

Approved

NSL

Order

Approved: 12/23/19

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne E. Sandoval, Director
Oil Conservation Division



December 23, 2019

Mr. Lance Hough
ldh@modrall.com

NON-STANDARD LOCATION

Administrative Order NSL-7967

**Cimarex Energy Co. [OGRID 215099]
Dos Equis 12 13 Federal Com Well No. 5H
API No. 30-025-46320**

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	360 FNL & 2330 FEL	B	12	24S	32E	Lea
First Take Point	360 FNL & 1230 FEL	A	12	24S	32E	Lea
Last Take Point/ Terminus	100 FSL & 1230 FEL	P	13	24S	32E	Lea

Proposed Horizontal Spacing Unit

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E2 E2 of Section 12	320	Wildcat; Wolfcamp Pool	98309
E2 E2 of Section 13			

Reference is made to your application received on December 2, 2019.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. Sub Paragraph (a) of Paragraph (1) of Subsection B of 19.15.16.15 NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal oil well's completed interval penetrates, each of which consists of a governmental quarter-quarter section or equivalent.

This well's completed interval is as close as 90 feet to the western edge. Encroachments will impact the following tracts.

Section 12, encroachment to the W2 E2
Section 13, encroachment to the W2 E2

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.

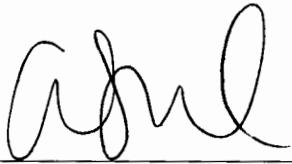
The Division understands you seek this location as your preferred well spacing for horizontal wells in the area thereby preventing waste of oil and gas reserves underlying the horizontal spacing unit located within the Wolfcamp formation underlying the E2 E2 of Section 12 and 13.

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

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

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.



ADRIENNE E. SANDOVAL
Division Director

AES/lrl

cc: Oil Conservation Division – Hobbs District Office
State Land Office – Oil, Gas, and Minerals Division

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Monday, December 23, 2019 1:29 PM
To: 'ldh@modrall.com'
Cc: Mike Bratcher (mike.bratcher@state.nm.us); Kautz, Paul, EMNRD; 'lisa@rwbyram.com'; 'drossmango@blm.gov'; Goetze, Phillip, EMNRD; Warnell, Terry G, EMNRD; Murphy, Kathleen A, EMNRD; Rose-Coss, Dylan H, EMNRD; McClure, Dean, EMNRD; Lamkin, Baylen, EMNRD
Subject: APPROVED NSL-7967_Cimarex Energy Co._Dos Equis 12 13 Fed Com Well NO. 5_SEC 12 24S 32E
Importance: High

Mr. Lance Hough,

The following NSL Administrative Order has been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

NSL-7967

Cimarex Energy Co.
Dos Equis 12 13 Federal Com Well No. 005H
API No. 30-025-46320

Leonard Lowe

Engineering Bureau
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 South St. Francis
Santa Fe, New Mexico 87505
Office: 505-476-3492
Cell: 505-930-6717
Fax: 505-476-3462
E-mail: leonard.lowe@state.nm.us
Website: <http://www.emnrd.state.nm.us/ocd/>