

DATE IN 1-22-10	SUSPENSE	ENGINEER Brooks	LOGGED IN 1-22-10	TYPE NSL	APP NO. 1002258228
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



Cimarex
 State 14A Com #7

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-23041

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

6152

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 _____

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[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 1/21/10
 Title 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

January 21, 2010

Hand delivered

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

Dear Mr. Fesmire:

Pursuant to NMAC 19.15.15.13, Cimarex Energy Co. of Colorado applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	State A 14 Well No. 1
<u>Surface:</u>	1710 feet FNL & 2095 feet FWL
<u>Well unit:</u>	SW¼NE¼ §14-19S-29E, Eddy County, New Mexico

The well was drilled to and completed in the Morrow formation in 1980, and is now nearing its economic limit. The unorthodox location was approved by Order Nos. R-6190 and R6190-A (the well is in the oil-potash area, under which locations are limited).

Applicant intends to re-complete the well uphole in the Wolfcamp formation (North Parkway-Wolfcamp Pool). The alternative is to P&A the well. The subject pool is spaced on statewide rules, with 40 acre spacing and wells to be located no closer than 330 feet to a quarter-quarter section line. A Form C-102 is attached as Exhibit A.

All of Section 14 is covered by a JOA under which Magnum Hunter Production, Inc. (a sister corporation to applicant) and Hunt Oil Company own the working interest 50-50. In addition, all of Section 14 is state minerals, so royalty ownership is common. (The NE¼ of Section 14 is a single state lease, with common ownership (Exhibit B), so no override is affected by the application.) Therefore, no one has been notified of the application.

Please contact me if you need any 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 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-23041		² Pool Code 96517		³ Pool Name <i>WOLF</i> Parkway; Wolfcamp, North	
⁴ Property Code 21734		⁵ Property Name State 14 A Com			⁶ Well Number 001
⁷ OGRID No. 162683		⁸ Operator Name CIMAREX ENERGY CO. OF COLORADO			⁹ Elevation 3357' GL

¹⁰ Surface Location

CL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North-South line	Feet from the	East-West line	County
G	14	19S	29E		1325	North	2303	East	Eddy

¹¹ Bottom Hole Location If Different From Surface

CL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North-South line	Feet from the	East-West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

16			1325'	2303'	LO-6420-0005	¹⁷ OPERATOR CERTIFICATION	
						<p>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 or is leasing interests in mineral interests in the land including the proposed bottom hole location or has a right to drill the well at this location pursuant to a contract with a mineral owner, leasehold or working interest, or to a mineral pooling agreement or a compulsory pooling order heretofore entered in the division.</p> <p style="text-align: right;">11/13/2009</p> <p>Signature _____ Date _____</p> <p style="text-align: center;">Zeno Farris</p> <p>Printed Name _____</p>	
						¹⁸ SURVEYOR CERTIFICATION	
						<p>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.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number _____</p>	
EXHIBIT <u> A </u>							

4 Records found.

Lease Number:

L0-6420-0005

Company name: MAGNUM HUNTER PRODUCTION, INC.
 Company ID: 149315
 Assigned from: L0-6420-0003
 Total acres: 160.00
 Prod stat: N/A

Lease term:

Lease term: 10 year lease term 1/8th roy
 Issue date: 8/1/1971
 Termination date: Active
 Termination reason: N/A
 Current term: Extended Primary Term

Billing information:

Bill to: MAGNUM HUNTER PRODUCTION, INC.
 Rent per acre: 0.50
 Billing frequency: Annual
 Minimum annual rent: 80.00
 Last bill date: 7/2/2009
 Next bill date: 8/1/2010
 Escalation: 0

Land information:

Section	Township	Range	Unit Letter	Lot	Tract	Acreage
14	19S	29E	A			40.00
			B			40.00
			G			40.00
			H			40.00

EXHIBIT B