



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

February 23, 2007

Cimarex Energy Company of Colorado
c/o Mr. James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504

Attention: Mr. James Bruce, Attorney

Re: **Aduddle Well No. 1**
API No. 30-025-30407
330' FNL & 897' FEL, Unit A,
Section 23, T-15 South, R-36 East, NMPM,
Lea County, New Mexico

Administrative Order NSL-5571

Dear Mr. Bruce:

Reference is made to the following:

- (a) your application on behalf of Cimarex Energy Company of Colorado ("Cimarex" or "applicant") for a non-standard well location (*administrative application reference No. pTDS0633532115*) for the Aduddle Well No. 1 that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on November 30, 2006; and
- (b) the Division's records pertinent to your request.

The applicant requests approval of an unorthodox gas well location for its **existing** Aduddle Well No. 1 in the Wildcat-Atoka, Wildcat-Morrow and Wildcat-Mississippian Pools which has been drilled 330 feet from the North line and 897 feet from the East line (Unit A) of Section 23, Township 15 South, Range 36 East, NMPM, Lea County, New Mexico. The N/2 of Section 23 is to be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

Division records demonstrate that:

- (a) the subject application was originally filed for administrative approval on November 30, 2006. Due to an objection received by the Division on December 15, 2006 from Jerry Dean and Donna Dean Family Trust, the application was set to hearing before a Division examiner on February 15, 2007 (Case No. 13861); and

- (b) by letter dated February 9, 2007, Jerry Dean and Donna Dean Family Trust withdrew their objection to the subject application. Mr. Bruce subsequently requested that Case No. 13861 be dismissed, and that the subject application be reviewed administratively.

The subject well is not located within one mile of a Division designated Atoka, Morrow or Mississippian Gas Pool. Therefore the subject well is governed by Rule No. 19.15.3.104(C).

The applicant stated that the subject well was drilled in 1988 at a standard oil well location to test the Devonian formation. Division records show that the well was plugged and abandoned in that same year.

Division records further show that there is an existing oil pool within one mile of the subject well. The Dean-Permo-Pennsylvanian Pool is currently governed by special pool rules established by Order No. R-892 dated October 14, 1956. These rules require standard 80-acre spacing and proration units with wells to be located no closer than 330 feet from the outer boundary of the quarter-quarter section on which the well is located. The subject well is at a standard well location for this pool.

The affected offset acreage includes the S/2 and NE/4 of Section 14, Township 15 South, Range 36 East, NMPM. Because there is no existing producing well within the affected offset acreage, the applicant has notified all mineral and royalty interest owners. With the exception of the Jerry Dean and Donna Dean Family Trust, no other interest owner has objected to the application.

Division records show that the Aduddle Well No. 1 will be the only well producing at this time within the N/2 of Section 23.

Pursuant to the authority granted under the provisions of Division Rule 19.15.3.104.F(2), the above-described unorthodox gas well location in the Wildcat-Atoka, Wildcat-Morrow and Wildcat-Mississippian Pools is hereby approved.

Sincerely,



Mark E. Fesmire, P.E.
Division Director

MEF/drc

cc: Case File-13861