

| | | | | | |
|-----------------------|----------|---------------------|-------------------------|-----------------|--------------------------|
| DATE IN <u>8,8,11</u> | SUSPENSE | ENGINEER <u>WVJ</u> | LOGGED IN <u>8,8,11</u> | TYPE <u>DHC</u> | APP NO <u>1122057913</u> |
|-----------------------|----------|---------------------|-------------------------|-----------------|--------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



162683
 Cimarex

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-33496

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 _____

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 RECEIVED OOD

[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.

| | | | |
|--|---------------------------------|--|-------------------------|
| <u>Zeno Farris</u> Print or Type Name | <u>Zeno Farris</u> Signature | <u>Mgr Operations Admin</u> Title | <u>8/4/2011</u> Date |
| | | <u>zfarris@cimarex.com</u> e-mail Address | |

District I
1625 N French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W Grand Avenue, Artesia, NM 88210

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District III
1000 Rio Bravo Road, Aztec, NM 87410

District IV
1220 S St Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Cimarex Energy Co. of Colorado Operator 600 N. Marienfeld St., Ste. 600; Midland, TX 79701 Address

Gadwall 18 Federal Com Lease 001 Well No. C-18-25S-27E Unit Letter-Section-Township-Range Eddy County

OGRID No. 162683 Property Code 34114 API No. 30-015-33496 Lease Type: Federal State Fee

| DATA ELEMENT | UPPER ZONE | INTERMEDIATE ZONE | LOWER ZONE |
|--|----------------------------------|-------------------|--------------------------------|
| Pool Name | Sage Draw; Wolfcamp, E <i>Go</i> | | Cisco Canyon Wildcat <i>Go</i> |
| Pool Code | 96890 | | |
| Top and Bottom of Pay Section (Perforated or Open-Hole Interval) | 9222-9847 | | 10155-10373 |
| Method of Production (Flowing or Artificial Lift) | Flowing | | Flowing |
| Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone) | Within 150% of bottom perfs | | |
| Oil Gravity or Gas BTU (Degree API or Gas BTU) | To be supplied | | To be supplied |
| Producing, Shut-In or New Zone | New Zone | | New Zone |
| Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date: To be supplied Rates: | Date: Rates: | Date: To be supplied Rates: |
| Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.) | Oil Gas | Oil Gas | Oil Gas |

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Zeno Farris TITLE Manager Operations Administration DATE 8/4/2011

TYPE OR PRINT NAME Zeno Farris TELEPHONE NO. (432)-680-1938

E-MAIL ADDRESS zfarris@cimarex.com

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT I
P.O. Box 1080, Hobbs, NM 88241-1080

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

| | | |
|----------------------------|---|-----------------------------------|
| API Number 30-015-33496 | Pool Code | Pool Name Cisco Canyon Wildcat |
| Property Code 34114 | Property Name Gadwall 18 Federal Com | Well Number 1 |
| OGRID No. 162683 | Operator Name Cimarex Energy Co. of Colorado | Elevation 3187' |

Surface Location

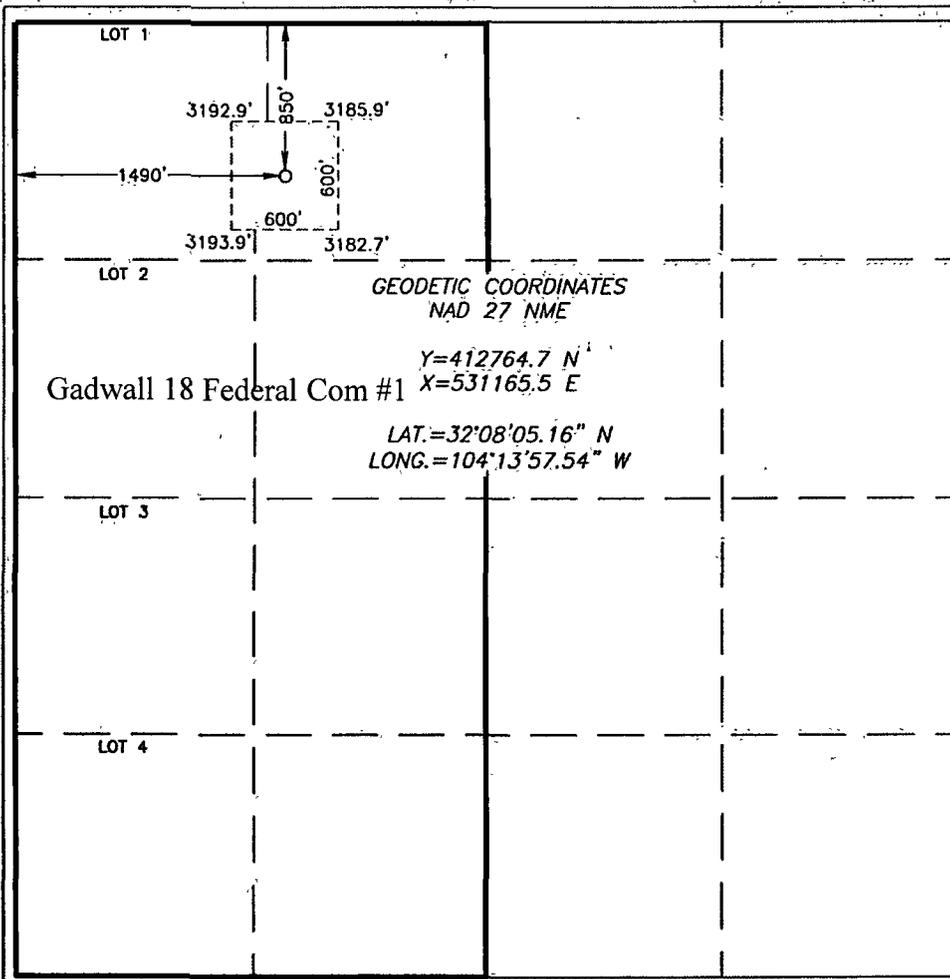
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 18 | 25-S | 27-E | | 850' | NORTH | 1490' | WEST | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|---------------------------|-----------------|-------------------------------------|-----------|
| Dedicated Acres 317.88 | Joint or Infill | Consolidation Code Amending Comm | 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



OPERATOR CERTIFICATION

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

Zeno Farris
Signature

Zeno Farris
Printed Name

Mgr Operations Admin
Title

8/4/2011
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.

MAY 13, 2004
Date Surveyed

JR
Signature & Seal of Professional Surveyor

Gary S. Edmon 5/19/04
04.11.0578

Certificate No. GARY EDMON 12841

State of New Mexico

Energy, Minerals and Natural Resources Department

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

Form C-102
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 30-015-33496 | Pool Code 96890 | Pool Name Sage Draw; Wolfcamp, East |
| Property Code 34114 | Property Name Gadwall 18 Federal Com | Well Number 1 |
| OGRID No. 162683 | Operator Name Cimarex Energy Co. of Colorado | Elevation 3187' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C | 18 | 25-S | 27-E | | 850' | NORTH | 1490' | WEST | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

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|---------------------------|-----------------|-------------------------------------|-----------|
| Dedicated Acres 317.88 | Joint or Infill | Consolidation Code Amending Comm | Order No. |
|---------------------------|-----------------|-------------------------------------|-----------|

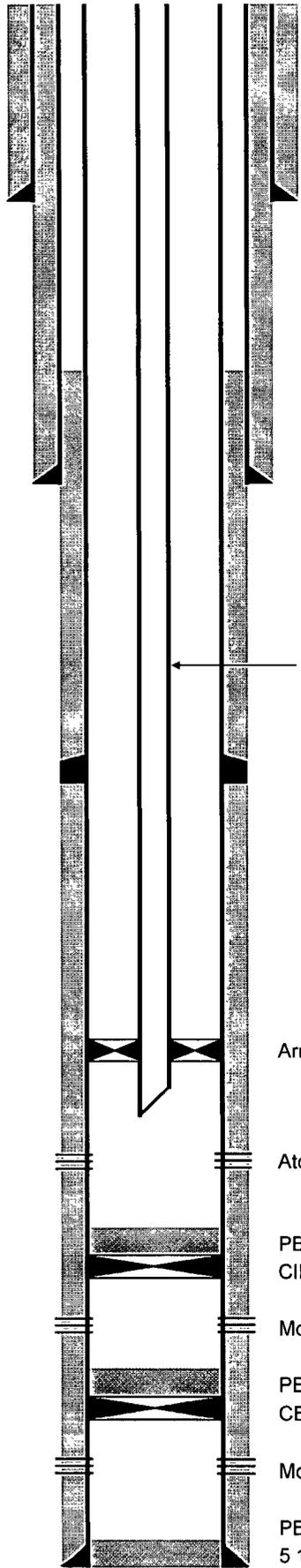
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|--|---|
| <p style="text-align: center;">GADWALL 18 FEDERAL COM #1</p> <p style="text-align: center;">GEODETTIC COORDINATES NAD 27 NME</p> <p style="text-align: center;">Y=412764.7 N X=531165.5 E</p> <p style="text-align: center;">LAT.=32°08'05.16" N LONG.=104°13'57.54" W</p> | <p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: center;"><i>Zeno Farris</i></p> <p>Signature _____</p> <p style="text-align: center;">Zeno Farris</p> <p>Printed Name _____</p> <p style="text-align: center;">Mgr Operations Admin</p> <p>Title _____</p> <p style="text-align: center;">8/4/2011</p> <p>Date _____</p> <hr/> <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: center;">MAY 13, 2004</p> <p>Date Surveyed _____ JR</p> <p>Signature & Seal of Professional Surveyor _____</p> <div style="text-align: center;"> </div> <p>Certificate No. GARY EDSON 12841</p> |
|--|---|



Current

Cimarex Energy Co. of Colorado
Gadwall 18 Federal Com #1
850' FNL & 1490' FWL
Sec 18, T-25-S, R-27-E, Eddy Co., NM
S. Gengler 12/30/2009



13 3/8", 54 5# J-55 csg @ 211'
cmtd w/ 250 sx, cmt circ

TOC @ 2600' by CBL

9 5/8", 40# N-80 csg @ 3225'
cmtd w/ 1000 sx, cmt circ

331 jts 2 3/8" 4.7# L-80 Tbg

DV Tool @ 6992'
cmtd w/ 1100 sx

Gas Lift valves @ 2258', 4157', 5758',
7108', 8254', 9208', 9858', 10304', 10758'

Arrowset 1-X pkr @ 10852'

Atoka perms (10902' - 10912')

PBD @ 11500'
CIBP @ 11535'

Morrow perms (11585' - 11592')

PBD @ 11630'
CBP @ 11685', 11655', & 11650'

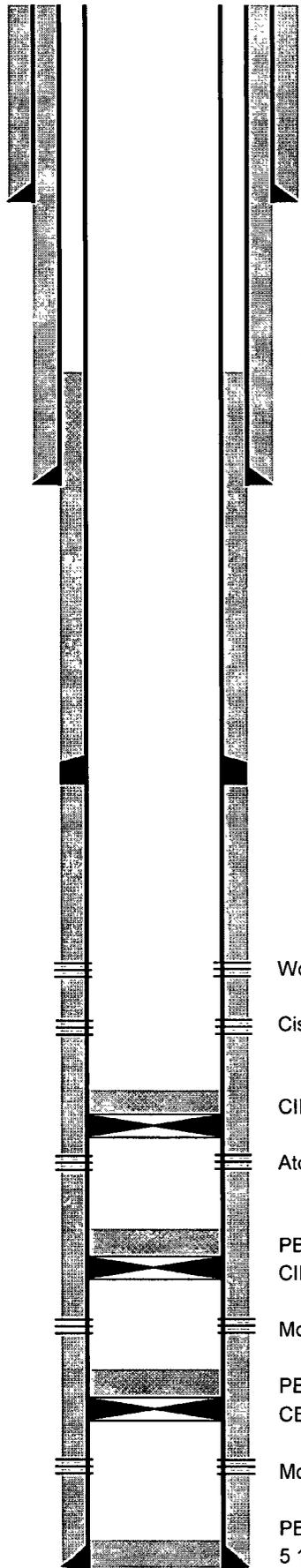
Morrow perms (11733' - 11740')

PBD @ 12136'
5 1/2" 17# P-110 @ 12250' cmtd w/ 975 sx
TD @ 12250'



Proposed

Cimarex Energy Co. of Colorado
Gadwall 18 Federal Com #1
850' FNL & 1490' FWL
Sec. 18, T-25-S, R-27-E, Eddy Co., NM
S. Gengler 12/30/2009



13 3/8", 54.5# J-55 csg @ 211'
cmtd w/ 250 sx, cmt circ

TOC @ 2600' by CBL

9 5/8", 40# N-80 csg @ 3225'
cmtd w/ 1000 sx, cmt circ

DV Tool @ 6992'
cmtd w/ 1100 sx

Wolfcamp Perfs (9729-9847', 9513-9667', 9222-9471')

Cisco Perfs (10246-10373', 10155-10222')

CIBP @ 10800' w/ 35' cmt

Atoka perfs (10902' - 10912')

PBTD @ 11500'
CIBP @ 11535'

Morrow perfs (11585' - 11592')

PBTD @ 11630'
CBP @ 11685', 11655', & 11650'

Morrow perfs (11733' - 11740')

PBTD @ 12136'
5 1/2" 17# P-110 @ 12250' cmtd w/ 975 sx
TD @ 12250'