APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21297, LEA COUNTY, NEW MEXICO

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21298, LEA COUNTY, NEW MEXICO

CASE NO. 21701 ORDER NO. R-21297 (Re-Open)

CASE NO. 21702 ORDER NO. R-21298 (Re-Open)

Examiner Docket: March 4, 2021

**CIMAREX' EXHIBITS** 

West Grama Ridge 7-6 Federal Com 1H West Grama Ridge 7 Federal Com 2H



Earl E. DeBrine, Jr. Lance D. Hough

500 Fourth Street NW, Suite 1000 P. O. Box 2168 / Albuquerque, NM 87103 Telephone 505.848.1800

MODRALL SPERLING

edebrine@modrall.com ldh@modrall.com

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21297, LEA COUNTY, NEW MEXICO

CASE NO. 21701 ORDER NO. R-21297 (Re-Open)

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21298, LEA COUNTY, NEW MEXICO

CASE NO. 21702 ORDER NO. R-21298 (Re-Open)

## West Grama Ridge 7-6 Federal Com 1H West Grama Ridge 7 Federal Com 2H

Exhibit A	Self-Affirmed	Declaration	of John	Coffman	
EXIIIDIL A	Sen-Ammued	Declaration	OI JOHII	Comman	

A-1 Application for Case No. 21701 A-2 Application for Case No. 21702

A-3 Order No. R-21297 A-4 Order No. R-21298

### Exhibit B Affidavit of Lance D. Hough

B-1 Hearing Notice

B-2 Certified Mail Log / Notice February 12, 2021 Certified Mail Log / Report March 1, 2021

B-3 Affidavit of Publication

Earl E. DeBrine, Jr. Lance D. Hough

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APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21297, LEA COUNTY, NEW MEXICO

CASE NO. 21701 ORDER NO. R-21297 (Re-Open)

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21298, LEA COUNTY, NEW MEXICO CASE NO. 21702 ORDER NO. R-21298 (Re-Open)

### SELF-AFFIRMED DECLARATION OF JOHN COFFMAN

STATE OF TEXAS	)
	) ss
COUNTY OF MIDLAND	)

John Coffman, being duly sworn, deposes and states:

- 1. I am a landman for Cimarex Energy Co. ("Cimarex"), over the age of 18 and have personal knowledge of the matters stated herein.
- 2. I have not previously testified before the New Mexico Oil Conservation Division ("Division") as an expert in petroleum land matters.
- 3. I attended Texas Tech University where I received a Bachelor's of Business Administration in Energy Commerce and graduated in May 2018.
- 4. My experience in land matters dates back to May 2014. I first worked as a Land Intern at Infinity Oil and Gas from May 2014 to August 2015. I then worked as a Contract Landman at Conquest Energy from May 2017 to August 2017. I have now worked as a Landman for Cimarex Energy Co. since May 2018. My resume is immediately attached.
- 5. My work for Cimarex includes the Permian Basin in New Mexico, primarily in Lea County, and I am familiar with the application filed by Cimarex in the above-referenced case and the land matters involved.



- 6. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced applications filed by Cimarex, which are attached hereto as **Exhibits A.1** and **A.2**.
- 7. In Case No. 21701, Cimarex seeks an order from the Division for the limited purposes of amending Order No. R-21297 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21297 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7-6 Federal Com 1H well; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Section 6 and W/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown.
- 8. In Case No. 21702, Cimarex seeks an order from the Division for the limited purposes of amending Order No. R-21298 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21298 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7 Federal Com 2H well; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown.
- 9. Good cause exists for Cimarex's requests for extensions of time because, due to current market conditions, Cimarex has adjusted its drilling schedule for this development.

10. Under the Orders, which are attached hereto as **Exhibits A.3** and **A.4**, Cimarex is required to commence drilling the initial wells for each order by as follows:

• Order R-21297: April 28, 2021

Order R-21298: April 28, 2021

11. Cimarex requests that the deadline to commence drilling the wells under the Orders be extended for a year as follows:

• Order R-21297: April 28, 2022

• Order R-21298: April 28, 2022

12. No opposition is expected. Cimarex, through its counsel, provided all working interest owners, any unleased mineral owners, and overriding royalty owners with notice of these applications, and none have entered an appearance or indicated any opposition.

13. Cimarex is in good standing under the statewide rules and regulations.

14. Based upon my knowledge of the land matters involved in these cases, education and training, it is my expert opinion that the granting of Cimarex's application in these cases is in the interests of conservation and the prevention of waste.

15. The attachments to my declaration were prepared by me or compiled from company business records.

16. Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

Date: 3/1/2021

John Coffman

## John Coffman

710 W. Nobles Ave • Midland, TX • jcoffman@cimarex.com • 720-320-7285

#### Education

Texas Tech University, Rawls College of Business Bachelor of Business Administration in Energy Commerce GPA: **3.10** 

Lubbock, TX August 2013-May 2018

#### Energy Experience

Cimarex Energy Co.
Landman

Midland, TX

June 2018-Present

- Oversee Delaware Basin assets in Lea County.
- Analyze and facilitate trades between other operators in both Eddy and Lea Counties.
- Assist in future drilling development program through leasing, Joint Operating Agreements, title review and curative.
- Manage non-operated assets by reviewing proposals, transactions, and other agreements throughout Northern Lea County.
- Determine leasehold and royalty ownership throughout company owned assets.
- Acquire and divest leasehold and wellbores in the Permian Basin.

**Conquest Energy** 

Houston, TX

**Contract Landman** 

May 2017 - August 2017

- Contact, and lease mineral owners in North Dakota, Texas and New Mexico.
- Analyze, draft and negotiate Oil and Gas Leases and various other contracts for the clients past and future operations.
- Evaluate client Joint Operating Agreements for onerous Preferential Rights, consents or other requirements.
- Perform due diligence for client acquisitions.
- Research, identify and determine the status of title for open, leased and HBP acreage.

**Infinity Oil and Gas** 

Denver, CO

Internship

May 2014-August 2015

- Studied and discussed leases, JOA's, Surface Use Agreements, Exploration Agreements, Division Orders, and resolved Bureau of Land Management issues.
- Analyzed title to find available leasehold ownership of producing properties with split depth ownership in order to secure land needed for key portions of the lease.
- Learned basic petroleum geology and workstation mapping from an in-house geologist to gain a better understanding of where and why the land is valuable.
- Completed full due diligence report with a team for a land acquisition to ensure accuracy in title and improve the efficiency of the deal.

## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21297, LEA COUNTY, NEW MEXICO CASE NO. <u>21701</u> ORDER NO. R-21297 (Re-Open)

#### **APPLICATION**

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, through its undersigned attorney, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-21297 ("the Order") to allow for an extension of time for drilling the well under the Order. In support of this application, Cimarex states as follows:

- 1. The Order is one of two orders relating to Cimarex's "West Grama Ridge" well group.
- 2. The Division heard Case No. 21146 on April 16, 2020 and entered the Order on April 28, 2020.
- 3. The Order designated Cimarex as the operator of the unit and the **West Grama Ridge 7-6 Federal Com 1H** well; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Section 6 and W/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.
- 4. Paragraph 19 of the Order states: "The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well." Paragraph 20 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown."
- 5. Under the Order, Cimarex would be required to commence drilling the well by April 28, 2021.

- 6. Cimarex requests that the Order be re-opened and amended to allow Cimarex additional time to commence drilling the well under the Order.
  - 7. Good cause exists for Cimarex's request for an extension of time.
- 8. Cimarex requests this extension because there have been changes in Cimarex's drilling schedule due to the COVID-19 pandemic and current market conditions.
- 9. Cimarex asks that the deadline to commence drilling the well be extended for a year from April 28, 2021 to April 28, 2022.

WHEREFORE, Cimarex requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21297 to extend the time for Cimarex to commence drilling the well under the Order for a year, through April 28, 2022.

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:\_\_\_\_

Earl E. DeBrine

Deana M. Bennett

Lance D. Hough

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 edebrine@modrall.com

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Attorneys for Applicant

(Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21297, Lea County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21297 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21297 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7-6 Federal Com 1H well; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Section 6 and W/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21298, LEA COUNTY, NEW MEXICO CASE NO. A 70' A ORDER NO. R-21298 (Re-Open)

#### **APPLICATION**

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, through its undersigned attorney, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-21298 ("the Order") to allow for an extension of time for drilling the well under the Order. In support of this application, Cimarex states as follows:

- 1. The Order is one of two orders relating to Cimarex's "West Grama Ridge" well group.
- 2. The Division heard Case No. 21147 on April 16, 2020 and entered the Order on April 28, 2020.
- 3. The Order designated Cimarex as the operator of the unit and the **West Grama Ridge 7 Federal Com 2H** well; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.
- 4. Paragraph 19 of the Order states: "The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well." Paragraph 20 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown."
- 5. Under the Order, Cimarex would be required to commence drilling the well by April 28, 2021.

- 6. Cimarex requests that the Order be re-opened and amended to allow Cimarex additional time to commence drilling the well under the Order.
  - 7. Good cause exists for Cimarex's request for an extension of time.
- 8. Cimarex requests this extension because there have been changes in Cimarex's drilling schedule due to the COVID-19 pandemic and current market conditions.
- 9. Cimarex asks that the deadline to commence drilling the well be extended for a year from April 28, 2021 to April 28, 2022.

WHEREFORE, Cimarex requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21298 to extend the time for Cimarex to commence drilling the well under the Order for a year, through April 28, 2022.

> MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:

Earl E. DeBrine

Deana M. Bennett

Lance D. Hough

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Attorneys for Applicant

(Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21298, Lea County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21298 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21298 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7 Federal Com 2H well; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY CIMAREX ENERGY CO.

CASE NO. 21146 ORDER NO. R-21297

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 16, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### **FINDINGS OF FACT**

- 1. Cimarex Energy Co. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

#### **CONCLUSIONS OF LAW**

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

#### <u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who

- elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/tgw

Date: \_\_\_\_\_4/28/2020

## Exhibit A

ALL INFORMATION IN THE APPLICATION MUST	BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 21146	APPLICANT'S RESPONSE		
Date	April 16, 2020		
Applicant	Cimarex Energy Co.		
Designated Operator & OGRID (affiliation if applicable)	Cimarex Energy Co. (OGRID 215099)		
Applicant's Counsel:	Modrall Sperling		
Case Title:	APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO, CASE NO. 21146		
Entries of Appearance/Intervenors:	None		
Well Family	West Grama Ridge		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Bone Spring Formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Bone Spring Formation		
Pool Name and Pool Code:	Grama Ridge; Bone Springs, West Pool (Pool Code 28432)		
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply		
Spacing Unit Size:	320 Acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	320 Acres		
Building Blocks:	Quarter-Quarter Sections		
Orientation:	South to North		
Description: TRS/County	W/2 E/2 of Sections 6 and 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No		
Proximity Tracts: If yes, description	No		
Proximity Defining Well: if yes, description	N/A		
Applicant's Ownership in Each Tract	Exhibit B.6-46		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status standard or non-standard)	See Exhibit B.4-46 and Exhibit B.5-46		
Well #1	West Grama Ridge 7-6 Federal Com 1H, API No. (Pending) SHL: 469' from the South line and 1379' from the East line of Section 7, Township 22 South Range 34 East, NMPM, Lea County, New Mexico. BHL: 100' from the South line and 1980' from the East line of Section 6, Township 22 South Range 34 East, NMPM, Lea County, New Mexico.		
	Completion Target: Bone Spring at approx 11,080 feet TVD. Well Orientation: South to North Completion Location expected to be: Standard		
dorizontal Well First and Last Take Points	Exhibit B.5-46		
Completion Target (Formation, TVD and MD)	Exhibit B.4-46; Exhibit B.5-46; Exhibit C.3, Exhibit C.4		
AFE Capex and Operating Costs			
Orilling Supervision/Month \$	7,000		
roduction Supervision/Month \$	700		
ustification for Supervision Costs	B.7-46 for AFES EXHIBIT		

Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	Exhibit B.1; Exhibit B.2; Exhibit C.1, Exhibit C.6; Exhibit C.7
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit B.6 for AFEs
Requested Risk Charge	200%; see Exhibit B
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D.2
Proof of Published Notice of Hearing (10 days before hearing	
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B; Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3
Pooled Parties (including ownership type)	Exhibit 8.3
Unlocatable Parties to be Pooled	Exhibit B.3; Exhibit D.2
Ownership Depth Severance (including percentage above & below)	None
loinder	
Sample Copy of Proposal Letter	Exhibit B.4
ist of Interest Owners (le Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.7
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6 for AFEs
Cost Estimate to Equip Well	Exhibit B.6 for AFEs
Cost Estimate for Production Facilities	Exhibit B.6 for AFEs
Seology	
iummary (including special considerations)	Exhibit C
pacing Unit Schematic	Exhibits C.1, C.2, and C.3
Sunbarrel/Lateral Trajectory Schematic	Exhibit C.3
Vell Orientation (with rationale)	Exhibit C
arget Formation	Exhibits C.1 through C.4
ISU Cross Section	Exhibits C.4
Pepth Severance Discussion	Exhibit B
orms, Figures and Tables	
-102	Exhibite 8.2
racts	Exhibit B.3
ummary of Interests, Unit Recapitulation (Tracts)	Exhibit 8.3
eneral Location Map (including basin)	Exhibit C.1
Vell Bore Location Map	Exhibits B.2, C.1 through C.5
tructure Contour Map - Subsea Depth	Exhibit C.1
ross Section Location Map (including wells)	Exhibits C.1
ross Section (including Landing Zone)	Exhibits C.4
dditional information	
ERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
rinted Name (Attorney or Party Representative):	Lance Hough
igned Name (Attorney or Party Representative):	Lance Hough
ate:	4/14/20

## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY CIMAREX ENERGY CO.

CASE NO. 21147 ORDER NO. R-21298

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 16, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### **FINDINGS OF FACT**

- 1. Cimarex Energy Co. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

#### **CONCLUSIONS OF LAW**

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

#### **ORDER**

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who

- elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/tgw

Date: 4/28/2020

## Exhibit A

ALL INFORMATION IN THE APPLICATION MUST	BE SUPPORTED BY SIGNED AFFIDAVITS
Case: 21147	APPLICANT'S RESPONSE
Date	April 16, 2020
Applicant	Cimarex Energy Co.
Designated Operator & OGRID (affiliation if applicable)	Cimarex Energy Co. (OGRID 215099)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO, CASE NO. 21147
Entries of Appearance/Intervenors:	None
Well Family	West Grama Ridge
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Grama Ridge; Bone Springs, West Pool (Pool Code 28432)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	160 Acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 Acres
Building Blocks:	Quarter-Quarter Sections
Orientation:	South to North
Description: TRS/County	E/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit B.6-47
Well(s)	
Name & API (if assigned), surface and bottom hole location, ootages, completion target, orientation, completion status (standard or non-standard)	See Exhibit B.4-47 and Exhibit B.5-47
Well #1	West Grama Ridge 7 Federal Com 2H, API No. (Pending)
	SHL: 469' from the South line and 1359' from the East line of Section 7, Township 22 South
	Range 34 East, NMPM, Lea County, New Mexico.  BHL: 100' from the North line and 660' from the East line of Section 7, Township 22 South.
	Range 34 East, NMPM, Lea County, New Mexico.
	Completion Towarts Dana Series at annual 10 ESO fort TVD
	Completion Target: Bone Spring at approx 10,560 feet TVD.  Well Orientation: South to North
	Completion Location expected to be: Standard
forizontal Well First and Last Take Points	Exhibit B.5-47
Completion Target (Formation, TVD and MD)	Exhibit B.4-47; Exhibit B.5-47; Exhibit C.3, Exhibit C.4
NFE Capex and Operating Costs	
Orilling Supervision/Month \$	7,000
roduction Supervision/Month \$	7,000
	17181

Requested Risk Charge	200%; see Exhibit B
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D.2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D.3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B; Exhibit B.6-47
Tract List (including lease numbers and owners)	Exhibit B.6-47
Pooled Parties (including ownership type)	Exhibit B.6-47
Unlocatable Parties to be Pooled	Exhibit B.6-47; Exhibit D.2
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit B.1
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.6-47, Exhibit D.2
Chronology of Contact with Non-Joined Working Interests	Exhibit B.3
Overhead Rates In Proposal Letter	Exhibit B.2
Cost Estimate to Drill and Complete	Exhibit B.7-47 for AFEs
Cost Estimate to Equip Well	Exhibit B.7-47 for AFEs
Cost Estimate for Production Facilities	Exhibit B.7-47 for AFEs
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibits C.1, C.2, and C.3
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.3
Well Orientation (with rationale)	Exhibit C
Target Formation	Exhibits C.1 through C.4
HSU Cross Section	Exhibit C.4
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibit B.5-47
Fracts	Exhibit B.6-47
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.6-47
Seneral Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibits B.5-47, C.1 through C.5
Structure Contour Map - Subsea Depth	Exhibit C.1
Cross Section Location Map (including wells)	Exhibit C.1
Cross Section (including Landing Zone) Additional Information	Exhibit C.4
CERTIFICATION: I hereby certify that the information pro	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Lance Hough
signed Name (Attorney or Party Representative):	C-fl
Date:	4/14/20

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21297, LEA COUNTY, NEW MEXICO

CASE NO. 21701 ORDER NO. R-21297 (Re-Open)

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21298, LEA COUNTY, NEW MEXICO

CASE NO. 21702 ORDER NO. R-21298 (Re-Open)

### **AFFIDAVIT OF LANCE D. HOUGH**

STATE OF NEW MEXICO	)
	)ss
COUNTY OF BERNALILLO	)

Lance D. Hough, attorney in fact and authorized representative of Cimarex Energy Co. ("Cimarex"), the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under notices of hearing to parties entitled to notice; and that the following are attached hereto: a sample of said notice of hearing as **Exhibit B.1**, proof of mailed notice of hearing as **Exhibit B.2**, and proof of published notice of hearing as **Exhibit B.3**.

Lance D. Hough

SUBSCRIBED AND SWORN to before me this 2nd day of March 2021 by Lance D. Hough.

SEAL

OFFICIAL SEAL

Zina Crum

NOTARY PUBLIC

STATE OF NEW MEXICO

My Commission Expires: 12-01-2023

Notary Public

My commission expires: 1207-23



February 12, 2021

Lance D. Hough
Tel: 505.848.1826
Fax: 505.848.9710
Lance.Hough@modrall.com

### VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Cimarex Energy Co. has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 21701: (Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21297, Lea County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21297 to allow for a oneyear extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21297 on April 28, 2020. which designated Cimarex as the operator of the unit and the West Grama Ridge 7-6 Federal Com 1H well; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Section 6 and W/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

Case No. 21702: (Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21298, Lea County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21298 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21298 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7 Federal Com 2H well; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Section 7, Township 22

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com



**AFFECTED PARTIES** 

Cimarex / Order Amendments West Grama Ridge 7 Federal Com 2H, West Grama Ridge 7-6 Federal Com 1H February 12, 2021 Page 2

South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

These applications have been set for hearing before a Division Examiner at 8:15 a.m. on March 4, 2021. During the COVID-19 Public Health Emergency, the hearing will be conducted remotely. Instructions to appear can be found under "OCD NOTICES" at http://www.emnrd.state.nm.us/OCD/hearings.html. As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Lance D. Hough

Attorney for Applicant

EED/ldh/W3988479.DOCX Enclosures: as stated

Zina Crum Modrall Sperling 500 4th Street NW Suite 1000 Albuquerque NM 87102

Firm Mailing Book ID: 203346 Type of Mailing: CERTIFIED MAIL 02/12/2021 PS Form 3877

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Contents
	9314 8699 0430 0079 4466 04	Advance Energy Partners Hat Mesa, LLC 11490 Westheimer Road, Ste 950 Houston TX 77077	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 11	Cayuga Royalties, LLC P. O. Box 540711 Houston TX 77254	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 28		\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 35		\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 42	Madison M. Hinkle P. O. Box 2292 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 59	Monticello Minerals LLC 5528 Vickery Blvd. Dallas TX 75206	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 66	Mustang Oil & Gas, LLC P. O. Box 412 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 73	Rheiner Holdings, LLC P. O. Box 980552 Houston TX 77098	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 80	Rolla R. Hinkle III P. O. Box 2292 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4466 97	Schneider, Corey & Josey, Inc. 2001 Bryan Twr., Suite 925 Dallas TX 75201	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4467 03	Stephen W. Schneider, Jr. PO Box 161426 Big Sky MT 59716	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4467 10	Upland Corporation 2401 E 2nd Ave., Suite 300 Denver CO 80206	\$1.40	\$3.60	\$1.75	. 00.08	82762.0198 West Notice
	9314 8699 0430 0079 4467 27	Wells Fargo Bank, N.A., Trte of John H. Burton and Mary C. Burton P. O. Box 1959 Midland TX 79702	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4467 34	United States / Dept of Interior Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice
	9314 8699 0430 0079 4467 41	Trainer Partners Lid PO Box 3788 Midland TX 79702	\$1.40	\$3.60	\$1.75	\$0.00	82762.0198 West Notice

**PS Form 3877** 

Type of Mailing: CERTIFIED MAIL 02/12/2021

Zina Crum Modrall Sperling 500 4th Street NW Suite 1000 Albuquerque NM 87102

Firm Mailing Book ID: 203346

Reference Contents			
Rest.Del.Fee	\$0.00	\$101.25	
RR Fee	\$26.25	Grand Total:	
Service Fee RR Fee	\$54.00 \$26.25	Grand	
Postage	\$21.00		
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2021-02-19 12:57 PM Mail Delivery Date 2021-02-17 11:26 AM 2021-02-18 11:43 AM 2021-02-21 10:04 AM 2021-02-19 11:52 AM 2021-02-18 11:34 AM 2021-02-16 12:29 PM 2021-02-23 11:21 AM 2021-02-20 6:12 PM 2021-02-18 12:15 PM 2021-02-18 12:15 PM 2021-02-20 10:51 AM Return Receipt - Electronic, Certified Mail
Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail Undelivered - To Be Returned Undelivered Undelivered Delivered 87508 79710 79702 88202 75214 55122 75220 79710 92705 79706 I 88201 I 88202 88202 88202 88201 88201 75205 73102 79710 79710 88202 9710 88202 x ₹ x x x ¥ x x ₹ ¥¥¥§ Roswell Oklahoma City Midland Santa Anna Roswell Midland Roswell Ft. Worth Roswell Dallas St. Paul Houston Dallas Midland Tulsa Midland Midland Roswell Midland Midland 6000 Western Place, Suite 107 333 West Sheridan Avenue 2707 Duval Dr 4744 Westminster Circle 808 West Wall Street 301 Dinosaur Trail P.O. Box 50938 PO Box 10502 PO Box 52002 1961 La Cuesta Drive P.O. Box 2631 P.O. Box 936 P.O. Box 936 200 E Second Street 200 East 2nd St 5509 Champions Drive 114 Fawnlake Drive PO Box 3354 3840 Windsor Lane P.O. Box 200599 PO Box 50820 4637 E 91st St. 2008 W 27th St. P.O. Box 50820 PO Box 50820 PO Box 51608 P.O. Box 1837 PO Box 51608 P.O. Box 1401 O. Box 1401 PO Box 1837 H. Lee and Joanne W. Harvard Trust Attn: Outside Operated Properties Sureau of Land Management Tara N Fedric Living Trust Plains Capital Bank Calvin R Kimbrough, Trustee of the Ann Kimbrough H. Lee Harvard and Jeffery L. Harvard, Co-Trustees Gerald Childress and Martha G Childress Earl A. Latimer, III and wife, Kathryn S. Latimer Devon Energy Production Company, LP Patrick J.F. Gratton and wife, Jean M. Gratton Robert J Gallivan Jr and wife Brenda Gallivan United States - Department of the Interior Larry G Engwali and Brenda J Bryant Capitan Mountain Oil & Gas, LLC Oak Valley Mineral and Land, LP Tarpon Engineering Corporation Crump Family Partnership, Ltd Tumbler Energy Partners, LLC J 4 Family Limited Partnership Harvard Petroleum Co., LLC Forte Energy Corporation CD Ray Exploration LLC Stillwater Investments Marker Petroleum Inc. Warren Ventures, Ltd Fara N Fedric, Trustee EOG Y Resources, Inc. TBO Oil & Gas, LLC RLP Industries Inc Ball Oil & Gas, LLC Steven Engwall Kerry D. Hunter Centennial LLC Charles D Ray Har-Vest LLC 82762.0197 James 9314869904300079446468 931486990430007944641 931486990430007944642 931486990430007944643 931486990430007944639 931486990430007944639 931486990430007944638 931486990430007944638 931486990430007944635 931486990430007944635 931486990430007944634 931486990430007944634 931486990430007944634 9314869904300079446334 3314869904300079446581 9314869904300079446574 9314869904300079446567 9314869904300079446550 9314869904300079446543 9314869904300079446536 9314869904300079446529 9314869904300079446512 9314869904300079446505 9314869904300079446499 9314869904300079446482 9314869904300079446475 9314869904300079446307 9314869904300079446291 9314869904300079446284

## **Affidavit of Publication**

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated February 18, 2021 and ending with the issue dated February 18, 2021.

Publisher

Sworn and subscribed to before me this 18th day of February 2021.

**Business Manager** 

My commission expires

January 29, 2023

OFFICIAL SEAL

GUSSIE BLACK

Notary Public

State of New Mexico

My Commission Expires

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

#### LEGAL NOTICE February 18, 2021

Case No. 21701: Notice to all affected parties, as well as their heirs and devisees, of Advanced Energy Partners; Upland Corporation; Madison M Hinkle; Rolla R Hinkle, Ill, a single man; Mustang Oil & Gas LLC; Corey & Josey Scneider Inc.; Stephen W Schneider, Jr; Trainer Partners Ltd; Cayuga Royalties LLC; Rheiner Holdins LLC; Monticello Minerals LLC; EOG Resources Inc; Upland Corporation; United States of America, through the Department of the Interior, Bureau of Land Management of Cimarex Energy Co.'s Application to Amend Order No. R-21297, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 4, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OB NOTICES" at http://www.emrnd.state.nm.us/OCD/hearings.html. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21297 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21297 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7-6 Federal Com 1H well; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Section 6 and W/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

Case No. 21702: Notice to all affected parties, as well as their heirs and devisees, of Advanced Energy Partners; Upland Corporation; Madison M Hinkle; Rolla R Hinkle, III, a single man; Mustang Oil & Gas LLC; Corey & Josey Scneider Inc.; Stephen W Schneider, Jr; Trainer Partners Ltd; Cayuga Royalties LLC; Rheiner Holdins LLC; Monticello Minerals LLC; EOG Resources Inc; Upland Corporation; United States of America, through the Department of the Interior, Bureau of Land Management of Cimarex Energy Co.'s Application to Amend Order No. R-21298, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 4, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OCD NOTICES" at http://www.emnrd.state.nm.us/OCD/hearings.html. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21298 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21298 on April 28, 2020, which designated Cimarex as the operator of the unit and the West Grama Ridge 7 Federal Com 2H well; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Section 7, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

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