

DATE IN 10/4/07	SUSPENSE	D. BRUCE ENGINEER	RECEIVED 10/4/07	TYPE NSL	APP NO. pTDS0727751514
--------------------	----------	----------------------	---------------------	-------------	---------------------------

2007 OCT 4 PM 12:35
 ABOVE THIS LINE FOR DIVISION USE ONLY
NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Cimarex Draybung Deep U#23

ADMINISTRATIVE APPLICATION CHECKLIST

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

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

[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 for Applicant

 Title
 10/2/07

 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

October 2, 2007

Mark E. Fesmire
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Fesmire:

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>	Grayburg Deep Unit Well No. 23
<u>Location:</u>	330 feet FSL & 1310 feet FWL
<u>Well Unit:</u>	SW $\frac{1}{4}$ SW $\frac{1}{4}$ §24-17S-29E, Eddy County, New Mexico

The well will be drilled to a depth sufficient to test the Wolfcamp formation. The Wolfcamp is an oil zone in this area, spaced on 40 acres, with 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.

The location is based on topographic reasons. There is a playa covering a large portion of the well unit, severely restricting locations. The Bureau of Land Management (the surface owner) required the well to be moved to the proposed location.

The S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 24 is covered by Federal Lease LC 028784(b), which has common ownership in the Wolfcamp formation. Exhibits B and C. Therefore, the offsetting SE $\frac{1}{4}$ SW $\frac{1}{4}$ is unaffected by the unorthodox location. As a result, no offset was notified of the application.

Please call me if you need further information on this application.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co. of Colorado

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

DISTRICT II
1301 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 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97601	Pool Name Loco Hills; Wolfcamp, Northeast
Property Code	Property Name GRAYBURG DEEP UNIT	Well Number 23
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3576'

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	24	17 S	29 E		330	SOUTH	1310	WEST	EDDY

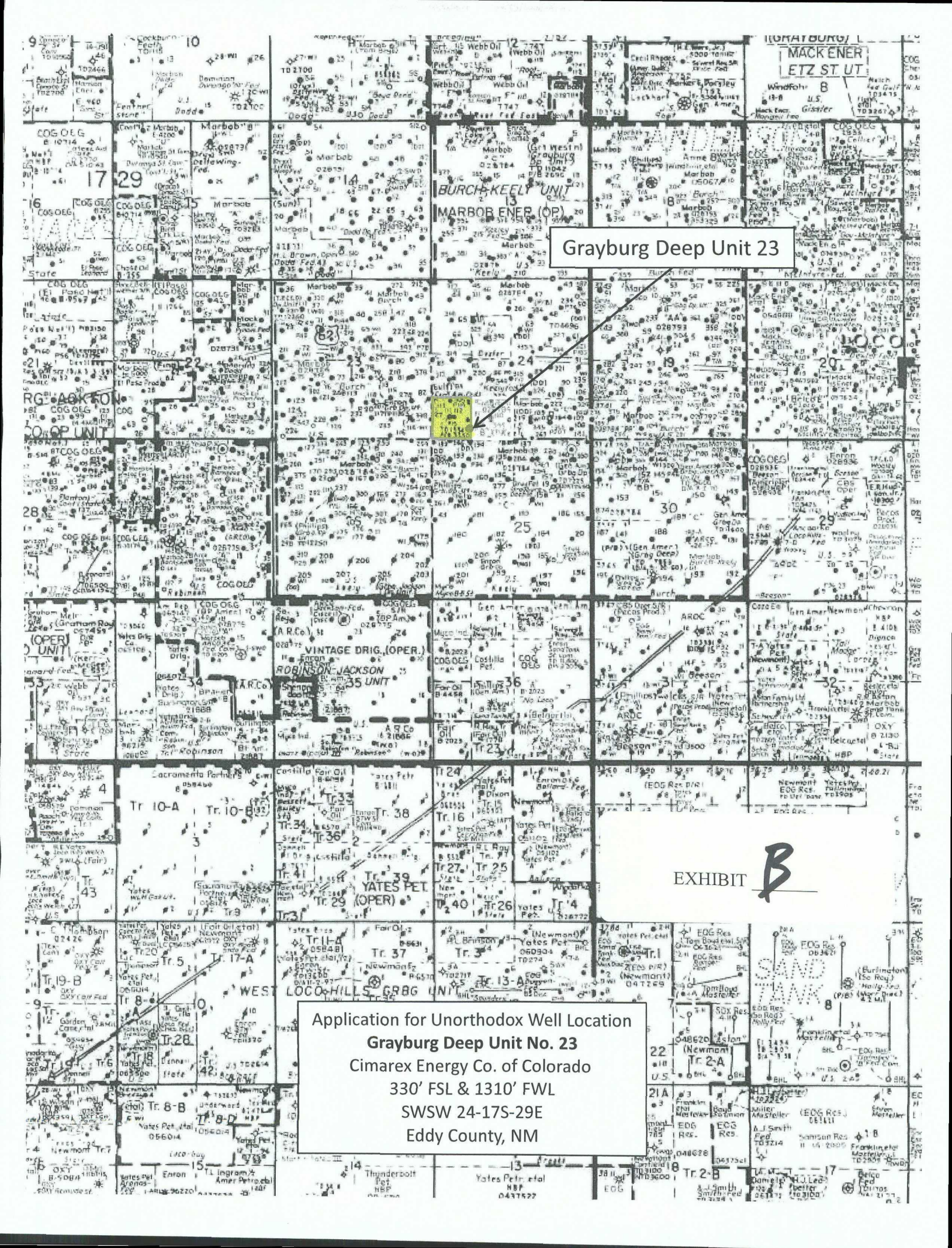
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code U	Order No. NSL Pending
-----------------------	-----------------	-------------------------	--------------------------

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

<p>EXHIBIT A</p>	<p>LC-028784-B</p> <p>Lat - N32°48'49.3" Long - W104°01'57.4" NAD83 - N 659885.807 E 633727.830 (NAD-83)</p>	<p>Grayburg Deep Unit #23 3578.4'</p> <p>3582.0'</p> <p>1310'</p> <p>3576.5'</p> <p>3579.8'</p>	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby 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 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.</i></p> <p style="text-align: right;">09-24-07</p> <p>Signature _____ Date</p> <p style="text-align: center;">Zeno Farris</p> <p>Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: center;">APRIL 12 2007</p> <p>Date Signed _____ Signature _____ Professional Surveyor</p> <p style="text-align: center;">7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p style="text-align: center;">BASIN SURVEYS</p>		



Grayburg Deep Unit 23

Application for Unorthodox Well Location
Grayburg Deep Unit No. 23
Cimarex Energy Co. of Colorado
330' FSL & 1310' FWL
SWSW 24-17S-29E
Eddy County, NM

EXHIBIT **B**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 10/02/07 11:21 AM

Page 1 of 4

01 02-25-1920;041STAT0437;30USC226
Case Type 310771: O&G EXCHANGE LEASE - PD
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
1,264.520

Serial Number
NMLC-- 0 028784B

Serial Number: NMLC-- 0 028784B

Name & Address			Serial Number: NMLC-- 0 028784B	Int Rel	% Interest
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 74005	LESSEE		100.00000000
DASTARAC INC	26819 S VIA DESMONDE	LOMITA CA 907173619	OPERATING RIGHTS		0.00000000
EOG RESOURCES INC	333 CLAY ST #4200	HOUSTON TX 77002	OPERATING RIGHTS		0.00000000
GRAY JOHN R TRUST	PO BOX 1182	ARTESIA NM 88210	OPERATING RIGHTS		0.00000000
MARBOB ENERGY CORP	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS		0.00000000
MILLER RAYE P	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS		0.00000000
PITCH ENERGY CORP	PO BOX 304	ARTESIA NM 882110304	OPERATING RIGHTS		0.00000000
THOMPSON J T	PO BOX 227	ARTESIA NM 882110227	OPERATING RIGHTS		0.00000000

Serial Number: NMLC-- 0 028784B

Mer Twp	Rng	Sec	STyp	SNr SUFF	Subdivision	District/Resource Area	County	Mgmt Agency
23 0170S	0290E	023	ALIQ		NE,SW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0290E	024	ALIQ		S2SW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0290E	025	ALIQ		N2NW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0290E	026	ALIQ		E2;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	018	ALIQ		E2NW,NESW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	018	LOT:		1-3;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	019	ALIQ		SESW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	019	LOT:		4;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	030	ALIQ		E2NW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	030	LOT:		1,2;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMLC-- 0 028784B
 Pending Office

Act Date	Code	Action	Action Remarks
02/14/1930	124	APLN RECD	
11/14/1930	237	LEASE ISSUED	
11/14/1930	496	FUND CODE	05;145003
11/14/1930	650	HELD BY PROD - ACTUAL	/1/
11/14/1930	658	MEMO OF 1ST PROD-ACTUAL	/1/
11/14/1930	868	EFFECTIVE DATE	.
01/16/1931	237	LEASE ISSUED	
11/30/1941	972	CASES CONSOLIDATED	NMLC028793B;
12/01/1941	533	RLTY STEP 12.5-32%	
12/01/1941	868	EFFECTIVE DATE	
06/04/1954	232	LEASE COMMITTED TO UNIT	NMNM70954X;GRYBURG DE
06/04/1954	501	REFERENCE NUMBER	UA-14080011602;
11/13/1956	102	NOTICE SENT-PROD STATUS	
03/28/1984	932	TRF OPER RGTS FILED	(1)
03/28/1984	932	TRF OPER RGTS FILED	(2)
03/28/1984	932	TRF OPER RGTS FILED	(3)
03/29/1984	932	TRF OPER RGTS FILED	(1)
03/29/1984	932	TRF OPER RGTS FILED	(2)

EXHIBIT C

NO WARRANTY IS MADE BY BLM
 FOR USE OF THE DATA FOR
 PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 10/02/07 11:21 AM

Page 2 of 4

01 02-25-1920;041STAT0437;30USC226
Case Type 310771: O&G EXCHANGE LEASE - PD
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
1,264.520

Serial Number
NMLC-- 0 028784B

03/29/1984	932	TRF OPER RGTS FILED	(3)
08/23/1985	933	TRF OPER RGTS APPROVED	(1)EFF 04/01/84;
08/23/1985	933	TRF OPER RGTS APPROVED	(2)EFF 04/01/84;
08/23/1985	933	TRF OPER RGTS APPROVED	(3)EFF 04/01/84;
09/16/1985	817	MERGER RECOGNIZED	PHILLIPS OIL/PETRO
11/13/1985	963	CASE MICROFILMED	CNUM 554,383 AC
07/14/1987	933	TRF OPER RGTS APPROVED	(1)EFF 04/01/84;
07/14/1987	933	TRF OPER RGTS APPROVED	(2)EFF 04/01/84;
07/14/1987	933	TRF OPER RGTS APPROVED	(3)EFF 04/01/84;
07/29/1987	974	AUTOMATED RECORD VERIF	ST/GO
10/10/1990	972	CASES CONSOLIDATED	NMLC038793B/LC028784B
10/10/1990	974	AUTOMATED RECORD VERIF	GLC/GC
07/15/1992	974	AUTOMATED RECORD VERIF	AT/JS
08/03/1992	974	AUTOMATED RECORD VERIF	HKG/JS
10/01/1992	621	RLTY RED-STRIPPER WELL	2.1%;/1/
10/23/1992	974	AUTOMATED RECORD VERIF	GAG
11/09/1992	932	TRF OPER RGTS FILED	PHILLIPS/MARBOB ENE
02/02/1993	933	TRF OPER RGTS APPROVED	EFF 12/01/92;
02/02/1993	974	AUTOMATED RECORD VERIF	MCS/JS
02/10/1993	625	RLTY REDUCTION APPV	/1/
05/05/1993	575	APD FILED	MARBOB ENERGY
06/02/1993	974	AUTOMATED RECORD VERIF	JS
06/21/1993	575	APD FILED	MARBOB ENERGY
07/09/1993	575	APD FILED	MARBOB ENERGY
07/28/1993	576	APD APPROVED	#37 BURCH BB FED
07/28/1993	576	APD APPROVED	#40 BURCH BB FED
08/01/1993	232	LEASE COMMITTED TO UNIT	NMNM88525X;BURCHKEELY
08/26/1993	576	APD APPROVED	#41 BURCH BB FED
09/20/1993	575	APD FILED	MARBOB ENERGY CORP
10/01/1993	626	RLTY REDUCTION DENIED	/B/NMNM88525X
10/20/1993	576	APD APPROVED	219 BURCH KELLY UNIT
11/04/1993	575	APD FILED	MARBOB ENERGY CORP
12/10/1993	576	APD APPROVED	42 BURCH BB FED
12/20/1993	932	TRF OPER RGTS FILED	WILSHIRE/ENRON O&G CO
01/19/1994	933	TRF OPER RGTS APPROVED	EFF 01/01/94;
01/19/1994	974	AUTOMATED RECORD VERIF	MV/MV
01/20/1994	974	AUTOMATED RECORD VERIF	BCO/JLV
04/29/1994	575	APD FILED	MARBOB ENERGY CORP
05/18/1994	575	APD FILED	MARBOB ENERGY CORP
05/31/1994	576	APD APPROVED	228 BURCH KEELY UNIT
01/20/1995	575	APD FILED	1)RAY WESTALL
01/20/1995	575	APD FILED	2)RAY WESTALL
02/21/1995	932	TRF OPER RGTS FILED	(1)MARBOB/GRAY ETAL
02/21/1995	932	TRF OPER RGTS FILED	(2)MARBOB/GRAY ETAL
04/13/1995	576	APD APPROVED	1)#45 BURCH BB FED
07/10/1995	576	APD APPROVED	46-BURCH BB FEDERAL

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 10/02/07 11:21 AM

Page 3 of 4

01 02-25-1920;041STAT0437;30USC226
Case Type 310771: O&G EXCHANGE LEASE - PD
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
1,264.520

Serial Number
NMLC-- 0 028784B

07/12/1995	576	APD APPROVED	801-BURCH KEELY UT
07/12/1995	576	APD APPROVED	803-BURCH KEELY UT
08/15/1995	933	TRF OPER RGTS APPROVED	(1)EFF 03/01/95;
08/15/1995	933	TRF OPER RGTS APPROVED	(2)EFF 03/01/95;
08/15/1995	974	AUTOMATED RECORD VERIF	MV/MV
10/27/1995	649	LEASE PAYING MIN RLTY	/A/;
10/27/1995	974	AUTOMATED RECORD VERIF	AT
02/12/1996	575	APD FILED	
03/25/1996	576	APD APPROVED	45-TURNER A
03/25/1996	576	APD APPROVED	817 BURCH KEELY UNIT
03/26/1996	576	APD APPROVED	821-BURCH KEELY UT
07/09/1996	576	APD APPROVED	830-BURCH KEELY UNIT
09/20/1996	576	APD APPROVED	829-BURCH KEELY UNIT
11/18/1996	575	APD FILED	
11/19/1996	575	APD FILED	
12/17/1996	576	APD APPROVED	#835 BURCH KEELY UNIT
12/17/1996	576	APD APPROVED	#836 BURCH KEELY UNIT
12/18/1996	576	APD APPROVED	#837 BURCH KEELY UNIT
02/14/1997	575	APD FILED	
02/26/1997	575	APD FILED	
03/10/1997	575	APD FILED	
03/13/1997	576	APD APPROVED	16 GRAYBURG DEEP UNIT
03/17/1997	576	APD APPROVED	#839 BURCH KEELY UNIT
04/08/1997	576	APD APPROVED	#843 BURCH KEELY UNIT
04/09/1997	576	APD APPROVED	#842 BURCH KEELY UNIT
04/09/1997	576	APD APPROVED	#845 BURCH KEELY UNIT
07/10/1997	575	APD FILED	
07/15/1997	575	APD FILED	
07/28/1997	576	APD APPROVED	14 GRAYBURG DEEP UNIT
08/20/1997	576	APD APPROVED	#853 BURCH KEELY UNIT
09/08/1997	932	TRF OPER RGTS FILED	(1)GRAY/PITCH ENERGY
09/08/1997	932	TRF OPER RGTS FILED	(2)GRAY/PITCH ENERGY
10/15/1997	933	TRF OPER RGTS APPROVED	(1)EFF 10/01/97;
10/15/1997	933	TRF OPER RGTS APPROVED	(2)EFF 10/01/97;
10/15/1997	974	AUTOMATED RECORD VERIF	MV/MV
12/05/1997	932	TRF OPER RGTS FILED	(1)THOMPSON/DASTARAC
12/05/1997	932	TRF OPER RGTS FILED	(2)THOMPSON/DASTARAC
01/12/1998	933	TRF OPER RGTS APPROVED	(1)EFF 01/01/98;
01/12/1998	933	TRF OPER RGTS APPROVED	(2)EFF 01/01/98;
01/12/1998	974	AUTOMATED RECORD VERIF	JLV
08/30/1999	817	MERGER RECOGNIZED	EOG RES/ENRON O&G CO
08/30/1999	940	NAME CHANGE RECOGNIZED	ENRON O&G CO/EOG RES
08/23/2000	253	ELIM BY CONTRAC (PARTIAL)	NMNM70954X;GRYBURG DE
06/25/2002	974	AUTOMATED RECORD VERIF	BCO/RAYO
01/16/2003	817	MERGER RECOGNIZED	CONOCO/CONOCOPHILLIPS

Line Nr

Remarks

Serial Number: NMLC-- 0 028784B

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page

RunDate/Time: 10/02/07 11:21 AM

Page 4 of 4

01 02-25-1920;041STAT0437;30USC226

Case Type 310771: O&G EXCHANGE LEASE - PD

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Total Acres
1,264.520

Serial Number
NMLC-- 0 028784B

0002 /A/ AC 534 ROYALTY RATE - SLIDING - SCH D
0003 EFFECTIVE 02/15/1930 TO 11/30/1941.
0004 6/4/54 LSE COMMITTED TO MNM70954X;GRAYBURG DEEP UA
0005 /B/ OPERATOR MUST USE THE PRODUCTION HISTORY FROM
0006 THE FIRST CLAIM YEAR IN ORDER TO CALCULATE A
0007 SUBSEQUENT REDUCTION IN THE ESTABLISHED STRIPPER
0008 REDUCED ROYALTY RATE TO BE USED DURING THE SECOND
0009 CLAIM YEAR.
0010 11/14/1930 NMLC038793B EFF
0011 01/16/1931 NMLC028784B EFF
0012 12/01/1941 EXCHANGE LEASE
0013 08/15/1995 BONDED OPERATOR (PER DAVID GLASS)
0014 MARBOB ENERGY CORP NM1133 SW/NM;
0016 MNM70954X GRAYBURG DEEP UNIT
0017 8/23/2000 MNM 70954X GRAYBURG DEEP UNIT CONTRACTION
0018 LANDS ELIMINATED FROM THE GRAYBURG DEEP UNIT:
0019 T17S,R29E,NMPM,EDDY COUNTY, NM
0020 SEC 23: NE,SW;
0021 SEC 26: E2.
0022 CONTAINING 480.00 ACRES
0023 LANDS REMAINING IN THE GRAYBURG DEEP UNIT:
0024 T17S,R29E,NMPM,EDDY COUNTY, NM
0025 SEC 24: S2SW;
0026 SEC 25: N2NW;
0027 T17S,R30E,NMPM,EDDY COUNTY,NM
0028 SEC 18: L1,2,3,E2NW,NESW;
0029 SEC 19: L4,SESW;
0030 SEC 30: L1,2,E2NW.
0031 CONTAINING 784.52 ACRES

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM