

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.

 Print or Type Name Signature Title Date

 e-mail Address

Cimarex Energy Co.
Mid-Continent Region
15 East 5th Street
Suite 1000
Tulsa, Oklahoma 74103-4346
PHONE 918.585.1100
FAX 918.583.7781

October 15, 2004
2004 OCT 18 AM 11

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F. (2), Cimarex Energy Co. applies for approval of an unorthodox gas well location for the following well:

Well: Wagon Wheel "13" Federal Well No. 2ST

Location: SHL: 1650' FNL & 1980' FEL
BHL: 750' FNL & 2500' FWL

Well Unit: W½ of Section 13, Township 22 South, Range 22 East, N.M.P.M., Eddy County, New Mexico

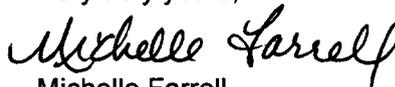
A Form C-102 for the well is attached as *Exhibit A*. The well will be drilled to test the Morrow formation (Indian Basin Southwest-Morrow Gas Pool). The pool is spaced on 320 acres, with wells to be located no closer than 660 feet to a quarter section line nor closer than 10 feet to a quarter-quarter section line.

The location is based on geological and geophysical reasons. Attached as *Exhibit B* is an isopach of the area, based on well control and seismic data. The proposed Cimarex Wagon Wheel "13" Federal #2 ST is located in a seismically-defined area of increased Morrow Formation thickness. Areas of thickened Morrow section increase the probability of encountering reservoir quality sandstones. The target area of increased thickness does not exist at a standard location. In addition, the severe lost circulation commonly encountered in the San Andres Formation in this area is mitigated by sidetracking below an existing casing string in the original Wagon Wheel 13 Federal #2. In order to drill this well at an optimum site, thereby preventing waste, Cimarex respectfully requests approval of a non-standard location

Attached as *Exhibit C* is a location plat. All of Section 13 is covered by federal lease NM 100586, and the location is internal to the lease. Working, royalty, and overriding royalty ownership are common throughout the lease. Therefore, no interest owner is adversely affected, and notice of this application has not been provided to anyone.

Please call me at (918) 295-1727 if you have any questions.

Very truly yours,



Michelle Farrell
Land Tech

Enclosures

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-33483	Pool Code	Pool Name
Property Code	Property Name WAGON WHEEL 13 FEDERAL	Well Number 2ST
OGRID No.	Operator Name CIMAREX ENERGY COMPANY	Elevation 4343'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	13	22-S	22-E		1650'	NORTH	1980'	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
C	13	22-S	22-E		750'	NORTH	2500'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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

GEODETC COORDINATES
 NAD 27 NME
 BOTTOM HOLE LOC.
 Y=507982.3 N
 X=400127.4 E

GEODETC COORDINATES
 NAD 27 NME
 SURF. HOLE LOC.
 Y=507078.6 N
 X=400926.7 E

LAT.=32°23'37.19" N
 LONG.=104°39'15.51" W

OPERATOR CERTIFICATION

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

Michelle Farrell
Signature

Michelle Farrell
Printed Name

Land Tech
Title

10-14-04
Date

SURVEYOR CERTIFICATION

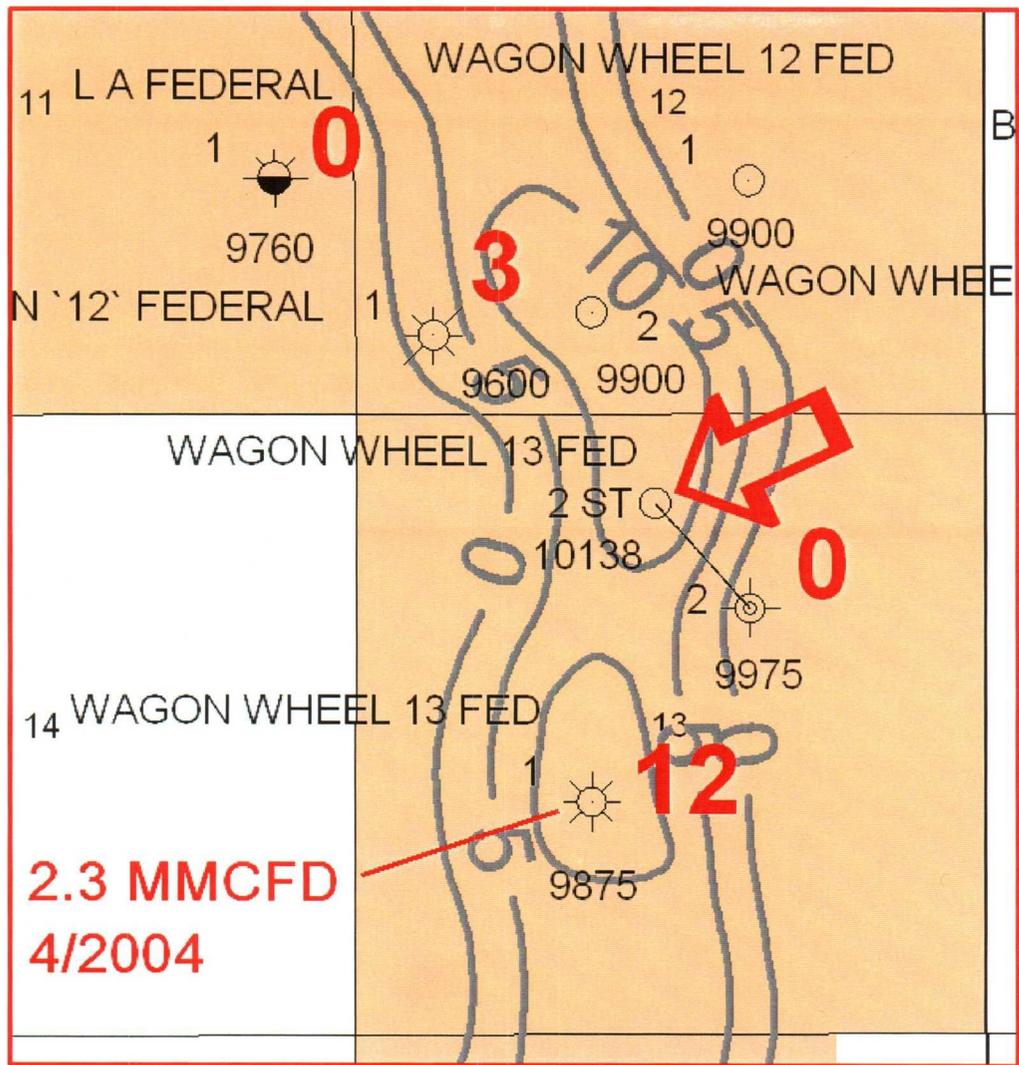
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 29, 2004
Date Surveyed

Signature & Seal of Professional Surveyor

GARY EIDSON
 04.11.0471

Certificate No. **GARY EIDSON** 12641



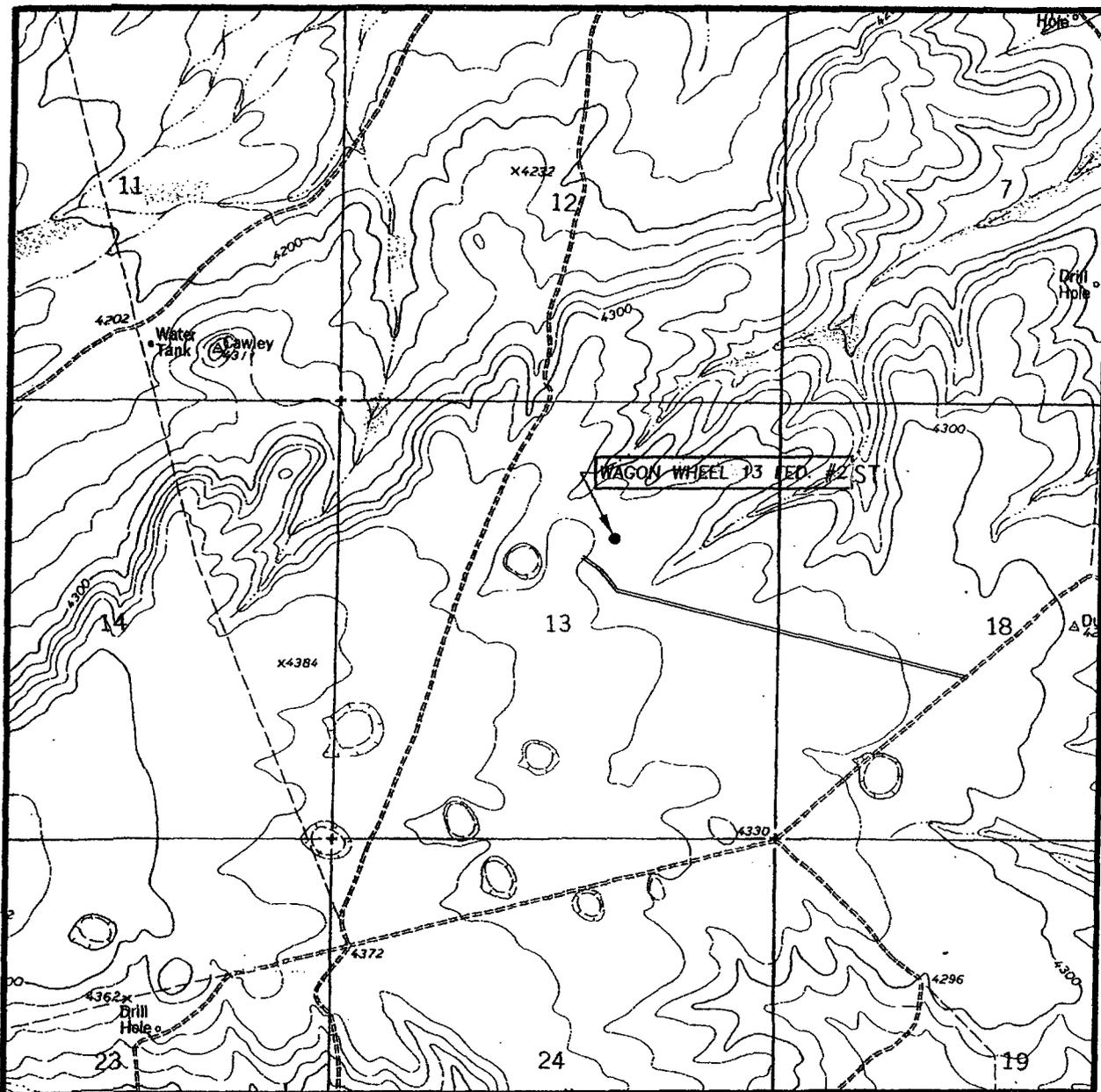
Cimarex Lease
 Ownership Polygons



1" = 2000'

<i>Cimarex Energy Company</i>		
Wagon Wheel 13 Federal #2 ST, Eddy Co, NM SHL: 1650' FNL 1980' FEL Section 13-T22S-R22E BHL: 750' FNL 2500' FWL Section 13-T22S-R22E		
Middle Morrow "E" Net Sandstone Map C.I. = 5' (Interpreted from 3D seismic and well control)		
Author: Dave Rittersbacher		Date: 15 October, 2004
	Scale: 1" = 2000'	

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'
CAWLEY DRAW, N.M.

SEC. 13 TWP. 22-S RGE. 22-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1650' FNL & 1980' FEL

ELEVATION 4343'

OPERATOR CIMAREX ENERGY COMPANY

LEASE WAGON WHEEL 13 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
CAWLEY DRAW, N.M.

PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

10:49 AM - Tuesday Nov. 2nd



State of New Mexico
OIL CONSERVATION COMMISSION

From

MICHAEL E. STOGNER
PETROLEUM ENGINEER

Memo

To

Voice mail message from Michelle Farrell. Checking on the status of its application.

918-295-1727

P.O. BOX 2088
LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
505-827-5811

Stogner, Michael

From: Michelle Farrell [MFarrell@cimarex.com]
Sent: Wednesday, November 03, 2004 9:50 AM
To: mstogner@state.nm.us
Subject: Emailing: Wagon Wheel 13 Fed #2 Plan #1 Report 10-18-04.pdf



Wagon Wheel 13
Fed #2 Plan #1 ...

Please note also, per the BLM's request, the well name has been modified to Wagon Wheel 13 ST Fed #2

Thanks and let me know if you have any questions!

Michelle

<<Wagon Wheel 13 Fed #2 Plan #1 Report 10-18-04.pdf>>

This email has been scanned by the MessageLabs Email Security System.
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Black Viper Energy Services

Planning Report

Database: EDM 2003.5 Single User Db	Local Co-ordinate Reference: Well Wagon Wheel 13 Fed #2
Company: Cimarex Energy Co., Inc.	TVD Reference: WELL @ 0.00ft (Original Well Elev)
Project: Eddy Co., New Mexico	MD Reference: WELL @ 0.00ft (Original Well Elev)
Site: Wagon Wheel 13 Fed #2	North Reference: Grid
Well: Wagon Wheel 13 Fed #2	Survey Calculation Method: Minimum Curvature
Wellbore: S-Well #1	
Design: Plan #1	

Project: Eddy Co., New Mexico	
Map System: US State Plane 1927 (Exact solution)	System Datum: Ground Level
Geo Datum: NAD 1927 (NADCON CONUS)	
Map Zone: New Mexico East 3001	

Site: Wagon Wheel 13 Fed #2, Sec 13, T 22S, R 22E			
Site Position:	Northing: 512560.55 ft	Latitude: 32° 24' 032" N	
From: Lat/Long	Easting: 423806.99 ft	Longitude: 104° 34' 048" W	
Position Uncertainty: ft	Slot Radius: in	Grid Convergence: -0.13 °	

Well: Wagon Wheel 13 Fed #2					
Well Position	+N-S	0.00 ft	Northing:	512560.55 ft	Latitude: 32° 24' 032" N
	+E-W	0.00 ft	Easting:	423806.99 ft	Longitude: 104° 34' 048" W
Position Uncertainty		ft	Wellhead Elevation:	ft	Ground Level: 0.00 ft

Wellbore: S-Well #1					
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2000	10/7/2004	9.05	60.41	49452

Design: Plan #1				
Audit Notes:				
Version:	Phase: PROTOTYPE	Tie On Depth:	5200.00	
Vertical Section:	Depth From (TVD) (ft)	+N-S (ft)	+E-W (ft)	Direction (°)
	0.00	0.00	0.00	318.37

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
5200.00	4.01	262.90	5198.19	11.99	-70.40	0.00	0.00	0.00	0.00	
5808.79	20.04	321.51	5792.84	91.69	-157.19	3.00	2.63	9.63	68.98	
8315.98	20.04	321.51	8148.19	764.21	-692.01	0.00	0.00	0.00	0.00	
9318.10	0.00	320.78	9130.00	900.00	-800.00	2.00	-2.00	0.00	180.00	Target #1 (WW13F)
10138.10	0.00	320.78	9950.00	900.00	-800.00	0.00	0.00	0.00	320.78	PBHL - TD(WW13F)



Black Viper Energy Services Planning Report

Database: EDM 2003.5 Single User Db	Local Co-ordinate Reference: Well Wagon Wheel 13 Fed #2
Company: Cimarex Energy Co., Inc.	TVD Reference: WELL @ 0.00ft (Original Well Elev)
Project: Eddy Co., New Mexico	MD Reference: WELL @ 0.00ft (Original Well Elev)
Site: Wagon Wheel 13 Fed #2	North Reference: Grid
Well: Wagon Wheel 13 Fed #2	Survey Calculation Method: Minimum Curvature
Wellbore: S-Well #1	
Design: Plan #1	

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
5200.00	4.01	262.90	5198.19	11.99	-70.40	55.73	0.00	0.00	0.00	
KOP - Build 3/100										
5808.79	20.04	321.51	5792.84	91.69	-157.19	172.96	3.00	2.63	9.63	
EOC - Hold 20*										
8315.98	20.04	321.51	8148.19	764.21	-692.01	1030.92	0.00	0.00	0.00	
KOP - Drop 2/100										
9318.10	0.00	320.78	9130.00	900.00	-800.00	1204.16	2.00	-2.00	0.00	
EOC										
10138.10	0.00	320.78	9950.00	900.00	-800.00	1204.16	0.00	0.00	0.00	

Targets									
Target Name	Shape	TVD (ft)	Northing (ft)	Easting (ft)	+N-S ft	+E-W ft	Created	Updated	
PBHL - TD(VW13F#2)	Rectangle	9950.00	513460.55	423006.99	900.00	-800.00	10/7/2004	10/18/2004	
Target #1 (VW13F#2)	Rectangle	9130.00	513460.55	423006.99	900.00	-800.00	10/7/2004	10/18/2004	

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N-S (ft)	+E-W (ft)	
5200.00	5198.19	11.99	-70.40	KOP - Build 3/100
5808.79	5792.84	91.69	-157.19	EOC - Hold 20*
8315.98	8148.19	764.21	-692.01	KOP - Drop 2/100
9318.10	9130.00	900.00	-800.00	EOC