

RECEIVED: 6/01/2018	REVIEWER: MAM	TYPE: CTB	APP NO: PMAM1815252057
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: Cimarex Energy Co. of Colorado**OGRID Number:** 162683**Well Name:** Parkway State 17 Com #7H**API:** 30-015-44951 (NIP) 30-015-44275 (NIP)**Pool:** Scanlon Draw; Bone Spring**Pool Code:** 55510

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☒ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR**2) NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☐ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete☐ Application
Content
Complete

3) 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.

Amithy Crawford

Print or Type Name

Signature

5/31/2018

Date

432-620-1909

Phone Number

acrawford@cimarex.com

e-mail Address

McMillan, Michael, EMNRD

From: Amithy Crawford <acrawford@cimarex.com>
Sent: Friday, June 1, 2018 8:43 AM
To: McMillan, Michael, EMNRD
Cc: Terri Stathem; Cayla Gorski
Subject: FW: CTB Commingle- Parkway 17 State 7H CTB
Attachments: NMOCD Parkway 17 State 7H CTB Submitted (2).pdf; NMSLO Surf Commingle App Signed.pdf

Mr. McMillan,

After I sent that I noticed that I had accidentally checked notification to BLM instead of the correct SLO. I have corrected that and re-attached the application here. I have also attached a copy of the SLO application we will be sending.

Please let me know if you need anything else.

Thank you,

Amithy Crawford
600 N. Marienfeld St. Suite 600
Midland, TX 79701
Direct Phone: 432-620-1909



From: Amithy Crawford
Sent: Friday, June 1, 2018 9:24 AM
To: 'McMillan, Michael, EMNRD' <Michael.McMillan@state.nm.us>
Cc: Terri Stathem <TStathem@cimarex.com>; Cayla Gorski <cgorski@cimarex.com>
Subject: CTB Commingle- Parkway 17 State 7H CTB

Mr. McMillan,

Please see attached the surface commingle application we spoke about. A hard copy will also be mailed to you.

Thank you,

Amithy Crawford
600 N. Marienfeld St. Suite 600
Midland, TX 79701
Direct Phone: 432-620-1909

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Cimarex Energy of Colorado
OPERATOR ADDRESS: 202 S. Cheyenne Ave. Tulsa OK 74103
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☐ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code: 55510- Scanlon Draw; Bone Spring
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE

Amithy Crawford

TITLE: Regulatory Analyst

DATE: 5/31/2018

TYPE OR PRINT NAME Amithy Crawford

TELEPHONE NO.: 432-620-1909

E-MAIL ADDRESS: acrawford@cimarex.com

EXHIBIT "A"
Application for Lease Commingling and Off-Lease Measurement, Sales, and Storage
Parkway 17 State 6H and Parkway State 17 Com 7H
Section 17, Township 19 South, Range 29 East, Eddy County, New Mexico

OWNERS TO BE SERVED NOTICE:

Royalty Interest

Owner	Address	Certified Mail #
State of New Mexico (K0-4093 + K0-6851)	Attn: Marilyn Gruebel New Mexico State Land Office P.O. Box 1148 Santa Fe, NM 87504	9402610898765012170350

Overriding Royalty Interest

Owner	Address	Certified Mail #
Alan R. Hannifin	Alan R. Hannifin P.O. Box 8874 Denver, CO 80201	9414810898765012146729
Andrew Don Fry	Andrew Don Fry P.O. Box 9251 Albuquerque, NM 87119	9414810898765012146637
Board of Regents, New Mexico Military Institute	Board of Regents, New Mexico Military Institute c/o Business Office 101 West College Roswell, NM 88201	9414810898765012146750
Catherine F. Sweeney	Catherine F. Sweeney P.O. Box 44307 Denver, CO 80201	9414810898765012146736
Conquistador Council, Boy Scouts of America	Agent for Conquistador Council, Boy Scouts of America P.O. Box 840738 Dallas, TX 75284	9414810898765012146699
Holly and Morris Schertz	Holly and Morris Schertz P.O. Box 2588 Roswell, New Mexico 88202	9414810898765012146767
JoAnn Sivley Ruppert, Trustee of the JoAnn Sivley Ruppert Trust	JoAnn Sivley Ruppert, Trustee of the JoAnn Sivley Ruppert Trust P.O. Box 830308 Dallas, TX 75283	9414810898765012146705
K B Limited Partnership	K B Limited Partnership P.O. Box 182 Roswell, NM 88202	9414810898765012146774
Nancy J. Lamb	Nancy J. Lamb c/o Cavin & Ingram, P.A. P.O. Box 1216 Albuquerque, NM 87103	9414810898765012146644
Noelle L. Lamb	Noelle L. Lamb c/o Cavin & Ingram, P.A. P.O. Box 1216 Albuquerque, NM 87103	9414810898765012146651
Nuevo Seis Limited Partnership	Nuevo Seis Limited Partnership P.O. Box 2588 Roswell, NM 88202	9414810898765012146781
Penelope A. Lamb	Penelope A. Lamb c/o Cavin & Ingram, P.A. P.O. Box 1216 Albuquerque, NM 87103	9414810898765012146668
RP Properties, LLC	RP Properties, LLC P.O. Box 2166 Roswell, NM 88202	9414810898765012146798
Sally Chumbley, Trustee of the Chumbley Family Trust	Sally Chumbley, Trustee of the Chumbley Family Trust c/o Cavin & Ingram, P.A. P.O. Box 1216 Albuquerque, NM 87103	9414810898765012146675
Thomas R. Sivley, Trustee of the Thomas R. Sivley Trust	Thomas R. Sivley, Trustee of the Thomas R. Sivley Trust P.O. Box 830308 Dallas, TX 75283	9414810898765012146712

University of New Mexico, School of Law	University of New Mexico School of Law 2811 Campus Blvd NE MSCO6 3595 Albuquerque, NM 87131	9414810898765012146682
William F. Brainerd and Bonnie A. Brainerd, Conservators of the Estate of Connie Brainerd	William F. Brainerd and Bonnie A. Brainerd, as Conservators of the Estate of Connie Jean Brainerd P.O. Box 1891 Roswell, NM 88202	9414810898765012146804

Working Interest

Owner	Address	Certified Mail #
Andrew Don Fry	Andrew Don Fry P.O. Box 9251 Albuquerque, NM 87119	9414810898765012146637
Cimarex Energy Co.	Cimarex Energy Co. Attn: Land Department 600 N. Mariefeld St., Suite 600 Midland, TX 79701	N/A- Cimarex Energy Co.
Magnum Hunter Production, Inc.	Magnum Hunter Production, Inc. Attn: Land Department 600 N. Mariefeld St., Suite 600 Midland, TX 79701	N/A- Subsidiary of Cimarex Energy Co.
Nuevo Seis Limited Partnership	Nuevo Seis Limited Partnership P.O. Box 2588 Roswell, NM 88202	9414810898765012146781
Southwest Royalties, Inc.	Attn: Tim Culp Southwest Royalties, Inc. P.O. Box 53570 Midland, TX 79710	9414810898765012146743

Cimarex Energy Co.
600 N. Marienfeld St.
Suite 600
Midland, TX 79701
MAIN 432.571.7800



May 31, 2018

Via USPS Certified Mail, Return Receipt Requested

Re: Application for Lease Commingling and Off-Lease Measurement, Sales, and Storage
Parkway 17 State 6H
Parkway State 17 Com 7H
Section 17, Township 19 South, Range 29 East
Eddy County, New Mexico
Scanlon Draw; Bone Spring (55510)

Dear Interest Owner:

This letter is to advise you that Cimarex Energy Co. of Colorado is filing an application with the New Mexico Oil Conservation Division (NMOCD) and the State Land Office (SLO) of New Mexico seeking approval for surface commingling and off-lease measurement, sales, and storage at the common central tank battery for the above-mentioned wells. A copy of the application submitted to the Division and State is enclosed. Please note that each well will be individually metered before being commingled. The central tank battery is located in Unit M, Section 17, T-19S, R-29E. Both wells will produce from the same pool, being the Scanlon Draw; Bone Spring pool.

In accordance with Paragraph (4)(c) of Subsection C of 19.15.12.10 NMAC, any objection must be filed in writing with the Division's Santa Fe office within 20 days from the date the Division received the application. If the Division receives an objection, it shall set the application for hearing. The Division will then notify Cimarex Energy Co. of Colorado so that formal notice of the hearing can be sent to each party who has filed an objection and to such other persons as the Division directs. If the protesting party does not appear at the hearing, the division may grant the application without receiving additional evidence in support of the application.

Pursuant to statewide rule 19.15.12.10 C (4)(g) NMAC, Cimarex Energy Co. of Colorado requests the option to include additional leases, pools, or leases and pools within the defined parameters set forth in the order for future additions. For the future addition of leases, pools, or leases and pools to this commingling operation, notice shall only be given to the owners of interests in the production to be added, unless the division otherwise directs. To amend the order, the Division must find that subsequent additions within defined parameters will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners.

For questions regarding this application, please contact the undersigned at 432-571-7874 or cgorski@cimarex.com.

Respectfully,

A handwritten signature in cursive script, appearing to read "Cayla Gorski".

Cayla Gorski | Landman
Cimarex Energy Co.
Cimarex Energy Co. of Colorado

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY & OFF LEASE MEASUREMENT, SALES & STORAGE

Cimarex Energy Co. of Colorado requests approval of a lease commingle at the Parkway 17 State Central Tank Battery. Off-lease Measurement, sales and storage is also requested.

Commingling proposal for Parkway 17 State CTB:

Parkway 17 State #6H	3001544275	M-17-19S-29E Producing Oil Well
Parkway State 17 Com #7H	3001544951	M-17-19S-29E Proposed Oil well

Please see the attached map with lease and well location information for Section 17-T19S-R29E.

Ownership in the wells is diverse and notice is required, please see attached Exhibit A for details of notified parties.

Oil & Gas Metering:

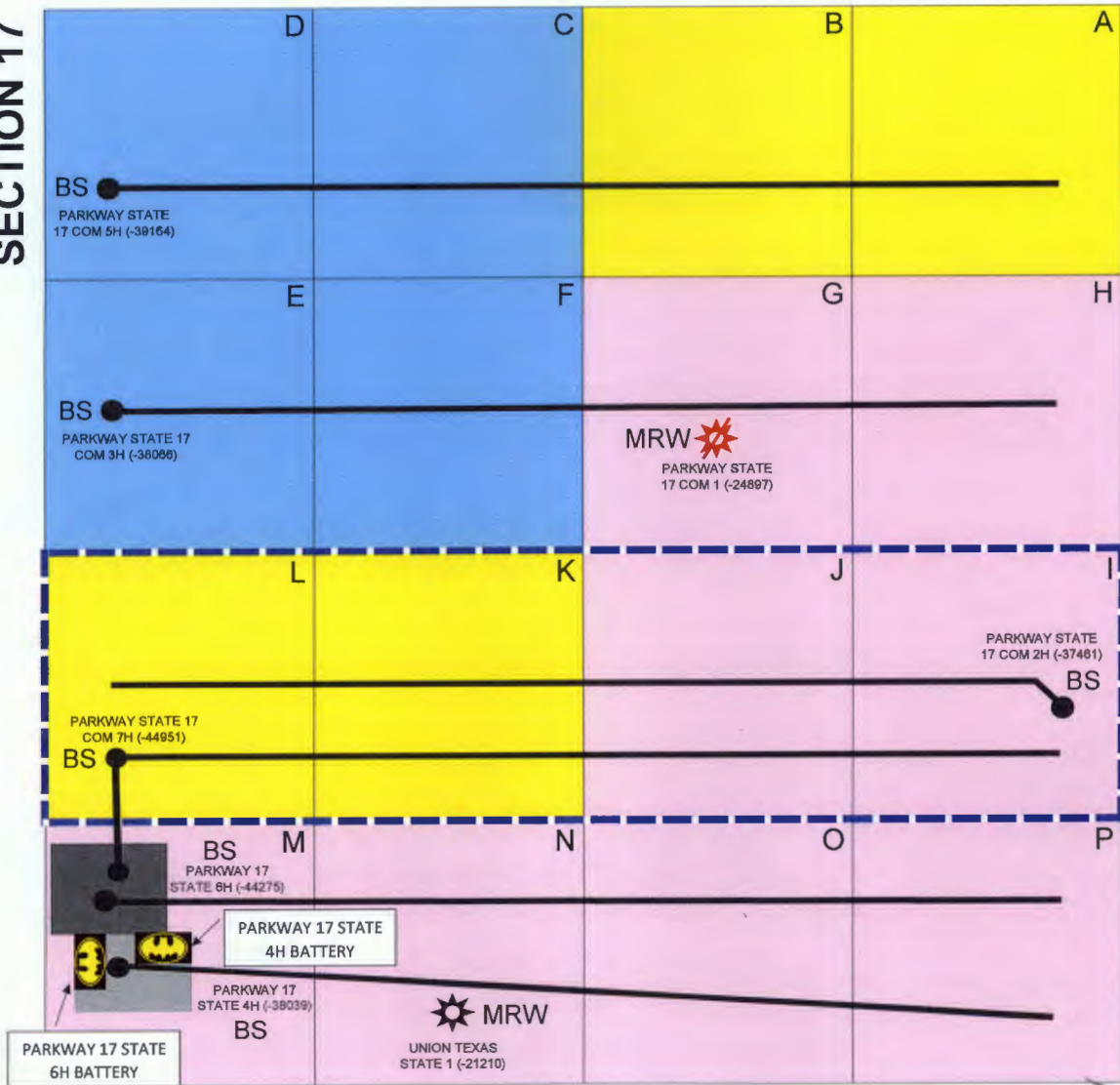
The Parkway 17 State central tank battery has oil tanks on location for storage and sales. Gas from the well will flow to a common gas sales meter.

Production from the wells will flow to their respective header located at the central tank battery. The header is configured to allow each wells production to flow to an individual 3-phase separator and then to a Coriolis meter where oil production is measured. Oil production will be allocated daily back to each well using the measured volume from the Coriolis meter. Gas production will flow through a dedicated gas line for each well and then to a total flow EFM gas allocation meter where gas production is measured. Gas production will be allocated daily back to each well using the measured volume from the EFM gas meter. Water production will flow through the 3-phase separator and then to a turbine meter where the production is measured for each well. Water production will be allocated daily back to the well using the measured volume from the turbine meter.

PARKWAY 17

19S/29E, EDDY CO.

SECTION 17

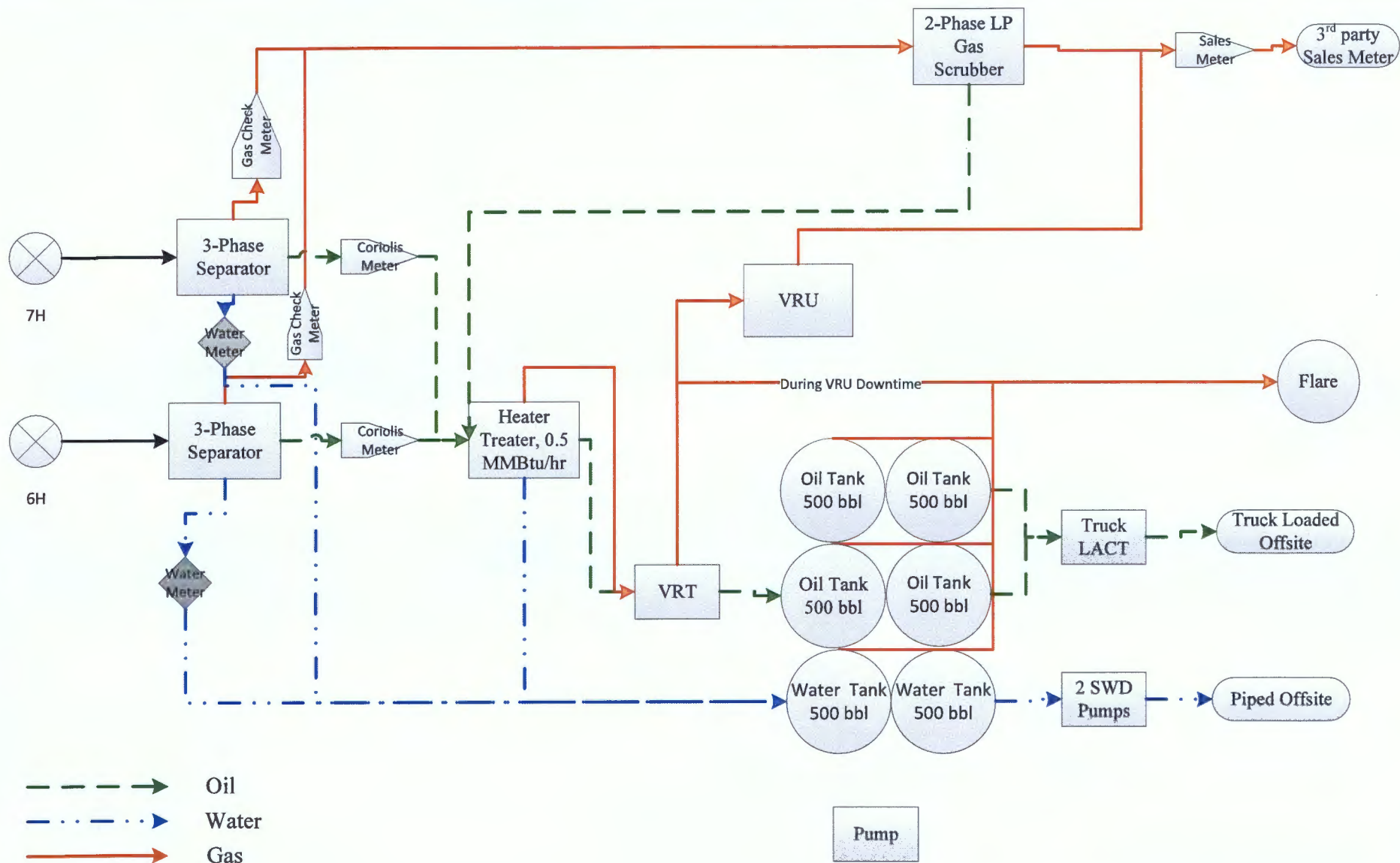


LG-1637
K0-6851
K0-4093

STATE COM- BONE SPRING-
PENDING SUBMISSION

CIMAREX

PROCESS FLOW DIAGRAM



Parkway 17 State 6H, 7H
Eddy County, NM



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015- 44275		2 Pool Code 555 10		3 Pool Name Scanton Draw wildcat, Bone Spring	
4 Property Code 318093		5 Property Name PARKWAY 17 STATE		6 Well Number 6H	
7 OGRID No. 215099		8 Operator Name CIMAREX ENERGY CO.		9 Elevation 3369.1'	

"Surface Location

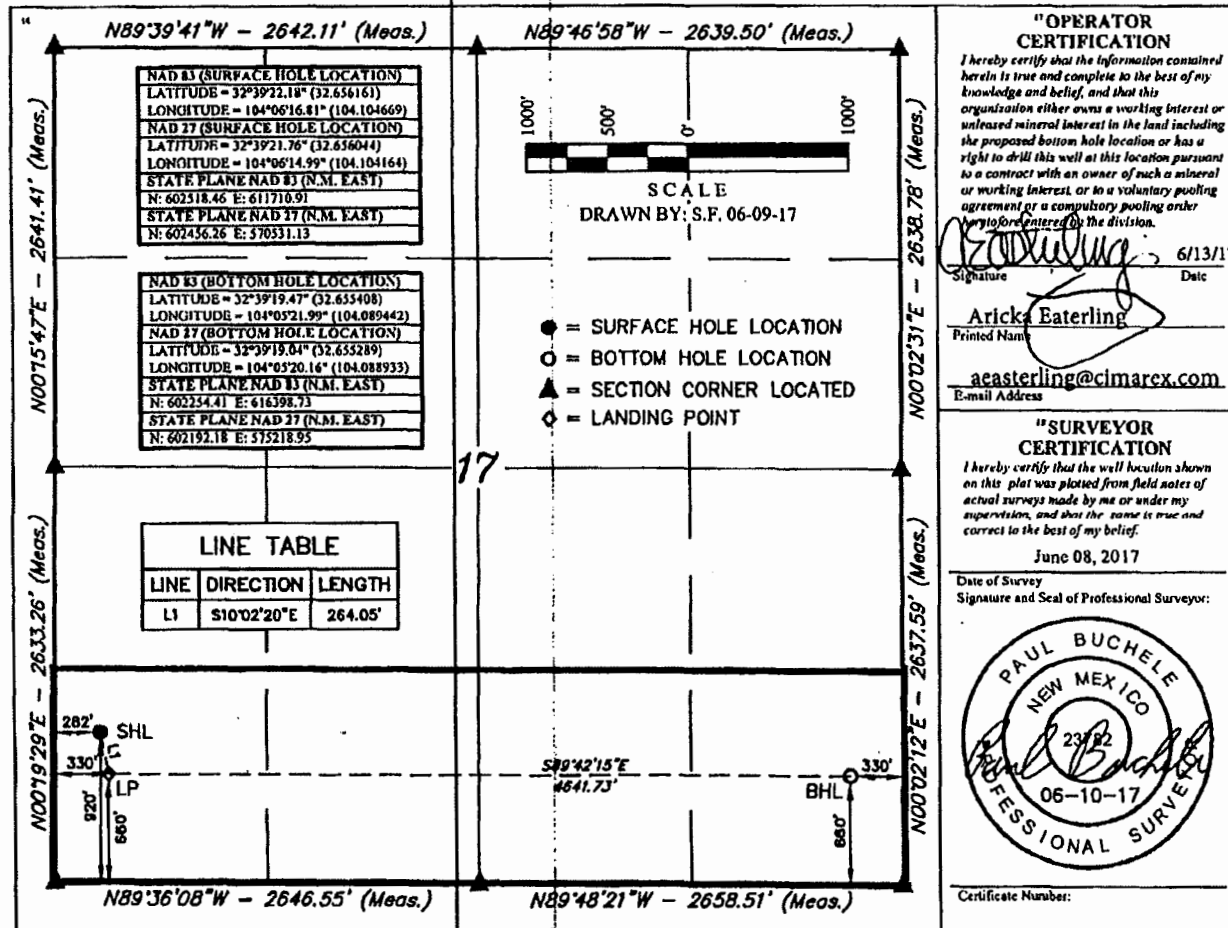
UL or lot no.	Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
M	17	19S	29E		920	SOUTH	282	WEST	EDDY

"Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
P	17	19S	29E		660	SOUTH	330	EAST	EDDY

11 Dedicated Acres 160	12 Joint or Infill	13 Consolidation Code	14 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.



RWP 6-22-17

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1230 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

NM OIL CONSERVATION
ARTESIA DISTRICT

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015 44951	Pool Code 55510	Pool Name Scanlon Draw, Bone Spring
Property Code 318093-321385	Property Name PARKWAY STATE 17 COM	Well Number H711
OGRID No. 215099	Operator Name CIMAREX ENERGY CO.	Elevation 3369.1'

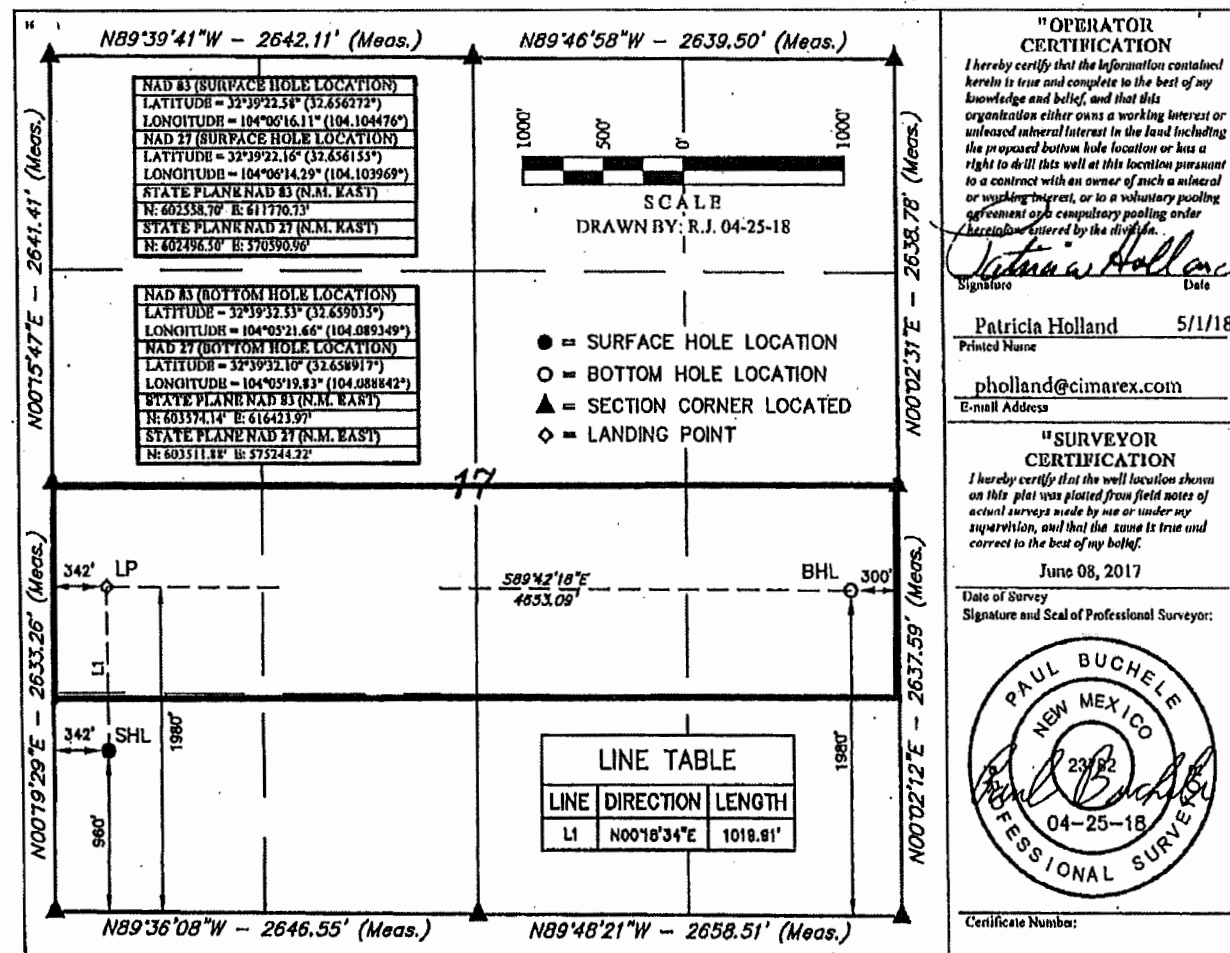
"Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County
M	17	19S	29E		960	SOUTH	342	WEST	EDDY

"Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County
I	17	19S	29E		1980	SOUTH	300	EAST	EDDY
Dedicated Acres 160	Joint or Infill	Consolidation Code	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.



Parkway 17 State #6H

30015-44275

17-19S-29E, Eddy County, NM

Production Information

Production Month	Oil Production	Gas Production	Water Production	Days Producing
03/2018	18463	40231	34622	28
04/2018	16571	48032	25787	30

Parkway State 17 Com #7H

30015-44951

17-19S-29E, Eddy County, NM

Production Information

Production Month	Oil Production	Gas Production	Water Production	Days Producing
To be drilled				