-08 </div> <hr/> <p style="text-align: center;">Zeno Farris</p> <hr/> <p style="text-align: center;">Printed Name</p>
<p style="text-align: center; font-size: 1.5em;">Fee</p>	<p style="text-align: center; font-size: 1.5em;">NM-97113</p>	<h3 style="text-align: center;">SURVEYOR CERTIFICATION</h3> <p><i>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.</i></p> <p style="text-align: center; font-size: 1.2em;">MARCH 30, 2007</p> <hr/> <div style="display: flex; justify-content: space-between;"> Date Surveyed GARY L. JONES </div> <div style="display: flex; justify-content: space-between;"> Signature of Surveyor Professional Surveyor </div> <div style="text-align: center;"> </div> <hr/> <div style="display: flex; justify-content: space-between;"> Certificate No. Gary L. Jones 7977 </div>

BASIN SURVEYS

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

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. of Colorado 5215 N. O'Connor Blvd., Suite-1500, Irving, TX 75039
Operator Address
Airpark 35 Federal Com 001 K-35-24S-25E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 162683 Property Code API No. 30-015-35613 Lease Type: ☒ Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat; Wolfcamp-Wildcat Gas		Walnut Canyon; Upper Penn Gas
Pool Code			97566
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9062' – 9355'		9800' – 9939'
Method of Production (Flowing or Artificial Lift)	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)	Within 150% of bottom perfs		
Oil Gravity or Gas BTU (Degree API or Gas BTU)	To be supplied		1.125
Producing, Shut-In or New Zone	New Zone		New Zone
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: Rates: to be supplied	Date: Rates:	Date: Rates: to be supplied
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	Oil Gas	Oil Gas

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 Zeno Farris TITLE Manager Operations Administration DATE November 21, 2008
TYPE OR PRINT NAME Zeno Farris TELEPHONE NO. (972) 443-6489
E-MAIL ADDRESS zfarris@cimarex.com

COPY

From: Origin ID: JMDA (469) 420-2723
 Natalie Krueger
 Cimarex Energy Co.
 600 East Las Colineas Blvd Ste 1100
 Irving, TX 75039



Ship Date: 21NOV08
 ActWgt: 1.0 LB
 CAD: 9016127/INET8091
 Account#: S *****

Delivery Address Bar Code



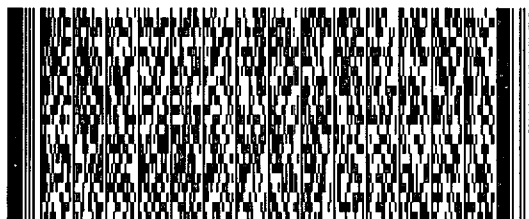
Ref # 31605 & C107A Airpark 35 1 DHC
 Invoice #
 PO #
 Dept #

SHIP TO: (505) 234-5972 BILL SENDER
Betty Hill
Bureau of Land Management
620 East Greene Street

Carlsbad, NM 88220

TRK# 7961 3522 9898
 0201

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