

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



May 5, 2016

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-448
Administrative Application Reference No. pMAM1612558125

CIMAREX ENERGY CO.
Attention: Ms. Rhonda Sheldon

Pursuant to your application received on May 4, 2016, Cimarex Energy Co. (OGRID 215099) is hereby authorized to surface commingle gas production from the following pools located in Section 26 and Section 35, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico;

HAY HOLLOW; BONE SPRING (30215)
WC-015 S262728A; WOLFCAMP (GAS) (98017)

and from the following identically owned federal leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease: Federal Com. NMNM134622
Description: Lot 4 and NW/4 NW/4 of Section 35; and W/2 W/2 of Section 26
Well: Hornsby 35 Federal Com. Well No. 2 H
Pool: Hay Hollow; Bone Spring

Lease: Federal Com. NMNM134466
Description: Lot 3, Lot 4, and N/2 NW/4 of Section 35; and W/2 of Section 26
Well: Hornsby 35 Federal Com. Well No. 3 H
Pool: WC-015 S262728A; Wolfcamp (Gas)

The combined project area for these wells include W/2 of Section 26, and W/2 equivalent of Section 35, Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Hornsby 35 Federal Com Well No. 2H and Hornsby 35 Federal Com Well No. 3H Central Tank Battery (CTB) located in Lot 4, Section 35, Township 26 South, Range 27 East, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The gas production from each of the wells in the identically-owned leases shall be separately metered using allocation meters.

Subsequently drilled wells that produce from the subject pools within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

The operator shall notify the transporter of this commingling authority.

The operator shall notify the Artesia District office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, May 5, 2016.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division District Office – Artesia
Bureau of Land Management – Carlsbad