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September 27, 2016

Florene Davidson
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 15561

Re: APPLICATION OF CIMAREX ENERGY CO. FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT, EDDY COUNTY, NEW MEXICO

Dear Ms. Davidson:

Enclosed please find three copies of the following:

1. Application

Thank you for your assistance. Please contact me if you have any questions.

Sincerely,



Jennifer L. Bradfute

JLB/zc
Enclosure

Modrall Sperling
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**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

2016 SEP 29 PM 3:13

**APPLICATION OF CIMAREX
ENERGY CO. FOR A NON-STANDARD
OIL SPACING AND PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 15561

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division for an order creating a non-standard 446.86 acre, more or less, oil spacing and proration unit and project area in the Bone Spring formation, comprised of the E/2 W/2 and W/2 E/2 of Section 28, and Unit Letters B, C and Lots 2 and 3 of Irregular Section 33, all Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico. In support of this application, Cimarex states as follows:

1. Cimarex is an interest owner in the subject lands and has a right to drill a well thereon.
2. Cimarex has drilled or is in the process of drilling and completing the **Klein 33 Federal Com 7H well** in the WC-015 G-04 S262728S, which is a horizontal well that will develop the Bone Springs Pool (Pool Code 98018) underlying the E/2 W/2 and W/2 E/2 of Section 28, and Unit Letters B, C and Lots 2 and 3 of Irregular Section 33 to form a 446.86-acre, more or less, oil spacing and proration unit (the "project area").
3. The WC-015 G-04 S262728S, Bone Springs Pool (Pool Code 98018) is subject to the Division's statewide rule providing for 40-acre spacing units.

4. The Klein 33 Federal Com 7H well will be drilled from a surface hole location of 210 feet from the South line and 1980 feet from the West line of Section 33 to a bottom hole location of 345 feet from the North line and 1713 feet from the West line of Section 28. The completed interval for this well will comply with the 330' setbacks required by the Division's rules.

5. Cimarex plans to develop each 40 acre spacing unit within the project area and Irregular Lots 2 and 3 in Section 33 with the Klein 33 Federal 7H well and two other wells that it has proposed to drill, the Klein 33 Federal 5H and 8H wells.

6. Approval of the non-standard proration unit and project area will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.


7. Notice of this application is being given in accordance with Division rules.

WHEREFORE, Cimarex Energy Co. requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 27, 2016, and after notice and hearing as required by law, the Division enter its order:

A. Creating a non-standard oil spacing and proration unit and project area in the Bone Spring formation comprised of the E/2 W/2 and W/2 E/2 of Section 28, and Unit Letters B, C and Lots 2 and 3 of Irregular Section 33, all Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: 
Earl E. DeBrine, Jr.
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Attorneys for Applicant

CASE NO. 15561 : Application of Cimarex Energy Company for a non-standard spacing and proration unit, Eddy County, New Mexico. Applicant seeks an order from the Division: creating a non-standard 446.86 acre, more or less, oil spacing and proration unit and project area in the Bone Spring formation, comprised of the E/2 W/2 and W/2 E/2 of Section 28, and Unit Letters B, C and Lots 2 and 3 of Irregular Section 33, all Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico. This proposed non-standard spacing and proration unit will be the project area for the **Klein 33 Federal Com 7H well**, to be horizontally drilled. The producing area for this well will be 330 feet from the project area boundary. Said area is located approximately 17 miles southwest of Malaga New Mexico.