

DATE IN 1-18-12	SUSPENSE	ENGINEER DKB	LOGGED IN 1.18.11	TYPE NSL	APP NO. 1201859460
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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



RECEIVED CUMAREX
 162683
 JAN 18 11
 South Street - Leas/33 Fed

ADMINISTRATIVE APPLICATION CHECKLIST

30-025-40256 #3H

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

6554

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 _____

B-33-195-32E

[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

Leaf Fed

[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
 P.O. Box 1056
 Santa Fe, New Mexico 87504

James Bruce
 Signature

Attorney
 Title

1/14/12
 Date

jamesbruce@aol.com
 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

January 14, 2012

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

Dear Mr. Brooks:

Pursuant to Division Rule 104.F(2), Cimarex Energy Co. of Colorado applies for approval of an unorthodox oil well location for the following well:

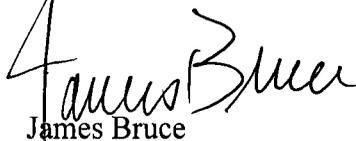
<u>Well:</u>	Southeast Lusk 33 Fed. Well No. 3
<u>Surface location:</u>	25 feet FNL & 2460 feet FEL
<u>Penetration Point:</u>	310 feet FNL & 2413 FEL
<u>Bottom hole location:</u>	330 feet FSL & 1980 feet FEL
<u>Well Unit:</u>	W½E½ §33-19S-32E, Lea County, New Mexico

The well is a horizontal well which will be drilled to a depth sufficient to test the Bone Spring formation (South Lusk-Bone Spring Pool). Under statewide rules, the pool has 40 acre spacing, and wells to be located no closer than 330 feet to a quarter-quarter section line. A Form C-102 for the well is attached as Exhibit A.

There are large dunes at standard locations, so the well was moved north and west to avoid the dunes. Moving south would have significantly shortened the lateral. Exhibit B.

A land plat identifying affected offsets is attached as Exhibit C. Notice of this application was mailed to the offset, as indicated on Exhibit D.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co. of Colorado

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

DISTRICT II
1901 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	Pool Code 41460	Pool Name Lusk; Bone Spring, South
Property Code	Property Name SOUTHEAST LUSK "33" FEDERAL	Well Number 3H
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3560'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	33	19 S	32 E		25	NORTH	2460	EAST	LEA

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
O	33	19 S	32 E		330	SOUTH	1980	EAST	LEA

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

SURFACE LOCATION
 Lot - N 32°37'26.64"
 Long - W 103°46'14.06"
 MSPCE - N 591224.5
 E 714596.5
 (NAD-83)

PROPOSED BOTTOM HOLE LOCATION
 Lot - N 32°36'37.95"
 Long - W 103°46'08.50"
 NMSMCE - N 586306.60
 E 715097.79
 (NAD-83)

OPERATOR CERTIFICATION

I heroby 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.

9/8/2011

Signature _____ Date _____

Zeno Farris

Printed Name _____

zfarris@cimarex.com

Email Address _____

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

24234

EXHIBIT A

SECTION 33, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

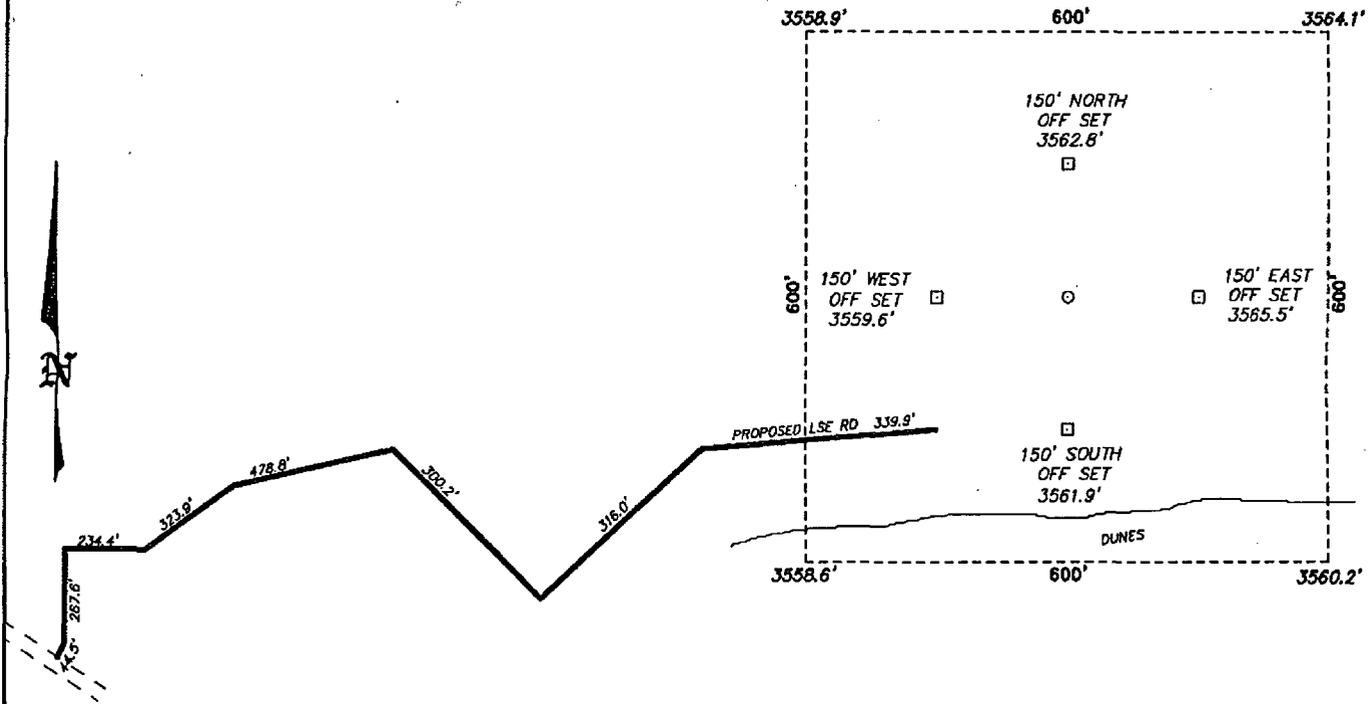
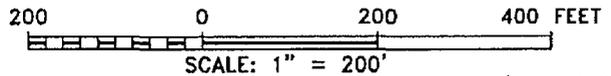


EXHIBIT 13

CIMAREX ENERGY CO. OF COLORADO
SOUTHEAST LUSK "33" FEDERAL #3H
ELEV. - 3680'

Lat - N 32°37'26.64"
Long - W 103°46'14.06"
NMSPCE - N 591224.5
E 714596.5
(NAD-83)



Directions to Location:

FROM THE JUNCTION OF LUSK AND MALJAMAR, GO SOUTH ON MALJAMAR FOR 1.7 MILES TO LEASE ROAD, ON LEASE ROAD GO EAST 1.1 MILES TO LEASE ROAD, ON LEASE ROAD GO SOUTH TURNING EAST 0.2 MILES TO PROPOSED LEASE ROAD.

CIMAREX ENERGY CO. OF COLORADO

REF: SOUTHEAST LUSK "33" FEDERAL #3H / WELL PAD TOPO

THE SOUTHEAST LUSK "33" FEDERAL #3H LOCATED 25'
FROM THE NORTH LINE AND 2460' FROM THE EAST LINE OF
SECTION 33, TOWNSHIP 19 SOUTH, RANGE 32 EAST,

N.M.P.M., LEA COUNTY, NEW MEXICO.

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

W.O. Number: 24234

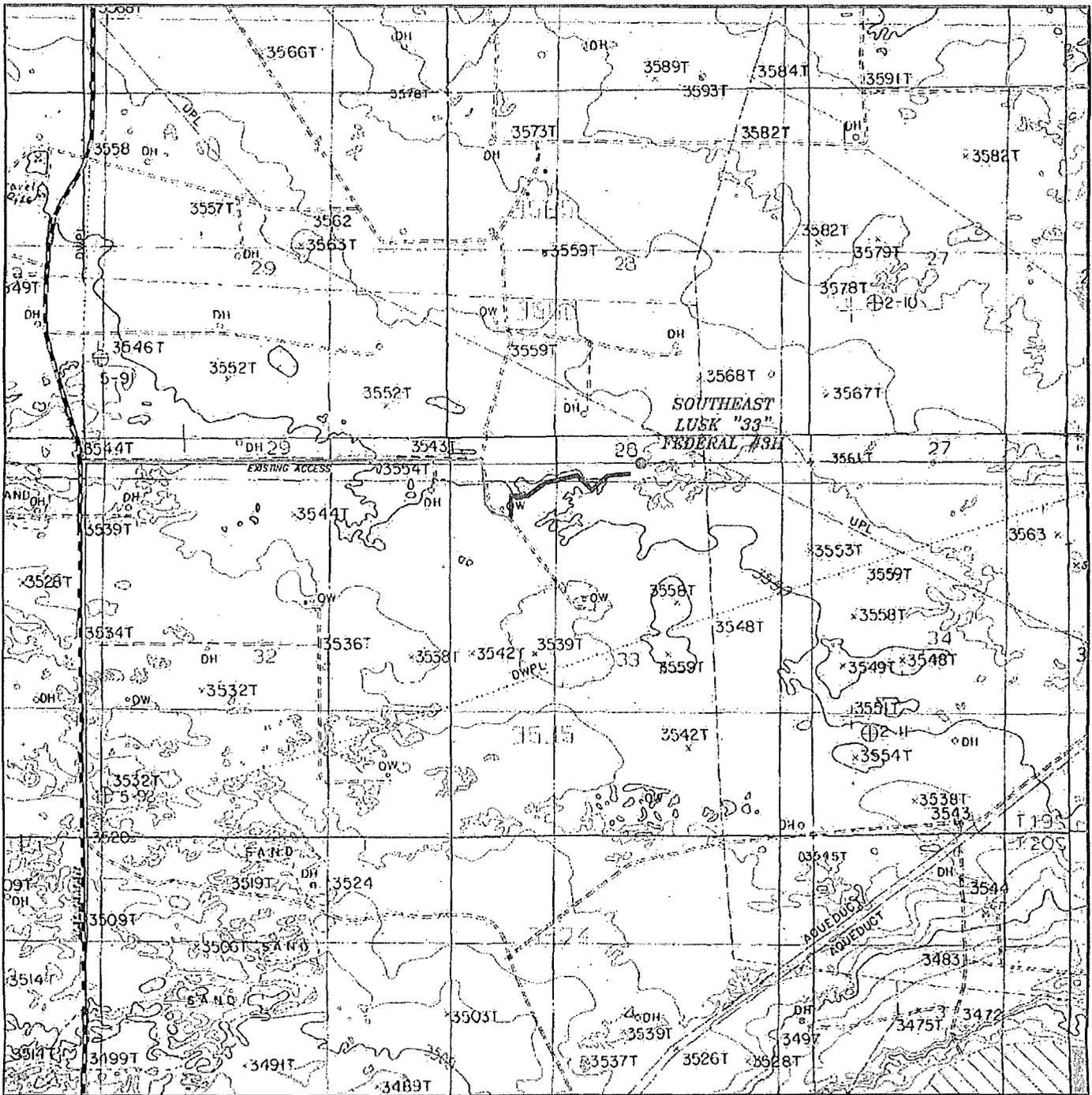
Drawn By: J. SMALL

Date: 03-15-2011

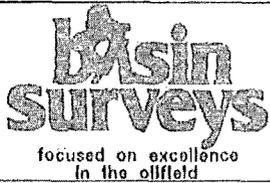
Disk: JMS 24234

Survey Date: 03-10-2011

Sheet 1 of 1 Sheets



SOUTHEAST LUSK "33" FEDERAL #3H
 Located 25' FNL and 2460' FEL
 Section 33, Township 19 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

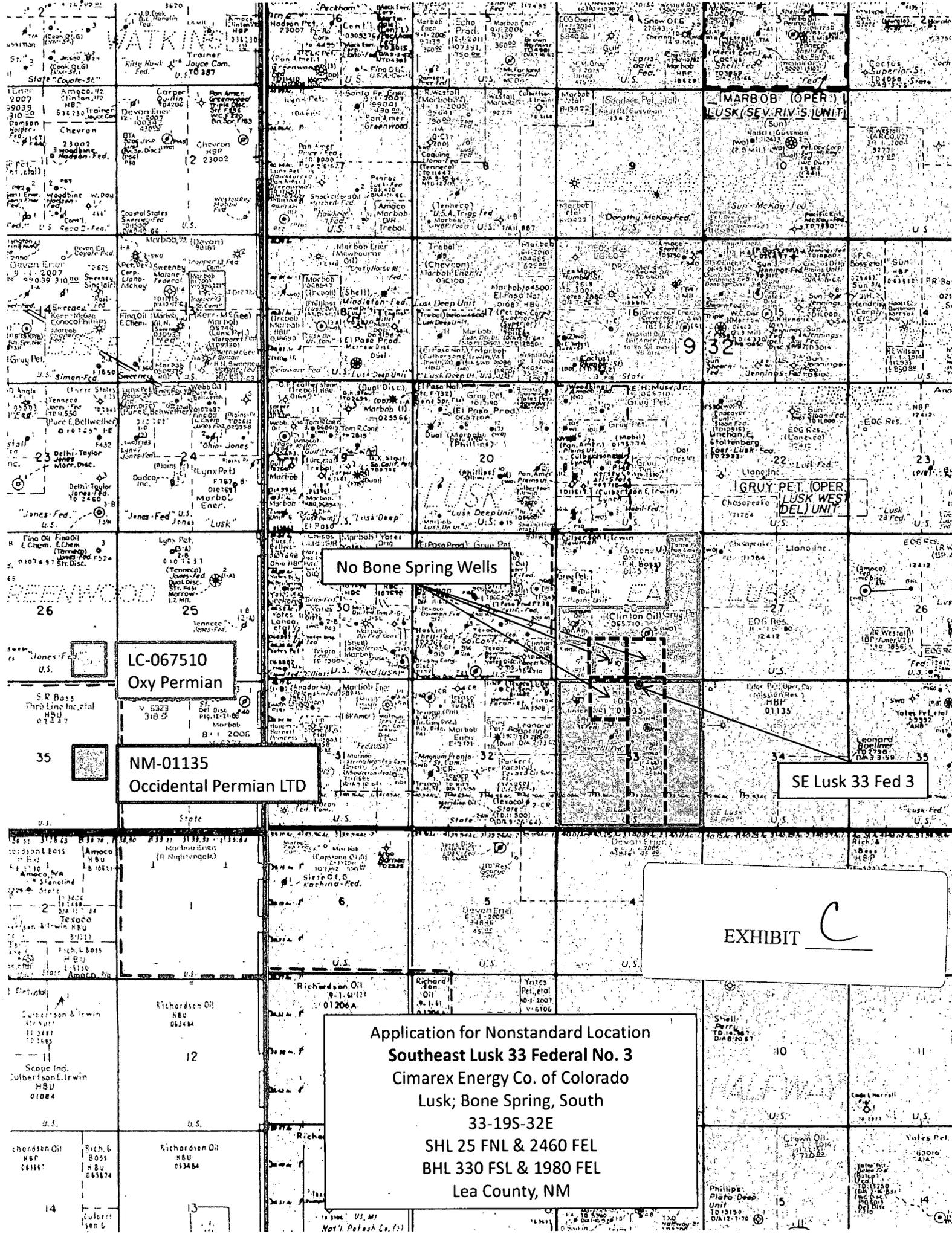
W.O. Number: JMS 24234

Survey Date: 03-10-2011

Scale: 1" = 2000'

Date: 03-15-2011

CIMAREX
 ENERGY CO.
 OF COLORADO



No Bone Spring Wells

LC-067510
Oxy Permian

NM-01135
Occidental Permian LTD

SE Lusk 33 Fed 3

Application for Nonstandard Location
 Southeast Lusk 33 Federal No. 3
 Cimarex Energy Co. of Colorado
 Lusk; Bone Spring, South
 33-19S-32E
 SHL 25 FNL & 2460 FEL
 BHL 330 FSL & 1980 FEL
 Lea County, NM

EXHIBIT C

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

January 14, 2012

Certified Mail - Return Receipt Requested

Occidental Permian Ltd.
5 Greenway Plaza
Houston, Texas 77046

Ladies and gentlemen:

Cimarex Energy Co. of Colorado has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox oil well location in the W $\frac{1}{2}$ E $\frac{1}{2}$ of Section 33, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico. A copy of the application is enclosed. You offset the well. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co. of Colorado

EXHIBIT D