

DATE IN <u>11.2.11</u>	SUSPENSE	ENGINEER <u>DKB</u>	LOGGED IN <u>11.2.11</u>	TYPE <u>NSL</u>	APP NO <u>1130656327</u>
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PTGW

ABOVE THIS LINE FOR DIVISION USE ONLY

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



CIMAREX 162623
 Beyer 3 Fed Com. #1

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]

6914

3-155-31E

- [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 _____

2011 NOV - 2 P. 1:09

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.

James Bruce	<u>James Bruce</u>	Attorney	<u>10/31/11</u>
Print or Type Name	Signature	Title	Date
		<u>jamesbruc@aol.com</u>	
		e-mail Address	

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

October 31, 2011

David K. Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

Pursuant to Division Rule NMAC 19.15.15.13, Cimarex Energy Co. of Colorado applies for approval of an unorthodox oil well location in the Abo/Wolfcamp formation for the following well:

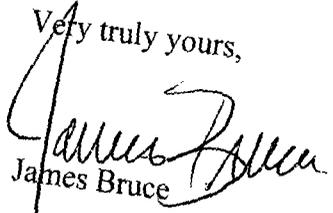
<u>Well:</u>	Boxer 3 Fed. Com. Well No. 1
<u>Surface location:</u>	2135 feet FNL & 170 feet FEL
<u>Penetration point in Abo:</u>	Same as surface location
<u>Beginning of producing interval:</u>	2145 feet FNL & 458 feet FEL
<u>Bottom hole location:</u>	2265 feet FNL & 330 feet FWL
<u>Well unit:</u>	S½N½ §3-15S-31E, Chaves County, New Mexico

The well will be drilled to test the Abo/Wolfcamp formation, which is an oil pool spaced on statewide rules, with 40 acre spacing and wells to be located no closer than 330 feet to a quarter-quarter section line. A Form C-102 is attached hereto as **Exhibit A**.

The unorthodox surface location is between a radio tower to the west and an electric line to the east. **Exhibit B**. In addition, applicant is spotting wells with the potential for drilling two wells on the a unit. Therefore, it does not want to move the well to the north of the proposed location.

The producing interval will begin 485 feet from the east line of Section 3. In addition, all of Section 2 is operated by applicant. Therefore, there is no adversely affected interest owner to whom notice must be given..

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for Cimarex Energy Co. of Colorado

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., 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-102
Revised July 16, 2010
Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-005-29195	Pool Code	Pool Name Abo/Wolfcamp Wildcat ✓
Property Code	Property Name BOXER "3" FEDERAL COM	Well Number 1
OCRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 4405'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	3	15 S	31 E		2135	NORTH	170	EAST	CHAVES

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
E	3	15 S	31 E		2265	NORTH	330	WEST	CHAVES

Dedicated Acres 160	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

NO PERM ZONE
From 170' FEL to 330 FEL

Fee Minerals

PROPOSED BOTTOM HOLE LOCATION
Lot - N 33°02'45.75"
Long - W 103°49'01.68"
NMSPC - E 744676.7
E 699511.1
(NAD-83)

SURFACE LOCATION
Lot - N 33°02'47.16"
Long - W 103°48'05.40"
NMSPC - N 744842.3
E 704300.7
(NAD-83)

BHL
2265 FNL & 330 FWL

EOC/Beg Prod Interval
2145 FNL & 458 FEL

SHL & PP Abo
2135 FNL & 170 FEL

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

9/20/2011
Date

Signature _____
Printed Name **Zeno Farris**
Email Address **zfarris@cimarex.com**

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.

Date Surveyed _____
 Signature _____ Seal of Professional Surveyor
 Certificate No. Gary L. Jones 7977
BASIN SURVEYS 24902

EXHIBIT **A**

SECTION 3, TOWNSHIP 15 SOUTH, RANGE 31 EAST, N.M.P.M.,
 CHAVES COUNTY, NEW MEXICO.

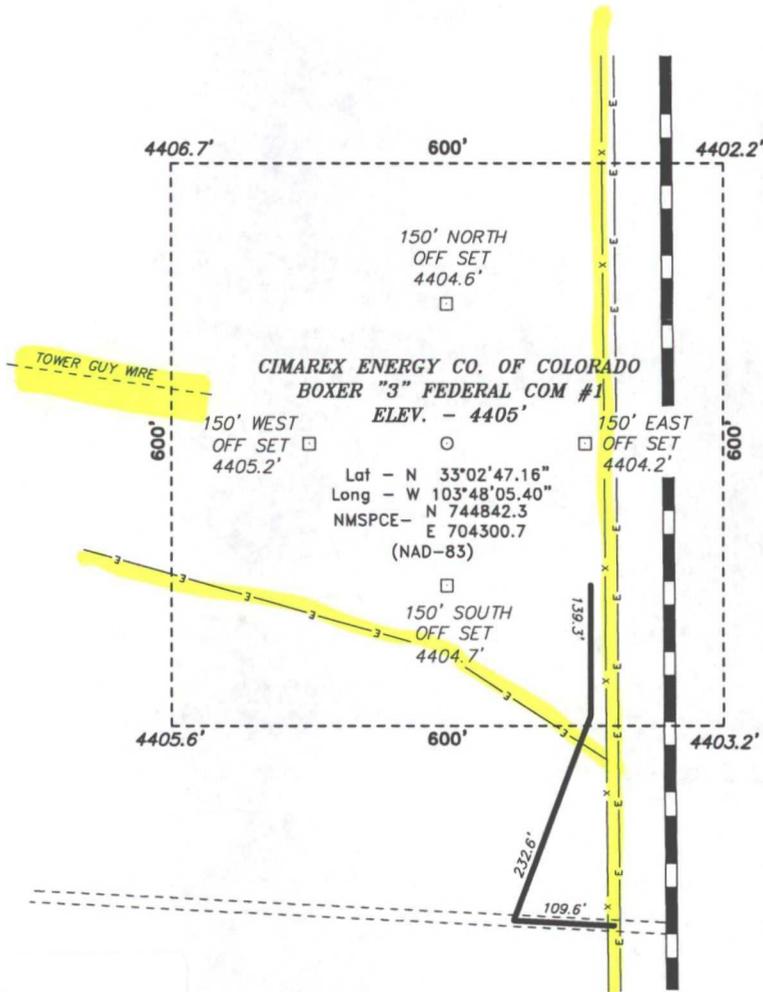
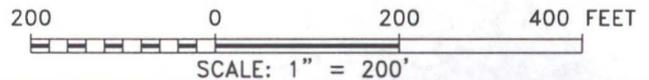


EXHIBIT **B**



Directions to Location:

FROM MILE MARKER OF 2 OF HWY 72, GO NORTH
 700' TO LEASE ROAD, GO WEST ON LEASE ROAD
 FOR 100' TO PROPOSED LEASE ROAD.

CIMAREX ENERGY CO. OF COLORADO	
REF: BOXER "3" FEDERAL COM #1 / WELL PAD TOPO	
THE BOXER "3" FEDERAL COM #1 LOCATED 2135'	
FROM THE NORTH LINE AND 170' FROM THE EAST LINE OF	
SECTION 3, TOWNSHIP 15 SOUTH, RANGE 31 EAST,	
N.M.P.M., CHAVES COUNTY, NEW MEXICO.	
W.O. Number: 24902	Drawn By: J. SMALL
Date: 07-08-2011	Disk: JMS 24902
Survey Date: 07-01-2011	Sheet 1 of 1 Sheets

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 24902 Drawn By: J. SMALL

Date: 07-08-2011 Disk: JMS 24902

Survey Date: 07-01-2011 Sheet 1 of 1 Sheets

Brooks, David K., EMNRD

From: jamesbruc@aol.com
Sent: Monday, December 05, 2011 10:22 AM
To: Brooks, David K., EMNRD
Subject: Re: Cimarex - Boxer 3 Fed Com #1

David: I re-checked, and Cimarex is 100% working interest owner in one lease covering the N/2 Sec. 2, and a separate lease covering the S/2 of Section 2.

Jim

-----Original Message-----

From: Brooks, David K., EMNRD, EMNRD <david.brooks@state.nm.us>
To: jamesbruc <jamesbruc@aol.com>
Sent: Thu, Dec 1, 2011 1:55 pm
Subject: Cimarex - Boxer 3 Fed Com #1

Jim

You indicate in this letter that the affected acreage in Section 2 is *operated* by Cimarex, but say nothing about ownership. Is Section 2 100% owned by Cimarex? and, if not, is ownership common with the proposed project area in Section 3?

DB