



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

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Cabinet Secretary

Karen W. Garcia

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



October 13, 2010

Mr. James Bruce
P.O. Box 1056
Santa Fe, NM 857504

Administrative Order NSL-6286

**Re: Burton 6 Federal Well No. 2
API No. 30-015-
475 feet FSL & 1500 feet FWL
Unit C, Section 6 -20S-30E
Eddy County, New Mexico**

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-28435265**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of Cimarex Energy Co. of Colorado [OGRID 162683] (Cimarex), on October 8, 2010, and

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

Cimarex has requested to drill the above-referenced well as a horizontal well in the Bone Spring formation, at a location that will be unorthodox under Division Rule 16.14.B(2). The proposed surface location, point of penetration and terminus of the well are as follows:

Surface Location: 475 feet from the North line and 1500 feet from the West line
(Unit C) of Section 6, Township 20S, Range 30E, NMPM,
Eddy County, New Mexico

Point of Penetration: same as surface location

Terminus 330 feet from the South line and 1980 feet from the West line
(Unit N) of said section

Oil Conservation Division

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The E/2 W/2 of Section 6 will be dedicated to the proposed well to form a 160-acre, more or less, project area comprising four standard, 40-acre oil spacing and proration units in the undesignated Parkway Bone Spring Pool (49622). This pool is governed by statewide Rule 15.9.A, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary. This location is unorthodox because a portion of the producing interval will be less than 330 feet from the western boundary of the project area, and therefore outside the producing area.

Your application on behalf of Cimarex has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).

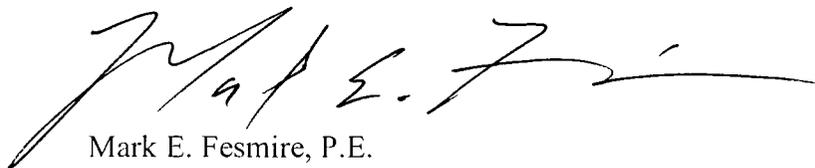
It is our understanding that Cimarex is seeking this location in order to comply with United States Bureau of Land Management surface siting requirements. It is further understood notice of this application to offsetting operators or owners is not required due to common ownership.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Acting Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia
United States Bureau of Land Management -