



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

November 01, 2007

James Bruce
Attorney at Law
P.O. Box 1056
Santa Fe, NM 87501

RE: **Conoco 22 Federal Com. Well No. 1**
2303 feet FNL & 1427 feet FWL (Unit F) (Surface Location)
2303 feet FNL & 1427 feet FWL (Wild Cat Abo) (Unorthodox)
1980 feet FNL & 330 feet FEL (Unit H) (Bottom-Hole Location)
SE/4NW/4 and S/2NE/4 of Section 22, T-16 -S, R-29-E,
NMPM, Eddy County, New Mexico

Administrative Order NSL-5712

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pTDS0727548044**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on October 3, 2007, on behalf of Cimarex Energy Company of Colorado ("Cimarex"); and

(b) the Division's records pertinent to Cimarex's request.

Cimarex Energy Company of Colorado requests to re-enter its Conoco 22 Federal Com. Well No. 1 as a horizontal well at an unorthodox Wildcat Abo oil well location as referenced above in Section 22, Township 16 South, Range 29 East, N.M.P.M., in Eddy County, New Mexico.

The project area consisting of the SE/4NW/4 and the S/2NE/4 of Section 22 will be dedicated to this well. Cimarex intends to test the Wildcat Abo formation, Undesignated County Line Tank-Abo Pool. These pools are governed by the Division's Statewide Rules and Regulations which provide for wells on 40-acre spacing units to be located no closer than 330 feet to the outer boundary of the quarter-quarter section on which the well is located. The well is a re-entry of a plugged and abandoned vertical well which

will be drilled horizontally and penetrating the Wildcat Abo formation at an unorthodox oil well location.

Your application on behalf of Cimarex has been duly filed under the provisions of Division Rules 104. F. It is our understanding that the SE/4NW/4 and the S/2NE/4 of Section 22 and all the offsetting acreages have common ownership in the Wildcat Abo formation, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 104. F(2), the above-described unorthodox Wildcat Abo oil pool location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division - Artesia
Bureau of Land Management (BLM)