

R-5976 6516



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Wyoming State Office Reservoir Management Group
2987 Prospector Drive
Casper, Wyoming 82604-2968

AUG 20 2018 4:01:51

In Reply Refer To:
3186
(3186.1)
Maduro Unit
NMNM70984X

AUG 13 2018

Cimarex Energy Co.
Attn: Cayla Gorski
600 N. Marienfeld St.
Midland, Texas 79701

Re: Initial Bone Spring Formation Participating Area "A"
Maduro Unit
Lea County, New Mexico

Gentlemen:

The initial Bone Spring Formation Participating Area "A" is hereby approved effective as of September 23, 2012, pursuant to Section 11 of the Maduro Unit Agreement, Lea County, New Mexico. This participating area has been designated NMNM70984A.

The application establishes an initial Bone Spring Formation Participating Area "A" of 1,440.00 acres and is based upon the completion of unit well 9, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ (SHL) of Section 29, T.19S., R.33E., unit tract No. 5, Lease No. NMNM14794, and in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ (BHL) of Section 32, T.19S., R.33E., unit tract No. 12, state lease, with an initial potential of 624 BOPD and 389 MCFPD on September 23, 2012, from the Bone Spring Formation.

Copies of the approved request are being distributed to the appropriate agencies and one copy of Exhibits "A" and "B" are returned herewith. Please advise all interested parties of the approval of the initial Bone Spring Formation Participating Area "A" effective as of September 23, 2012.

Any production royalties that are due must be reported and paid within 30 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (30 CFR 218.54). If you need assistance or clarification, please contact the Office of Natural Resources Revenue (ONRR) at 1-800-525-9167 or 303-231-3856.

If you have any questions, please call the undersigned at (307) 261-7685.

Sincerely,



J. David Chase
Chief, Reservoir Management Group

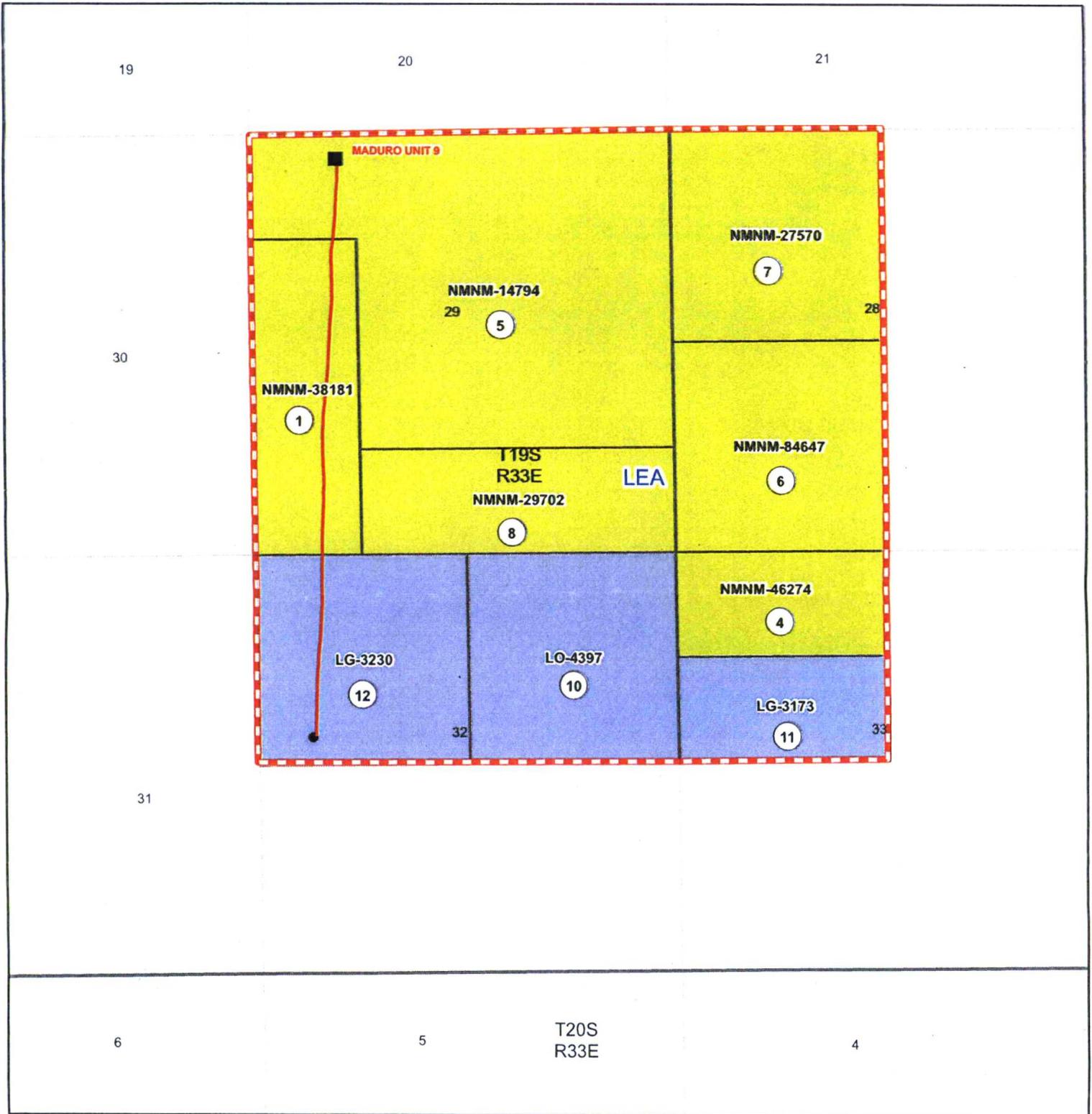
1 Enclosure

Encl. 1 - Exhibits "A" and "B"

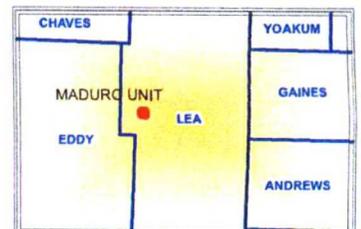
cc: NMSO, James Glover
CFO, Chris Walls
ONRR, Glen Reese
New Mexico State Land Office, Marilyn Gruebel
New Mexico Oil Conservation Division, William Jones



Exhibit "A"
 Initial Bone Spring Formation Participation Area "A"
 Maduro Unit
 Lea County, New Mexico
 Effective September 23, 2012



- CAPABLE WELL (SHL)
- CAPABLE WELL (BHL)
- CAPABLE WELLBORE
- ▭ PROPOSED BONE SPRING PA "A"
- ▭ FEDERAL ACERAGE WITHIN PA "A"
- ▭ STATE ACERAGE WITHIN PA "A"



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EXHIBIT "B"
 SCHEDULE OF LANDS AND TRACT PARTICIPATION
 INITIAL BONE SPRING FORMATION PARTICIPATING AREA "A"
 MADURO UNIT AREA
 LEA COUNTY, NEW MEXICO
 EFFECTIVE SEPTEMBER 23, 2012

Tract No.	Lease No.	Description	Acres	Participation
1	NMNM38181 Federal	T19S-R33E, 23rd P.M. Section 29: SW/4NW/4, W/2SW/4	120.00	8.3333%
4	NMNM46274 Federal	T19S-R33E, 23rd P.M. Section 33: N/2NW/4	80.00	5.5556%
5	NMNM14794 Federal	T19S-R33E, 23rd P.M. Section 29: NE/4, N/2NW/4, SE/4NW/4, NE/4SW/4, N/2SE/4	400.00	27.7778%
6	NMNM84647 Federal	T19S-R33E, 23rd P.M. Section 28: SW/4	160.00	11.1111%
7	NMNM27570 Federal	T19S-R33E, 23rd P.M. Section 28: NW/4	160.00	11.1111%
8	NMNM29702 Federal	T19S-R33E, 23rd P.M. Section 29: S/2SE/4, SE/4SW/4	120.00	8.3333%
10	L0-4397 State	T19S-R33E, 23rd P.M. Section 32: NE/4	160.00	11.1111%
11	LG-3173 State	T19S-R33E, 23rd P.M. Section 33: S/2NW/4	80.00	5.5556%
12	LG-3230 State	T19S-R33E, 23rd P.M. Section 32: NW/4	160.00	11.1111%
Totals			1440.00	100.0000%

TYPE OF LAND	COMMITTED ACRES	NON-COMMITTED ACRES	PERCENT
FEDERAL	1040.00	0.00	72.2222%
STATE	400.00	0.00	27.7778%
PATENTED	0.00	0.00	0.0000%
TOTAL	1440.00	0.00	100.0000%