State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham

Governor

Melanie A. Kenderdine Cabinent Secretary

Albert C.S. Chang Division Director Oil Conservation Division



Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Deana M. Bennett deana.bennett@modrall.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9008

Cimarex Energy Co. of Colorado [OGRID 162683] Laguna Grande 29 28 Federal Com Well No. 14H API No. 30-015-PENDING

Reference is made to your application received on June 17th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	1284 FSL & 360 FWL	M	29	23S	29E	Eddy
First Take Point	1650 FSL & 100 FWL	L	29	23S	29E	Eddy
Last Take Point/	1650 FSL & 100 FEL	I	28	23S	29E	Eddy
Terminus						-

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
Section 29	1280	Purple Sage; Wolfcamp, Gas	98220
Section 28		-	

You have requested to complete this horizontal well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre spacing unit.

Administrative Order NSL - 9008 Cimarex Energy Co. of Colorado Page 2 of 2

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The well's completed interval is as close as 100 feet to the western and eastern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 30, encroachment to the SE/4 Section 27, encroachment to the SW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to allow for efficient well spacing of horizontal wells within the Wolfcamp formation underlying all of Section 29 and all of Section 28, thereby preventing waste.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Albert C.S. Chang, PE Division Director

Albert Chang

AC/lrl

Date: 7/25/2025

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ID NO. 476078

APP NO:

RECEIVED: 06/17/25

REVIEWER:

TYPE:

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY



Revised March 23, 2017

- Geological & Engine 1220 South St. Francis Drive,	eering Bureau –
THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE AREGULATIONS WHICH REQUIRE PROCESSING	applications for exceptions to division rules and
Applicant: Cimarex Energy Co. of Colorado Well Name: Laguna Grande 29-28 Fed Com 14H Pool: Purple Sage; Wolfcamp (Gas) SUBMIT ACCURATE AND COMPLETE INFORMATION R INDICATED	
1) TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Dedi NSL NSP (PROJECT AREA) B. Check one only for [1] or [1] [1] Commingling – Storage – Measurement DHC CTB PLC PC [11] Injection – Disposal – Pressure Increase – WFX PMX SWD IPI 2) NOTIFICATION REQUIRED TO: Check those which are all the composition of the	for [A] ication NSP (PRORATION UNIT)
3) CERTIFICATION: I hereby certify that the information administrative approval is accurate and complete understand that no action will be taken on this approval in the description of the Division. Note: Statement must be completed by an individual of the Division.	te to the best of my knowledge. I also oplication until the required information and
Deana M. Bennett Print or Type Name	06/17/2025 Date 505-848-1834
Wern MBennett	deana.bennett@modrall.com

Signature

e-mail Address



LAWYERS

June 17, 2025

VIA E-FILING

Deana M. Bennett 505.848.1834 dmb@modrall.com

Acting Director Gerasimos Razatos *And*OCD Engineering Bureau
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Application of Cimarex Energy Co. of Colorado for administrative approval of unorthodox well location for its Laguna Grande 29-28 Fed Com 14H well located in a horizontal spacing unit comprised of Sections 28 and 29, Township 23 South, Range 29 East, Eddy County, New Mexico.

Dear Director Razatos/OCD Engineering Bureau:

Pursuant to Division rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Cimarex Energy Co. of Colorado ("Cimarex") (OGRID 162683) seeks administrative approval of an unorthodox well location ("NSL") for its Laguna Grande 29-28 Fed Com 14H well (API No. pending) (the "Well"). The Well will be located in a 1280-acre, more or less, spacing unit underlying Sections 28 and 29, Township 23 South, Range 29 East, Eddy County, New Mexico, and is in the Purple Sage; Wolfcamp (Gas) pool (Code 98220). A C-102 for the Well is attached as **Exhibit A**.

Approval of the unorthodox location will allow for efficient spacing of horizontal wells in the Wolfcamp formation and thereby prevent waste.

The horizontal spacing unit to which the Well will be dedicated is described as:

Description	Acres	Pool	Pool Code
Sections 28 & 29	1280	Purple Sage; Wolfcamp (Gas)	98220

¹ Cimarex filed a non-standard unit application, along with a compulsory pooling application, for the non-standard unit in which the Well is located. That application in case number 25091 was heard by affidavit by the Division during its May 8, 2025 hearing docket.

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

The Purple Sage; Wolfcamp pool is a gas pool that is subject to special pool rules that establish a 330' setback requirement for the first and last take points of a well from the outer boundary of the spacing unit. The Well's **first and last take points** will be closer than 330' from the outer boundary of the spacing unit, which requires an NSL approval. As shown on Exhibit A, this is a horizontal well that will be drilled as follows:

- Surface Hole Location: 1284' FSL & 360' FWL (Unit M) of Section 29;
- Bottom Hole Location: 1650' FSL & 100' FEL (Unit I) of Section 28.
- First Take Point: 1650' FSL & 100' FWL (Unit L) of Section 29;
- Last Take Point: 1650' FSL & 100' FEL (Unit I) of Section 28.

As discussed above, the Well's **first and last take points** will be closer than 330' from the outer boundary of the spacing unit. *See* Exhibit A (C-102). The unorthodox location for the Well's first take point will encroach towards the NE/4 and the SE/4 of Section 30, Township 23 South, Range 29 East. The unorthodox location for the Well's last take point will encroach towards the NW/4 and the SW/4 of Section 27, Township 23 South, Range 29 East. *See* Exhibit A (C-102). Cimarex provides a map of the area, attached as **Exhibit B**, which shows the tracts upon which the unorthodox location will encroach.

As shown on Exhibit B, Devon Energy is the operator of both the NE/4 of Section 30 and the NW/4 of Section 27. Chevron is also providing notice to the Bureau of Land Management. Proof of mailing, along with a copy of the notice letter sent to affected parties, is attached hereto as **Exhibit C**.

Your attention to this matter is appreciated.

Sincerely,

Deana M. Bennett

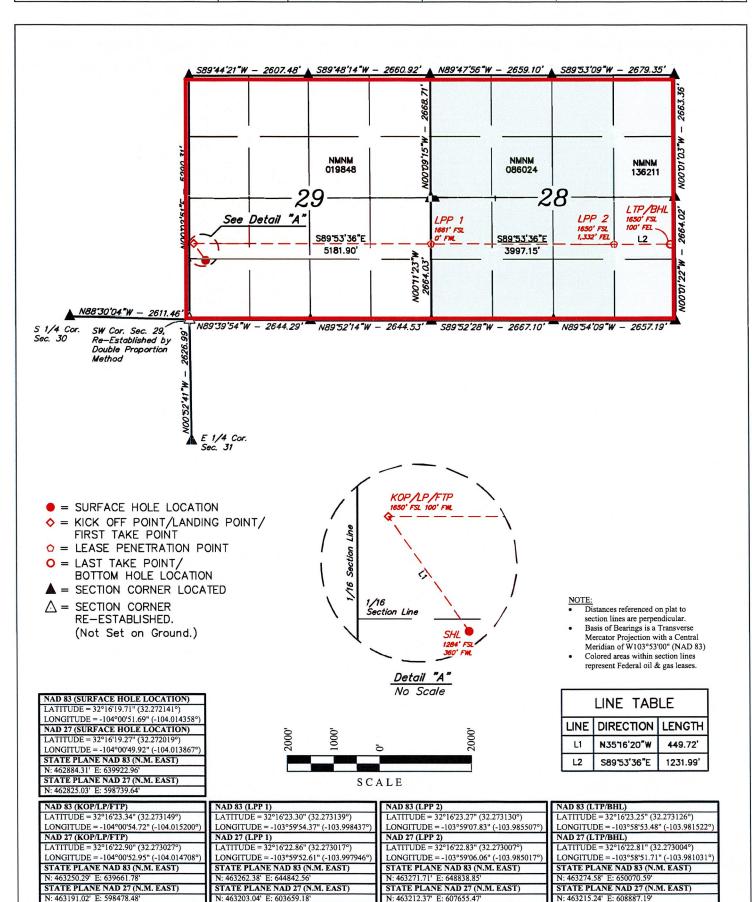
Attorney for Cimarex Energy Co. of

Colorado

<u>C-102</u>		En			ew Mexico ral Resources Department TION DIVISION					
	Electronically Permitting	У	HI T	OIL	CONSERVA	TION DIVISION		☑ Initial Submittal		tal
			1.						Submittal	
								Type:	☐ As Drilled	
					WELL LOCA	TION INFORMATION	T	L		
API Nu	mber		Pool Code	98220		Pool Name		AGE: WO	FLCAMP (GAS)	
Propert	v Code		Property N						Well Number	
					LAGUNA GR	ANDE 29-28 FED COM	Л		14]	
OGRID	No.	162683	Operator N	lame	CIMAR	EX ENERGY CO.			Ground Level Ele 2966	
Surface	Owner:	State Fee	Tribal 🛛 Fe	deral	п	Mineral Owner:] State □ Fee 1	□ Tribal ©] Federal	
					Sur	rface Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
M	29	238	29E	201	1284 SOUTI		32.2721		-104.014358°	EDDY
					Botto	m Hole Location		1		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
Ι	28	23S	29E		1650 SOUT	H 100 EAST	32.2731	126°	-103.981522°	EDDY
Dedica	ted Acres	Infill or Defi	ning Well	Definin	g Well API	Overlapping Spacing	ng Unit (Y/N)	Consolida	ation Code	
Order 1	Numbers.					Well setbacks are u	ınder Common	Ownership	:□Yes □No	
					77:1		***************************************			
UL	Section	Township	Range	Lot	Ft. from N/S	Off Point (KOP) Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
L	29	238	29E	201	1650 SOUT		32.273		-104.015200°	EDDY
<u> </u>	<u> </u>	Li .			First 7	I Γake Point (FTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
L	29	23S	29E		1650 SOUT	H 100 WEST	32.273	149°	-104.015200°	EDDY
	_					Γake Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	County
I	28	23S	29E		1650 SOUT	H 100 EAST	32.273	1265	-103.981522°	EDDY
Unitize	d Area or Ar	ea of Uniform l	Interest	Spacing	g Unit Type 🗖 Ho	rizontal Vertical	Grou	nd Floor El	levation:	
OPER.	ATOR CERT	IFICATIONS				SURVEYOR CERTII				
my know organize including location interest,	vledge and beli ution either own g the proposed pursuant to a	ief, and, if the we ns a working inter bottom hole loca contract with an o ary pooling agree	ll is a vertical o rest or unleased tion or has a ri owner of a worl	or directional d mineral inte ght to drill th ding interest	erest in the land	I hereby certify that the v surveys made by me or u my belief.				ect to the best of
consent in each	of at least one tract (in the tar will be located	lessee or owner o	of a working into ution) in which mpulsory pooli	erest or unlea any part of th	n has received the ased mineral interest he well's completed n the division.			Ø.	23/82 04-29-25	A BU
			Date			Signature and Seal of Pro	fessional Surveyor		SONAL S	
Signatur	e U									
Shelly	Bowen					23782	March 5, 2	.025		
	Bowen					23782 Certificate Number	March 5, 2		IRIT	
Shelly	Bowen Name Bowen@cote	еrra.com						EXH	IBIT	

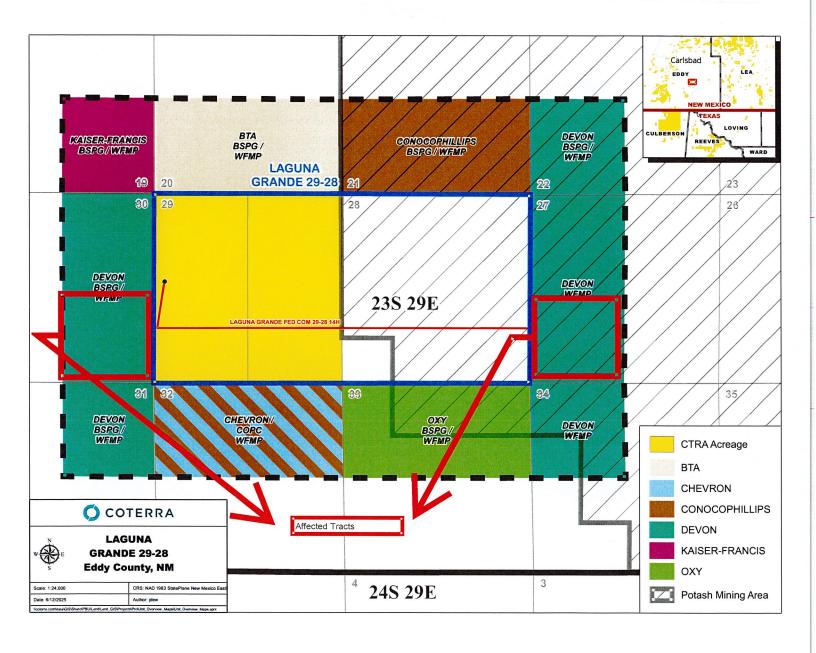
Sheet 1 of 2

Property Name Well Number Drawn By
LAGUNA GRANDE 29-28 FED COM 14H L.M.W. 11-25-24 REV. 3 N.R. 04-29-25 (REMOVE DEDICATED ACREAGE)



Sheet 2 of 2

Well Name	ETD	
	FTP encroaches on	LTP encroaches on
Laguna Grande 29-28 14H	SE/4 Section 30 (Devon)	SW/4 Section 27 (Devon)
	(20,011)	S W/4 Section 2/ (Devon)







June 17, 2025

Deana M. Bennett 505.848.1834 dmb@modrali.com

VIA CERTIFIED MAIL

TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. of Colorado for administrative approval of unorthodox well location for its Laguna Grande 29-28 Fed Com 9H, Laguna Grande 29-28 Fed Com 10H, Laguna Grande 29-28 Fed Com 11H, Laguna Grande 29-28 Fed Com 13H, Laguna Grande 29-28 Fed Com 13H, Laguna Grande 29-28 Fed Com 14H, Laguna Grande 29-28 Fed Com 15H, and Laguna Grande 29-28 Fed Com 16H wells located in a horizontal spacing unit comprised of Sections 28 and 29, Township 23 South, Range 29 East, Eddy County, New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above-referenced applications. If no objection is received within this twenty-day period, the applications may be approved administratively by the Division.

Sincerely,

Deana M. Bennett

Attorney for Cimarex Energy Co. of

Decra H Bennett

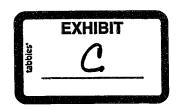
Colorado

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500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com



Received by OCD:	0/1//2	023 4.	:08:38 PN	1	
Firm Mailing Book ID: 290876	Reference Contents	11522.0009.NSL Notice	11522.0009.NSL Notice		
Firm Maili	Rest.Del.Fee	\$0.00	\$0.00	80.00	\$21.80
	RR Fee	\$2.62	\$2.62	\$5.24	Fotal:
	Service Fee RR Fee	\$4.85	\$4.85	\$9.70	Grand Total:
877 KTIFIED MAIL 25	Postage	\$3.43	\$3.43	\$6.86	
PS Form 3877 Type of Mailing: CERTIFIED MAIL 06/17/2025				Totals:	
	Name, Street, City, State, Zip	Devon Energy 333 West Sheridan Ave.	Oklanoma C.14 Or. / 2102 United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508		
See Schuman PModrall Sperling Roehl Harris & Sisk P.A. 0500 Fourth Street, Suite 1000 Malbuquerque NM 87102	USPS Article Number	9314 8699 0430 0136 4003 96 Devon Energy 333 West Sheridan Ave.	9314 8699 0430 0136 4004 02		
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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 476078

CONDITIONS

Operator:	OGRID:
CIMAREX ENERGY CO. OF COLORADO	162683
6001 Deauville Blvd	Action Number:
Midland, TX 79706	476078
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By		Condition Date
llowe	This NSL order was approved with a pending API number well. The owner of the NSL shall update the OCD when an API number is assigned to the pending APD well by sending an e-mail to ocd.engineer@emnrd.nm.gov. TITLED: (Updating NSL-XXX with API number of the Well Name).	7/30/2025