



New Mexico Energy, Minerals and Natural Resources Department

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Division Director
Oil Conservation Division



May 9, 2011

Administrative Order DHC-4373
Application Reference Number: pTGW1110853039

Cimarex Energy Co. of Colorado
Attn: Mr. Zeno Farris
600 N. Marienfeld St., Suite 600
Midland, TX 79701

Re: Laughlin 8 Well No. 1
API No. 30-025-36147
Unit A, Section 8-20S-37E
Lea County, New Mexico

Pool: Monument Tubb (oil) (47090)
Weir Drinkard (oil) (63840)
Southeast Monument Abo (oil) (96764)

Dear Mr. Farris:

Reference is made to your application for an exception to Division Rule 12.9A [19.15.12.9.A NMAC] to permit down hole commingling of production from the subject pools within the above-described wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11.A [19.15.12.11.A NMAC], and that reservoir damage or waste will not result from such down hole commingling, and correlative rights will not be violated. Accordingly, you are hereby authorized to commingle the production as described.

In accordance with Division Rule 12.11.A(6) [19.15.12.11.A(6) NMAC], the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable and allocation of production from the well shall be as follows:

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



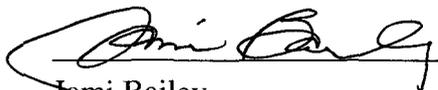
Monument Tubb Pool	Pct Gas: 50%	Pct Oil: 50%
Weir Drinkard Pool	Pct Gas: 37%	Pct Oil: 37%
Southeast Monument Abo Pool	Pct Gas: 13%	Pct Oil: 13%

It is our understanding that the above allocation percentages are based on volumetric calculations.

It is also understood that ownership of all interest in the pools from which production is being commingled is identical.

The operator shall notify the Division's Hobbs district office upon implementation of commingling operations.

Pursuant to Rule 12.11.B [19.15.12.11.B NMAC], the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



Jami Bailey
Director

JB/db

cc: Oil Conservation Division – Hobbs