

ABOVE THIS LINE FOR DIVISION USE ONLY

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



36-015-40297
 Pirtail 23 Fed Com #9H

ADMINISTRATIVE APPLICATION CHECKLIST *Cimarex*

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

6821

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 _____
- [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

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[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
 Print or Type Name

James Bruce
 Signature

Attorney
 Title

5/22/13
 Date

jamesbruc@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

May 22, 2013

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 gas well location for the following horizontal well:

<u>Well name:</u>	Pintail 23 Fed. Com. Well No. 94 ^{QA}
<u>Surface location:</u>	250 feet FSL & 650 feet FWL
<u>Beginning of producing interval:</u>	540 feet FSL & 585 FWL
<u>Bottom hole location:</u>	330 feet FNL & 350 feet FWL
<u>Well unit (project area):</u>	W $\frac{1}{2}$ of Section 23, Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico

The well will test the Wolfcamp formation (Salt Draw-Wolfcamp Gas Pool). Under the Division's statewide rules, spacing is 320 acres, with wells to be located at least 660 feet from a quarter section line. A Form C-102 is attached as **Exhibit A**.

The location is based on engineering reasons. The unorthodox producing interval will allow a maximum horizontal extent for the wellbore, thus increasing chances for a commercial well. In addition, the reservoir is thick and additional wells will be needed in the well unit to access reserves in the well unit. **Exhibit B**.

The offset operators or working interest owners are as follows:

Section 14
Cimarex Energy Co. of Colorado

Section 15

Cimarex Energy Co. of Colorado
EOG Resources, Inc.

Section 22

Cimarex Energy Co. of Colorado
EOG Resources, Inc.

Section 27

Cimarex Energy Co. of Colorado

Section 26

Cimarex Energy Co. of Colorado
Chevron U.S.A. Inc.

Notice of this application has been sent to all offsets. **Exhibit C.**

Please call me if you have any questions concerning this application.

Very truly yours,



James Bruce

Attorney for Cimarex Energy Co. of Colorado

DISTRICT I
1825 N. Kinch Dr., Hobbs, NM 88240
Phone (878) 293-2181 Fax: (878) 293-0778

DISTRICT II
3301 W. Grand Avenue, Artesia, NM 88210
Phone (878) 746-1253 Fax: (878) 746-2720

DISTRICT III
1000 Rio Grande Rd., Alamo, NM 87410
Phone (505) 834-5178 Fax: (505) 834-5170

DISTRICT IV
1820 N. El. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3450 Fax: (505) 476-3468

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

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 30-015-40297	Pool Code 96890	Pool Name Sage salt Draw Wolfcamp East
Property Code 34072	Property Name PINTAIL "23" FEDERAL COM	Well Number 9H
OGRIID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3254'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	23	25 S	26 E		250	SOUTH	650	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
D	23	25 S	26 E		330	NORTH	350	WEST	EDDY

Dedicated Acres 320	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

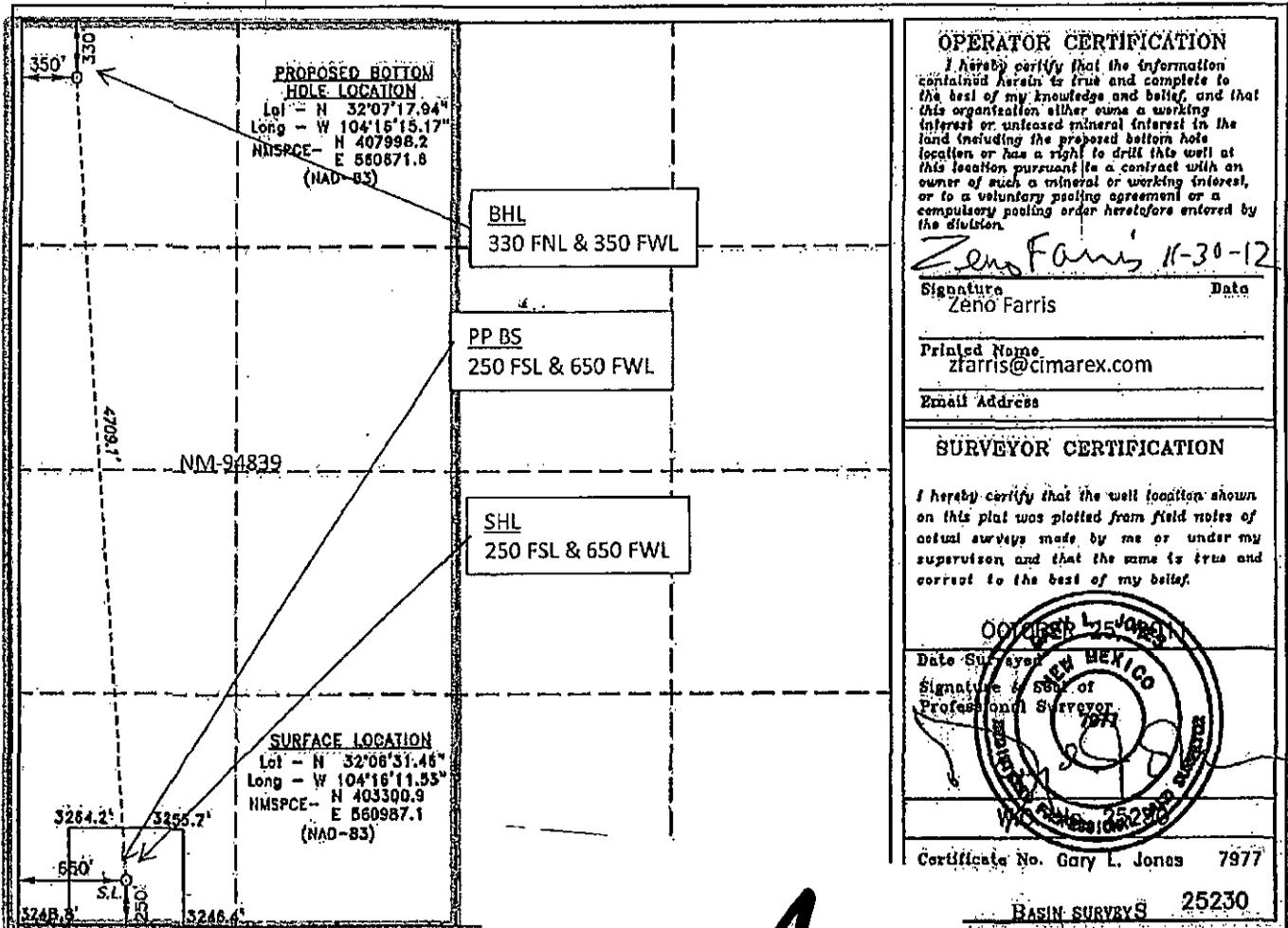


EXHIBIT **A**

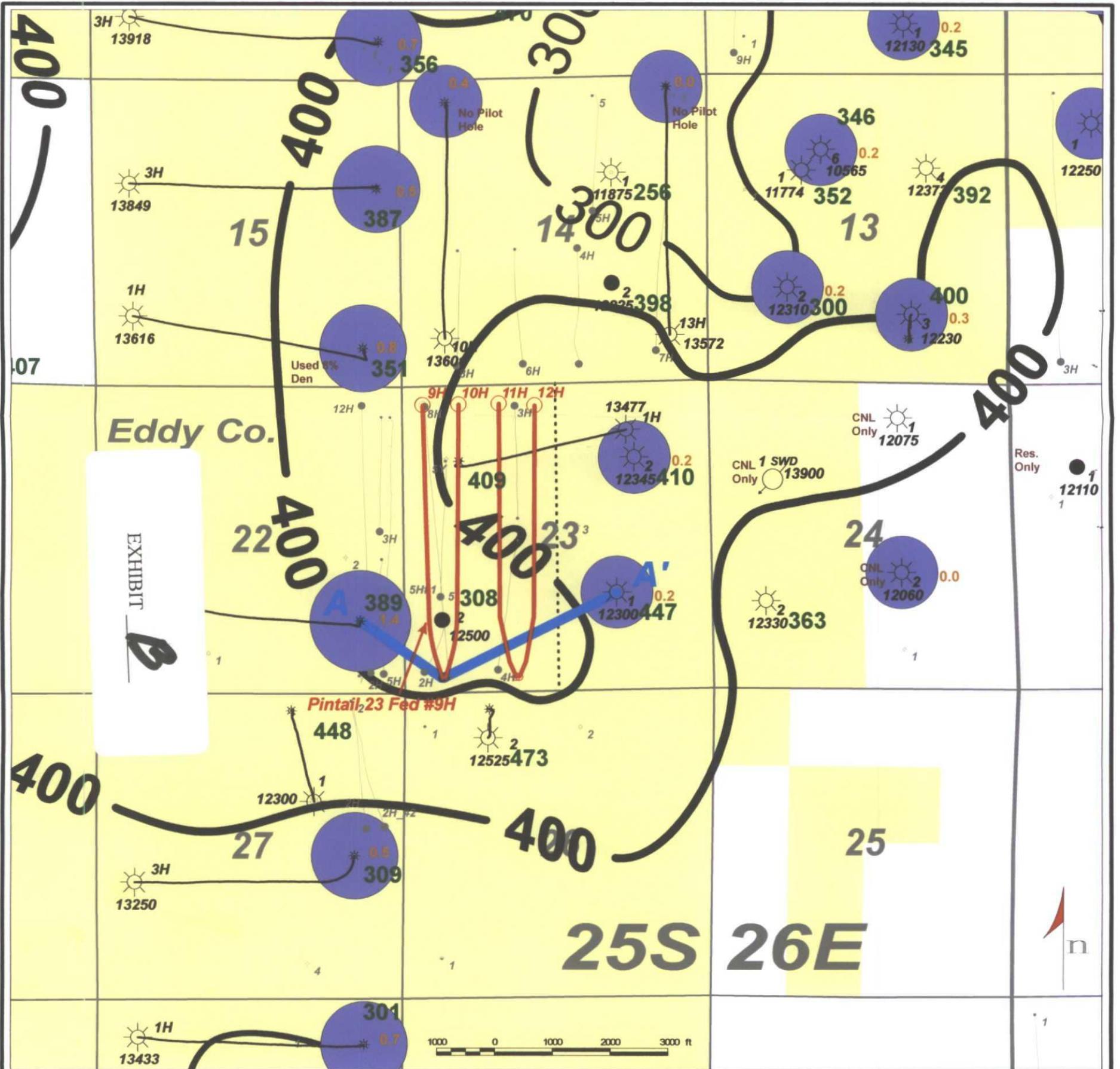
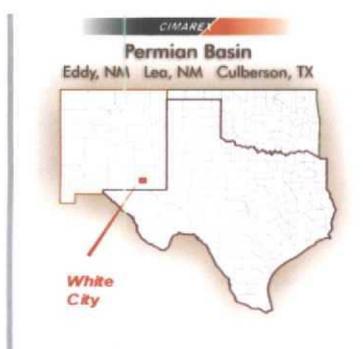


EXHIBIT B



Wolfcamp Penetrations

- Surface Hole Location
- Bottom Hole Location

Shallow Penetrations

- Surface Hole Location
- Bottom Hole Location

Legend:

- Blue circle: CUM Wolfcamp Gas BCF
- Yellow square: Cimarex Leasehold

CIMAREX

**Proposed Pintail 23 Fed #9H
OCD Hearing – 11/1/2012**

**Wolfcamp BCD Zones Net Shale Isopach
C.I. = 100'**

Net Shale >= 10% density (Is matrix)

White City Area - Eddy Co., New Mexico

Author: DR, VG	Date: 30 October, 2012
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JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87501

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jamesbruc@aol.com

May 22, 2013

Certified Mail - Return Receipt Requested

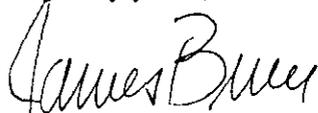
EOG Resources, Inc.
P.O. Box 2267
Midland, Texas 79702

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

Ladies and gentlemen:

Cimarex Energy Co. of Colorado has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox gas well location in the W¹/₂ of Section 23, Township 25 South, Range 26 East, N.M.P.M., Eddy 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 C



Cimarex Energy Co.

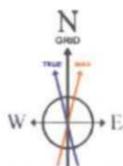
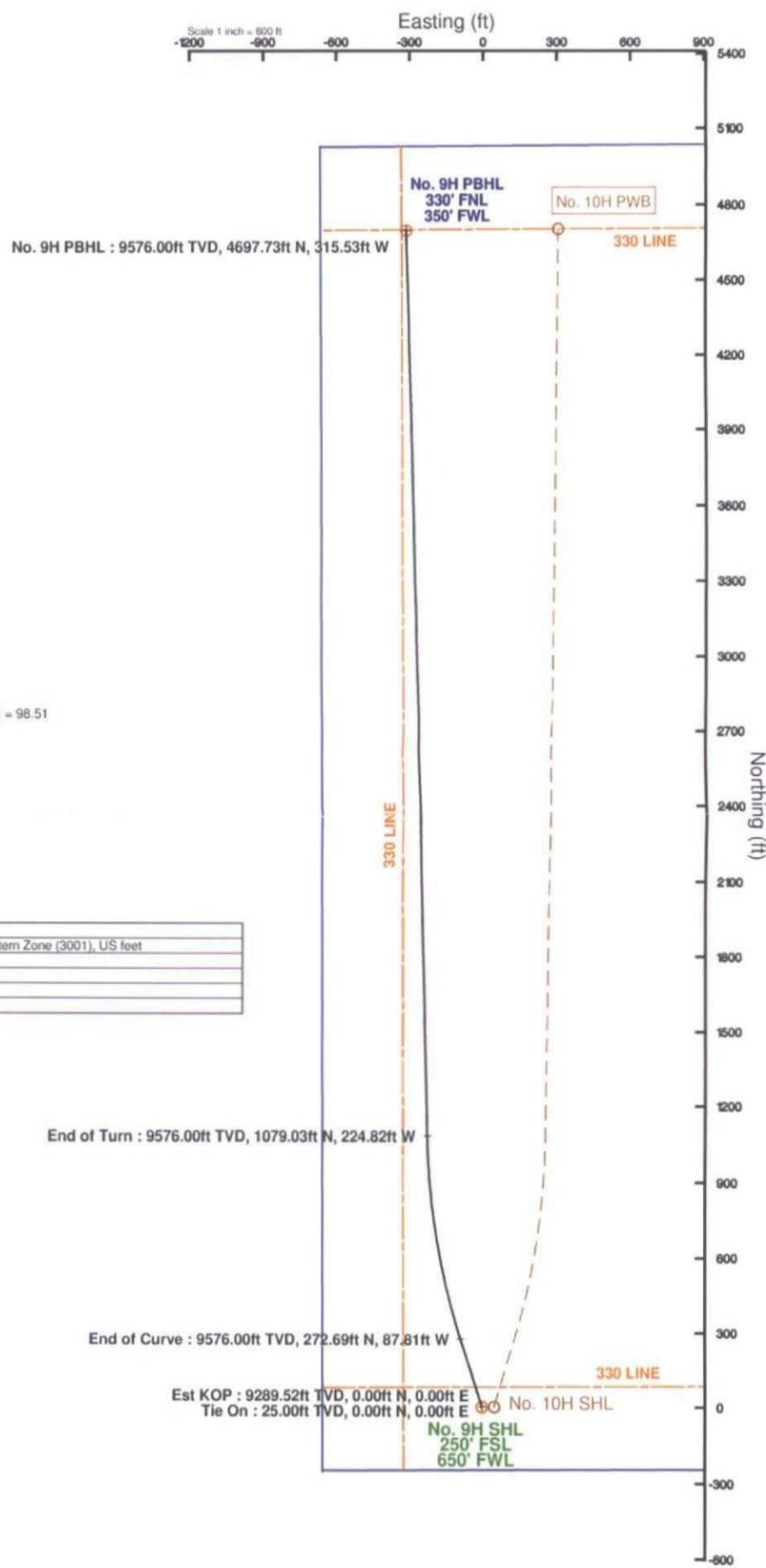
Location: Eddy County, NM
 Field: (Pintail) Sec 23, T25S, R26E (NAD 83)
 Facility: Pintail 23 Fed Com

Slot: No. 9H SHL
 Well: No. 9H
 Wellbore: No. 9H PWB



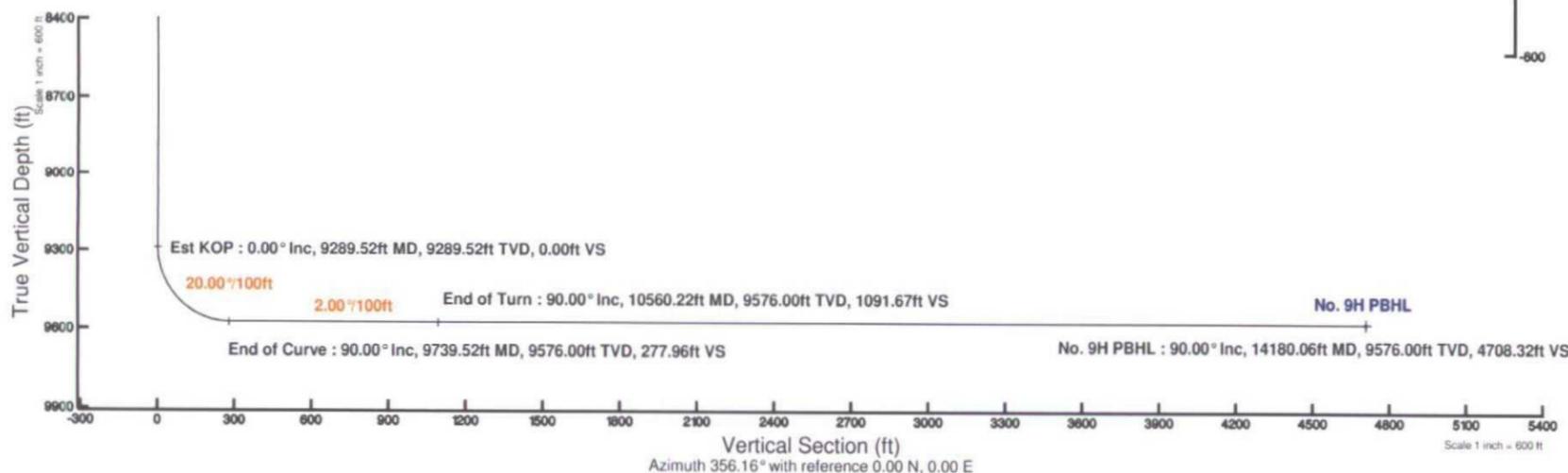
Well Profile Data

Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (°/100ft)	VS (ft)
Tie On	25.00	0.000	342.150	25.00	0.00	0.00	0.00	0.00
Est KOP	9289.52	0.000	342.150	9289.52	0.00	0.00	0.00	0.00
End of Curve	9739.52	90.000	342.150	9576.00	272.69	-87.81	20.00	277.96
End of Turn	10560.22	90.000	358.564	9576.00	1079.03	-224.82	2.00	1091.67
No. 9H PBHL	14180.06	90.000	358.564	9576.00	4697.73	-315.53	0.00	4708.32



BGGM (1945.0 to 2012.0) Dip: 58.54° Field: 47533.7 nT
 Magnetic North is 8.54 degrees East of True North (at 11/17/2011)
 Grid North is 0.03 degrees East of True North
 To correct azimuth from True to Grid subtract 0.03 degrees
 To correct azimuth from Magnetic to Grid add 8.51 degrees
 For example: if the Magnetic North Azimuth = 90 degs, then the Grid North Azimuth = 90 + 8.51 = 98.51

Plot reference wellpath is Prelim_1	Grid System: NAD83 / TM New Mexico SP, Eastern Zone (3001), US feet
True vertical depths are referenced to Rig on No. 9H SHL (KB)	North Reference: Grid north
Measured depths are referenced to Rig on No. 9H SHL (KB)	Scale: True distance
Rig on No. 9H SHL (KB) to Mean Sea Level: 3279 feet	Depths are in feet
Mean Sea Level to Mud line (At Slot: No. 9H SHL): 0 feet	Created by: calphik on 11/17/2011
Coordinates are in feet referenced to Slot	



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MAY 14 2012

NMOC D ARTESIA

OCD-ARTESIA
CANNOT PRODUCE UNTIL
IN COMPLIANCE WITH
NMOC D RULE 5.9

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

Form 316-3
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FYI

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SHL NM-19423, BHL NM-94076	
1b Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name	
2 Name of Operator Cimarex Energy Co. of Colorado		7. If Unit or CA Agreement, Name and No. Pending	
3a Address 600 N. Marienfeld St., Ste. 600; Midland, TX 79701		8. Lease Name and Well No. Pintail 23 Federal Com No. 9434072	
3b Phone No. (include area code) 432-620-1936		9. API Well No. 30-015- 40297	
4 Location of Well (Report location clearly and in accordance with any State requirements.) At Surface 250 FSL & 650 FWL At proposed prod Zone 330 FNL & 350 FWL		10. Field and Pool, or Exploratory SAGE Draw Wolfcamp EAST	
14 Distance in miles and direction from nearest town or post office*		11 Sec., T, R, M or Blk and Survey or Area 23-25S-26E	
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drng unit line if any) 250'		12 County or Parish Eddy	
16. No of acres in lease NM19423 2560 acres NM-97076 360 acres		13 State NM	
17 Spacing Unit dedicated to this well W2 320 acres		18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 150'	
19. Proposed Depth MD 14180, TVD 9576		20 BLM/BIA Bond No. on File NM-2575	
21 Elevations (Show whether DF, KDB, RT, GL, etc) 3254' GR		22. Approximate date work will start* 02.15.11	
23. Estimated duration 30-35 days		24. Attachments	

UNORTHODOX LOCATION

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, shall be attached to this form

- 1. Well plat certified by a registered surveyor
- 2. A Drilling Plan
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
- 5. Operator Certification
- 6. Such other site specific information and/or plans as may be required by the authorized officer

25 Signature <i>Zeno Farris</i>	Name (Printed/Typed) Zeno Farris	Date 11.30.12
Title Manager Operations Administration		
Approved By (Signature) <i>/s/ Don Peterson</i>	Name (Printed/Typed)	Date MAY 08 2012
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached. APPROVAL FOR TWO YEARS

Title 18 U S S Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction

* (Instructions on page 2)

Carlsbad Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached