

DATE IN 11/3/09	SUSPENSE 11/24/09	ENGINEER Jones	LOGGED IN 11/3/09	TYPE DAC	APP NO. 0930754470
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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



PTG-w
 Fed 13 Com #3
 3045 33785

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 _____

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[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.

<u>Zeno Farris</u> Print or Type Name	<u>Zeno Farris</u> Signature	<u>Mgr Operations Admin</u> Title	<u>10/30/09</u> Date
		<u>zfarris@cimarex.com</u> e-mail Address	

E2 (Wolfcamp) and All (Cisco/White City; Penn) 13-25S-26E
Federal 13 Com No. 3
725 FSL & 1750 FEL
Eddy County, New Mexico



RE: Application to Downhole Commingle Wolfcamp and Cisco in the Federal 13 Com No. 3.

Overrides:

Chevron USA, Inc PO Box 730436 Dallas, TX 75284-0592	Robert N. Enfield Trust Wells Fargo OGM Trustee C-7300-07D PO Box 5383 Denver, CO 80217	Sunshine Company PO Box 1496 Roswell, NM 88202-1496	Bryan Bell Family Ltd Pship Bryan Bell – General Partner 1331 Third St New Orleans, LA 70130
Jerune Allen 245 Nicklaus Dr Rio Rancho, NM 87124	Wanda Sue Grassie 807 Old Coupland Rd Taylor, TX 76574-9614	Susan Whitaker PO Box 2978 Roswell, NM 88202	

DISTRICT I
1825 N. FRENCH DR., HOBS 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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-33785	Pool Code 87280	Pool Name White City; Penn (G)
Property Code 33622	Property Name FEDERAL 13 COM	Well Number 3
OGRID No. 162683	Operator Name Cimarex Energy Co. of Colorado	Elevation 3222'

Surface Location

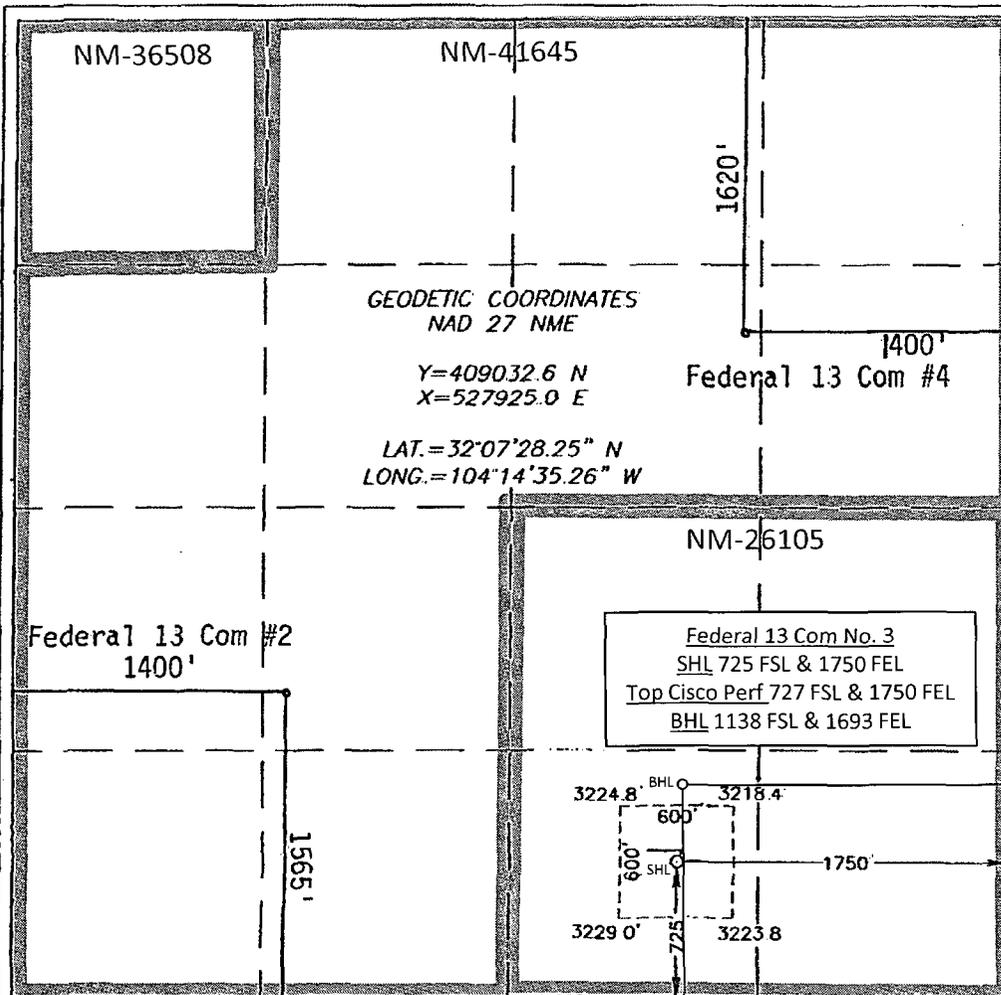
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	13	25-S	26-E		725	SOUTH	1750	EAST	EDDY

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
0	13	25-S	26-E		1138	SOUTH	1693	EAST	EDDY

Dedicated Acres 640	Joint or Infill Y	Consolidation Code C	Order No.
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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



OPERATOR CERTIFICATION

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

Zeno Farris

Signature

Zeno Farris

Printed Name

Mgr Operations Admin

Title

October 30, 2009

Date

SURVEYOR CERTIFICATION

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.

NOVEMBER 5, 2004

Date Surveyed

JR

Signature & Seal of Professional Surveyor

Gary Edson
04.11.1476

Certificate No. GARY EDSON

12841

DISTRICT I
1625 N. FRENCH DR., HOBSB NM 89240

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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
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WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-33785	Pool Code 96890	Pool Name Sage Draw; Wolfcamp, E (Gas)
Property Code 33622	Property Name FEDERAL 13 COM	Well Number 3
OGRID No. 162683	Operator Name Cimarex Energy Co. of Colorado	Elevation 3222'

Surface Location

Ul. or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	13	25-S	26-E		725	SOUTH	1750	EAST	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
0	13	25-S	26-E		1138	SOUTH	1693	EAST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code P	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>NM-41645</p> <p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=409032.6 N X=527925.0 E</p> <p>LAT.=32°07'28.25" N LONG.=104°14'35.26" W</p>	<p>NM-26105</p> <p>Federal 13 Com No. 3 SHL 725 FSL & 1750 FEL Top Wolfcamp Perf. Same as SHL BHL 1138 FSL & 1693 FEL</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Zeno Farris</i></p> <p>Signature</p> <p>Zeno Farris</p> <p>Printed Name</p> <p>Mgr Operations Admin</p> <p>Title</p> <p>October 30, 2009</p> <p>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>NOVEMBER 5, 2004</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Gary Edson</i> 11/09/04</p> <p>04.11.1476</p> <p>Certificate No. GARY EDSON 12841</p>

Diagram showing well location with SHL and BHL points and distances:

- SHL (Surface Hole Location) at 3229.0' and 3223.8'
- BHL (Bottom Hole Location) at 3224.8' and 3218.4'
- Distances: 600' (SHL to BHL), 725' (SHL to surface), 1750' (SHL to surface)

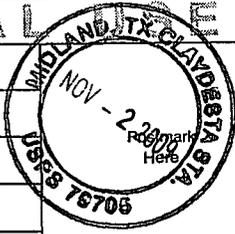
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City, State, ZIP+4

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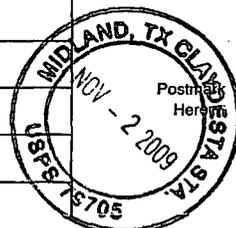
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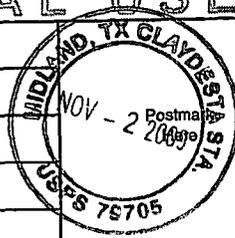
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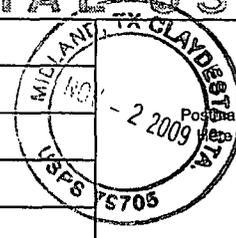
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Street, Apt. No.; C-7300-07D
or PO Box No. PO Box 5383
City, State, ZIP+4 Denver, CO 80217

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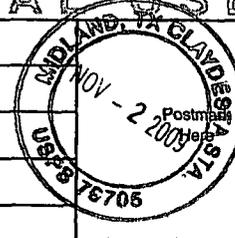
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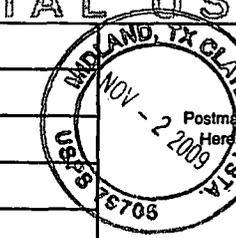
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Bryan Bell - General Partner
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City, State, ZIP+4

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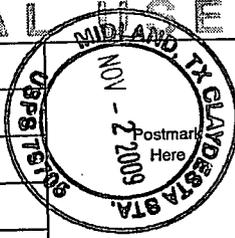
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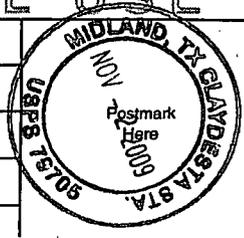
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District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

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

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

APPLICATION FOR DOWNHOLE COMMINGLING

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

Cimarex Energy Co. of Colorado 600 N. Marienfeld St., Ste. 600; Midland, TX 79701
Operator Address **DHC-4224**

Federal 13 Com 003 O-13-25S-26E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 162683 Property Code 33622 API No. 30-015-33785 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE <i>UNDES</i>	INTERMEDIATE ZONE	LOWER ZONE <input checked="" type="checkbox"/>
Pool Name	Sage Draw; Wolfcamp, E (Gas)		White City; Penn (Gas)
Pool Code	96890		87280
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9407-9801'		10162-10383'
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)	Within 150% of bottom perfs		
Oil Gravity or Gas BTU (Degree API or Gas BTU)	To be supplied		To be supplied
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: N/A Rates: N/A	Date: Rates:	Date: N/A Rates: N/A
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 To be supplied based on production log	Oil Gas	Oil Gas To be supplied based on production log

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 October 30, 2009

TYPE OR PRINT NAME Zeno Farris TELEPHONE NO. (432) 620-1938

E-MAIL ADDRESS zfarris@cimarex.com

600 N. Marienfeld St
Suite 600
Midland, TX 79701
432-620-1938 (phone)
432-620-1938 (fax)

Cimarex Energy Co. of Colorado

October 30, 2009

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

RE: Federal 13 Com No. 3
30-015-33785

C-107-A – Application for Downhole Commingling – Sage Draw Wolfcamp, E (Gas) & White City Penn (Gas)

Dear Mr. Jones,

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

This well is currently producing from Morrow perms at 11166' – 11806'.

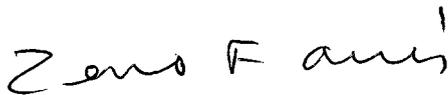
Cimarex proposes to abandon Morrow by setting CIBP at 11100' with 35' cement. Perf Cisco shale from 10162'-10383'. Acidize with 10000 gals acid followed by slick water sand frac. Set composite plug at 10100' and perf Wolfcamp shale from 9407'- 9801'. Acidize with 10000 followed by slick water sand frac. Drill out RBP 10100' and turn well to sales. Allocation percentages for each zone will be based on production log.

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

Royalty is 12.5% MMS and working interest is 100% Cimarex. Overriding royalties are the same owners but there will be differences in the percentages due to the different spacing's for the White City Penn and Wolfcamp gas zones.

If you have any questions or need further information, please call me at 620-620-1938.

Sincerely,



Zeno Farris
Mgr Operations Administration

zfarris@cimarex.com

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