

# NSL Initial Application

Received: 12/02/19

RECEIVED: 12/02/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1933661289
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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

<b>Applicant:</b> Cimarex Energy Co.	<b>OGRID Number:</b> 215099
<b>Well Name:</b> Dos Equis 12-13 Federal Com 5H	<b>API:</b> 30-025-PENDING
<b>Pool:</b> WC-025 G-08 S243213C Wolfcamp Pool	<b>Pool Code:</b> 98309

**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 holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	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.**

Lance D. Hough  
\_\_\_\_\_  
Print or Type Name

  
 \_\_\_\_\_  
 Signature

November 27, 2019  
\_\_\_\_\_  
Date

505-848-1800  
\_\_\_\_\_  
Phone Number

ldh@modrall.com  
\_\_\_\_\_  
e-mail Address



MODRALL SPERLING

LAWYERS

November 27, 2019

Adrienne Sandoval, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Earl E. DeBrine  
505.848.1810  
edebrine@modrall.com

Lance D. Hough  
505.848.1826  
lance.hough@modrall.com

**Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for its Dos Equis 12-13 Federal Com 5H well, located in the E/2 E/2 of Sections 12 and 13, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico.**

Dear Director Sandoval:

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, is seeking administrative approval of an unorthodox well location ("NSL") for the **Dos Equis 12-13 Federal Com 5H well** (the "Well") to be completed within the WC-025 G-08 S243213C Wolfcamp Pool (98309) underlying the E/2 E/2 of Sections 12 and 13, Township 24 South, Range 32 East, N.M.P.M., Lea County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Hole Location: 360' from the North line and 2330' from the East line of Section 12;
- First Take Point: 360' from the North line and 1230' from the East line of Section 12;
- Last Take Point and Bottom Hole Location: 100' from the South line and 1230' from the East line of Section 13.

Cimarex has included as Exhibit B a letter explaining why this application is needed. This well will produce from the WC-025 G-08 S243213C Wolfcamp Pool (98309). This pool follows statewide pool rules, which establish 100' setbacks for first and last take points and 330' setbacks for completed laterals. The completed lateral for the proposed well is closer than 100' from the boundary of the spacing unit.

Modrall Spierling  
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 unorthodox location will encroach towards the (1) W/2 E/2 of Section 12, Township 24 South, Range 32 East, and (2) W/2 E/2 of Section 13, Township 24 South, Range 32 East.

Cimarex is providing notice to the working interest owners in the (1) W/2 E/2 of Section 12, Township 24 South, Range 32 East, and (2) W/2 E/2 of Section 13, Township 24 South, Range 32 East. Cimarex is also providing notice to the Bureau of Land Management as an owner of a mineral estate with respect to offsetting areas. Cimarex also provides a midland map of this area, attached as Exhibit C. Proof of mailing notice and the application to affected persons entitled to notice is attached hereto as Exhibit D.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Earl E. DeBrine' or similar, written over a horizontal line.

Earl E. DeBrine  
Lance D. Hough  
*Attorneys for Cimarex  
Energy Co.*

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

<sup>1</sup> API Number 30-25-46320	<sup>2</sup> Pool Code 98309	<sup>3</sup> Pool Name WC-025 G-08 S243213C, Wolfcamp
<sup>4</sup> Property Code 326056	<sup>5</sup> Property Name DOS EQUIS 12-13 FEDERAL COM	
<sup>7</sup> UGRI# No. 215099	<sup>6</sup> Operator Name CIMAREX ENERGY CO.	
	<sup>4</sup> Well Number 5H	<sup>8</sup> Elevation 3603.9'

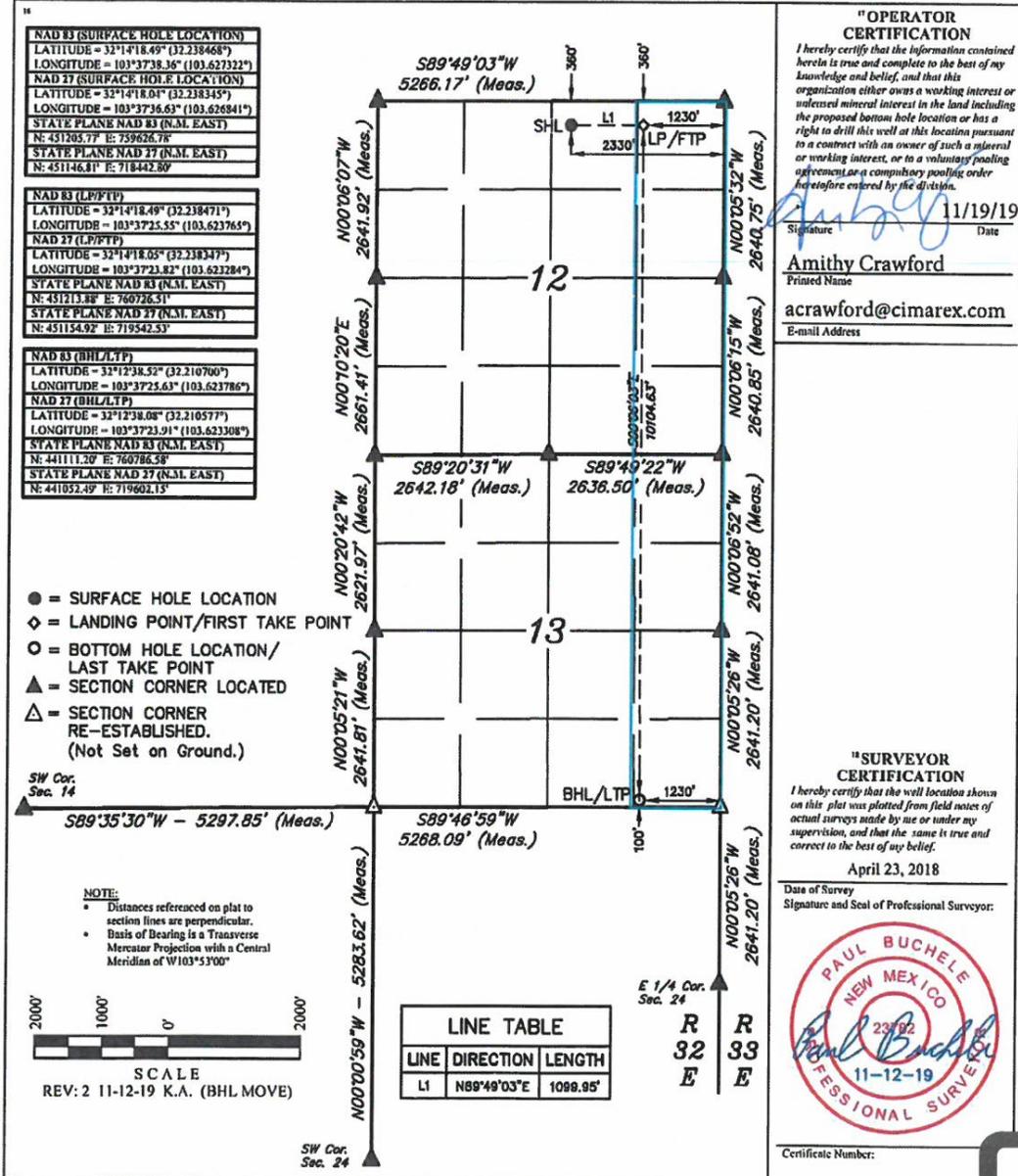
<sup>10</sup> Surface Location

UL or lot no. B	Section 12	Township 24S	Range 32E	Lot Idn	Feet from the 360	North/South line NORTH	Feet from the 2330	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. P	Section 13	Township 24S	Range 32E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 1230	East/West line EAST	County LEA
<sup>11</sup> Dedicated Acres 320	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> Order No.						

No allowance will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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



November 26, 2019

Adrienne Sandoval  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Dr.  
Santa Fe, New Mexico 87505

Re: Dos Equis 12-13 Federal Com 5H well  
Non-Standard Location Application  
Lea County, New Mexico

Dear Ms. Sandoval,

Cimarex Energy Co. respectfully requests administrative approval of the non-standard location for the Dos Equis 12-13 Federal Com 5H well, to be drilled in WC-025 G-08 S243213C Wolfcamp Pool (98309). Cimarex plans for this well to have a first take point at 360' FNL and 1230' FEL of Section 12, Township 24 South, Range 32 East, Lea County, and last take point at 100' FSL and 1230' FEL of Section 13, Township 24 South, Range 32 East, Lea County, which is closer to the unit line than allowed under the subject field rules. Cimarex requests this non-standard location because it provides for maximum economics per well location. This spacing best fits into the spacing for the other wells in the development plan of the entire section and we believe that it will result in the greatest recovery of reserves.

Thank you for your consideration. Should you have any questions please contact me at (432) 571-7865.

Sincerely,

Edward John Behm, III  
Reservoir Engineer, Permian Exploration

A handwritten signature in black ink, appearing to read "Edward Behm", with a long horizontal line extending to the right.



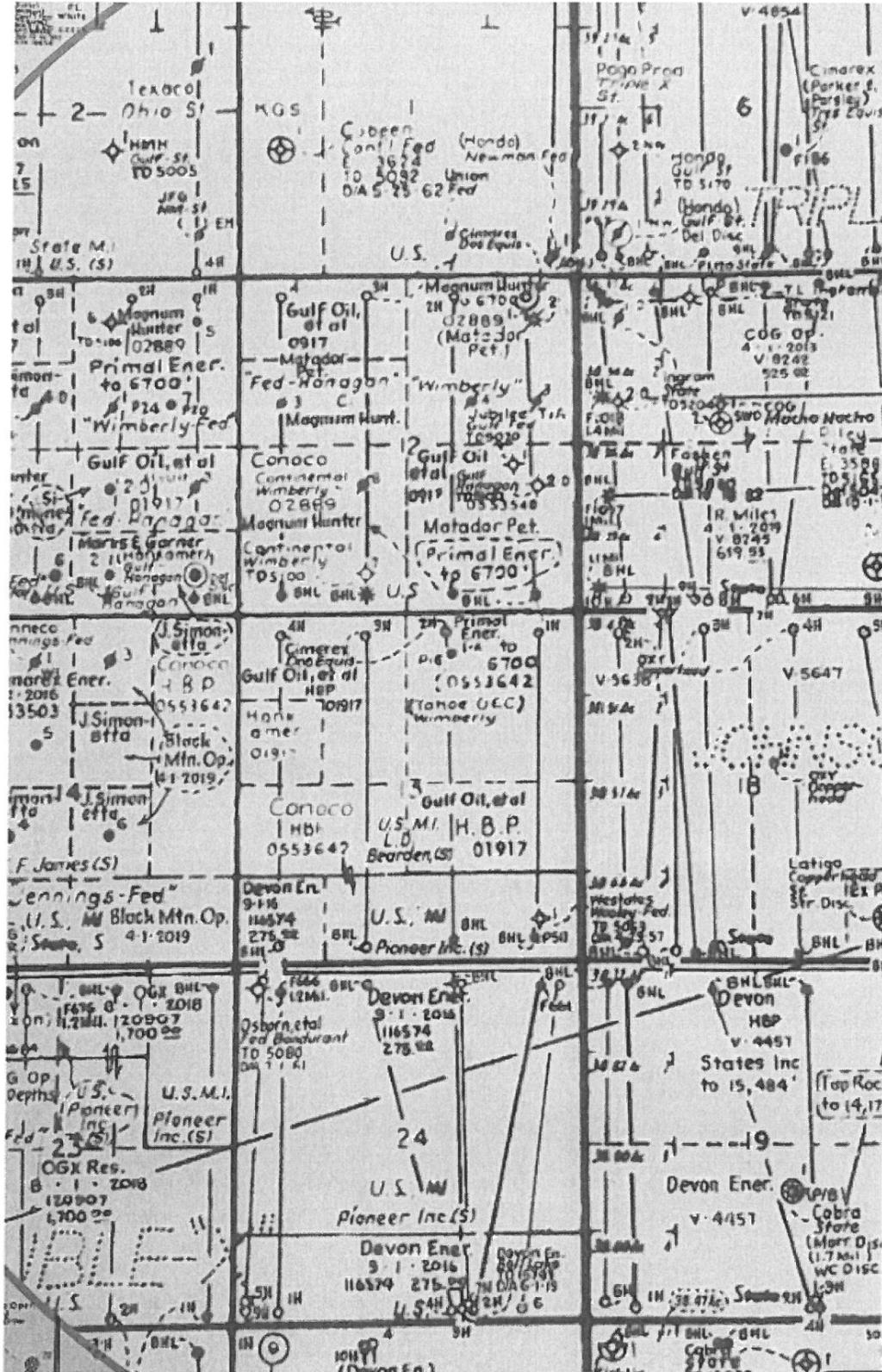


EXHIBIT  
 C

Zina Crum  
 Modrall Spering  
 500 4th Street NW  
 Suite 1000  
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
 11/27/2019



Firm Mailing Book ID: 179945

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0066 1813 89	Chevron Midcontinent, L.P. 500 W. Illinois Ave Midland TX 79701	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
2	9314 8699 0430 0066 1813 96	Chevron Midcontinent, L.P. 1400 Smith Street Houston TX 77002	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
3	9314 8699 0430 0066 1814 02	COG Operating, LLC 600 W. Illinois Ave Midland TX 79701	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
4	9314 8699 0430 0066 1814 19	COG Production, LLC 601 W. Illinois Ave Midland TX 79702	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
5	9314 8699 0430 0066 1814 26	OXY U.S.A. Inc 5 Greenway Plaza, Suite 110 Houston TX 77045	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
6	9314 8699 0430 0066 1814 33	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
7	9314 8699 0430 0066 1814 40	Devon Energy Production Company, LP 333 West Sheridan Ave Oklahoma City OK 73102	\$1.15	\$3.50	\$1.60	\$0.00	82762-0717 Notice
<b>Totals:</b>			<b>\$8.05</b>	<b>\$24.50</b>	<b>\$11.20</b>	<b>\$0.00</b>	
						<b>Grand Total:</b>	<b>\$43.75</b>

List Number of Pieces Received at Post Office: \_\_\_\_\_  
 Listed by Sender: \_\_\_\_\_  
 Postmaster: \_\_\_\_\_  
 Name of receiving employee: \_\_\_\_\_  
 Dated: \_\_\_\_\_

