

Non-Standard Location Application Dos Equis 11-14 Federal Com 24H

# **Table of Contents**

# Administrative Checklist Application Cover Letter

- Exhibit A: C-102
- Exhibit B: Letter from Reservoir Engineer
- Exhibit C: Plat Showing Affected Tracts
- Exhibit D: Waivers
  - Chart Showing Offsets
- Exhibit E: Notice Information
  - o Notice Letter
  - o Certified Mailing List

Revised March 23, 2017

DECEMBED:	REVIEWER:	TYPE:	APP NO:	
RECEIVED:	RLYILYYLR.	ABOVE THIS TABLE FOR OCD 6		
	• • • • • • • • • • • • • • • • • • • •	O OIL CONSERV al & Engineering	<b>ATION DIVISION</b> g Bureau –	
		ATIVE APPLICATI		
THIS C	HECKLIST IS MANDATORY FOR ALL REGULATIONS WHICH REG	ADMINISTRATIVE APPLICATION AT THE	ations for exceptions to Edivision Level In Santa F	d division rules and E
Applicant: Cimarex	Energy Co.			Number: 215099
Well Name: Dos Equipole Pool: Purple Sage; Wolfe				025-47645 Code: 98220
)===				
SUBMIT ACCURA	ATE AND COMPLETE INFO	ORMATION REQUI		HE TYPE OF APPLICATION
,	CATION: Check those w — Spacing Unit — Simulto ISL  NSP <sub>(PRO</sub>	neous Dedicatio	=	D
[1] Comi	ne only for [1] or [11] mingling – Storage – Me  DHC	C □PC □C e Increase – Enha	<del></del>	FOR OCD ONLY
A. Offset B. Royalt C. Applic D. Notific E. Notific F. Surfac G. For all	REQUIRED TO: Check the operators or lease hold by, overriding royalty ow cation requires published ation and/or concurrence owner of the above, proof of tice required	ers mers, revenue ov d notice nt approval by SL nt approval by Bl	vners .O .M	Notice Complete  Application Content Complete
administrative understand the	I: I hereby certify that the approval is accurate a cat no action will be take the submitted to the Division.	nd <b>complete</b> to t en on this applice	the best of my kno	wledge. I also
No	te: Statement must be complete	ed by an individual with	managerial and/or supe	ervisory capacity.
Deana M. Bennett			12/2/2 Date	022
Print or Type Name			505-848-1834	
Mellu Signature	y Brutt		Phone Number  deana.bennett@m e-mail Address	odrall.com



December 2, 2022

Deana M. Bennett 505.848.1834 dmb@modrali.com

#### VIA E-FILING

Director Adrienne Sandoval

And
OCD Engineering Bureau
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Director Sandoval/OCD Engineering Bureau:

Pursuant to Division rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Cimarex Energy Co. (OGRID 215099) seeks administrative approval of an unorthodox well location ("NSL") for its Dos Equis 11-14 Federal Com 24H well (API No. 30-025-47645) (the "Well"). The Well is located in a 320-acre, more or less, spacing unit underlying the W/2W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. The Well is located in the Triste Draw; Bone Spring Pool (Pool code 96603. A C-102 for the Well is attached as Exhibit A.

As shown on Exhibit A, this is a horizontal well that has been drilled as follows:

- <u>Surface Hole Location</u>: 545' from the North line and 1726' from the West line of Section 11;
- <u>First Take Point</u>: 828' from the North line and 1202' from the West line of Section 11:
- <u>Last Take Point/Bottom Hole Location</u>: 100' from the South line and 1211' from the West line of Section 13.

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 Cimarex has included as Exhibit B a letter explaining why this application is needed. Cimarex also provides a map of the area, attached as Exhibit C, which shows the tracts upon which the unorthodox location will encroach.

As discussed above, the completed lateral of the Well is closer than 330' from the boundary of the spacing unit. See Exhibit A (C-102). The unorthodox location encroaches towards the E/2W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. Additionally, the unorthodox location encroaches towards the NE/4 NW/4 of Section 23, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. Cimarex has confirmed that the tracts to the north of the spacing unit that adjoin the spacing unit by a corner are more the 330' away from the unorthodox location requested.

Cimarex is the operator of the E/2W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. Cimarex contacted the working interest owners in the E/2W/2 of Sections 11 and 14, as identified in the enclosed chart. Cimarex also contacted the operator of the NE/4 NW/4 of Section 23, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. Enclosed with this letter as Exhibit D are waivers from those entities. Cimarex is also providing notice to the Bureau of Land Management. Proof of mailing, along with a copy of the notice letter sent to the Bureau of Land Management, is attached hereto as Exhibit E.

Your attention to this matter is appreciated.

Sincerely,

Deana M. Bennett

Attorney for Cimarex Energy Co.

Wear & Brutt

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

Released to Imaging: 12/29/2022 3:15:03 PM

## 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 August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code 96603	Triste Draw; Bone Spring	<sup>3</sup> Pool Name	
			roperty Name 6 Well 11-14 FEDERAL COM 2		
7 OGRID No.		CIM	*Operator Name AREX ENERGY CO.		* Elevation 3618.2'

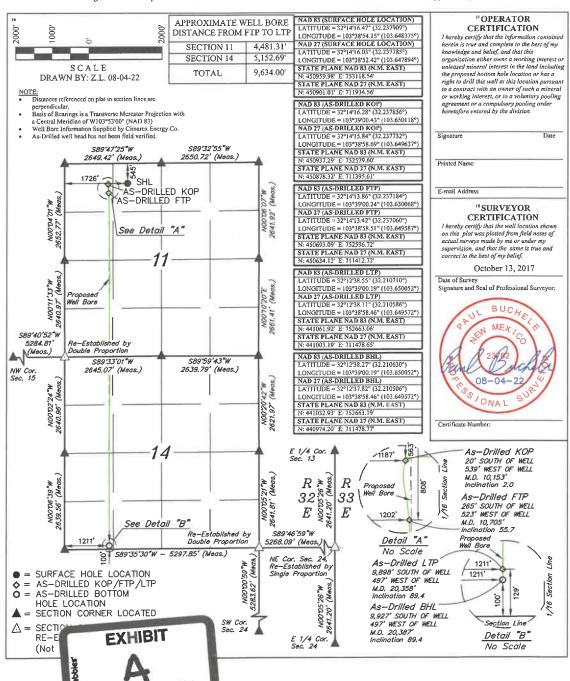
Surface Location

UL or lot no.	Section 11	Township 24S	Range 32E	Let Idn	Feet from the 545	North/South line NORTH	Feet from the 1726	East/West line WEST	County LEA
---------------	---------------	-----------------	--------------	---------	-------------------	---------------------------	-----------------------	------------------------	---------------

"Bottom Hole Location If Different From Surface

UL or lot no.	Section 14	Township 24S	Range 32E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 1211	East/West line WEST	County LEA
12 Dedicated Acr	es 13 J	oint or Infill	14 Consc	lidation Code	15 Order No.				

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.





November 21, 2022

#### VIA E-FILING

Director Adrienne Sandoval and OCD Engineering Bureau Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Non-Standard Location Application
Dos Equis 11-14 Federal Com 24H
Lea County, New Mexico

Dear Director Sandoval/OCD Engineering Bureau

Cimarex Energy Co., OGRID Number 215099, respectfully requests administrative approval of a non-standard location ("NSL") for the following well (the "Well"):

Dos Equis 11-14 Federal Com 24H, API No. 30-025-47645.

The as-drilled completed interval of the Well is approximately 1202' from the West line of Section 11 and 1211' from the West line of Section 14, Township 24 South, Range 32 East, which is closer than 330' from the outer boundary of the spacing unit. The first and last take points for the Well are standard.

Cimarex is requesting non-standard location approval for the Well to allow the setback from the outer boundary to be less than 330' from the eastern boundary of the horizontal spacing unit. Allowing Cimarex to complete the Well at this non-standard location will result in the greatest recovery of reserves from the unit and will reduce waste.

Thank you for your consideration. Should you have any questions please contact me at Mark.Mccoy@coterra.com or (432) 571-7828.

Sincerely,

Mark McCoy

Reservoir Engineer Cimarex Energy Co.

# Sections 11 & 14 Working Interest:

Chevron USA Inc. 1400 Smith Street Houston, TX 77002

XTO Holdings Inc. 22777 Springwoods Pkwy Spring, TX 77389

Section 23 Operator: ConocoPhillips Company 600 W. Illinois Ave Midland, TX 79701





XTO Holdings, LLC hereby waives objection to the Cimarex Energy Co.'s application for a non-standard location for the Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dated: 11-17-22 Bell Work
Signature Sc. Landman



Energy Co.'s application for a non-standard location for the Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dated: 11/2/2022 Signature

ConocoPhillips Company	hereby waives objection to the Cimarex
Energy Co.'s application for a non-sta	indard location for the Dos Equis 11-14
Federal Com 24H Well located in the V	V/2 W/2 of Sections 11 and 14, Township
24 South, Range 32 East, NMPM, Lea	County, New Mexico.

Dated: 11/8/2022

Signature

	Operator	WIOs If Needed	Date Notice Letter Sent
		N/A if Cimarex IS NOT operator	
	Cimarex Energy Co.	Chevron USA Inc.	NA: Obtained waiver
		1400 Smith St.	
		Houston, TX 77002	
		and	
		XTO Holdings Inc.	
		22777 Springwoods Pkwy	
		Spring, TX 77389	
	Cimarex Energy Co.	Chevron USA Inc.	NA: Obtained waiver
		1400 Smith St.	
		Houston, TX 77002	
		and	
		XTO Holdings Inc.	
		22777 Springwoods Pkwy	
_		Spring, TX 77389	
	ConocoPhillips	N/A	NA: Obtained waiver
	Company		
	600 W. Illinois Ave		
	Midland, TX 79701		

# Other Notice Parties:

Date Notice Letter Sent	12/2/2022
Other Notice Parties	Bureau of Land Management



December 2, 2022

Deana M. Bennett 505.848.1834 dmb@modrall.com

# VIA CERTIFIED MAIL

#### TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application. If no objection is received within this twenty-day period, the application may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

Mark McCoy Reservoir Engineer Cimarex Energy Co. Mark.McCoy@Coterra.com 432-571-7828

Sincerely, Wenneth Benneth

Earl E. DeBrine Deana M. Bennett

Attorneys for Cimarex Energy

Co.

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



77
n 38
orm
PS F

Firm Mailing Book ID: 237495	Reference Contents	82762.0128DosEquis		
Firm Mai	Rest.Del.Fee	\$0.00	\$0.00 \$7.92	
	RR Fee	\$2.00	Srand Total:	
	Service Fee RR Fee	\$4.00	\$4.00 Grand	
877 TIFIED MAIL 22	Postage	\$1.92	\$1.92	
PS Form 3877 Type of Mailing: CERTIFIED MAIL 12/02/2022			Totals:	Dated:
Ty	Name, Street, City, State, Zip	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508		Postmaster: Name of receiving employee
l Harris & Sisk P.A. e 1000 2	USPS Article Number Na	9314 8699 0430 0102 0260 18 United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508		Total Number of Pieces Received at Post Office
Selection Schuman Properties & Sisk P.A. P.O. Fourth Street, Suite 1000 Ibuquerque NM 87102	ng: 12		3: <b>15:0</b> 3	List Number of Pieces Listed by Sender

Page 13 of 23
Page Page Certified Pro. ne. 12022 Walz Certified Pro. ne. 1202

District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

<u>District III</u>
1000 Rto Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
<u>District IV</u>
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

State of New Mexico

Energy, Minerals & Natural Resources Department

API Number	<sup>2</sup> Pool Code 96603	Triste Draw; Bone Spring	Name
4 Property Code		operty Name 11-14 FEDERAL COM	6 Well Number 24H
7 OGRID No.		perator Name EX ENERGY CO.	9 Elevation 3618,2'

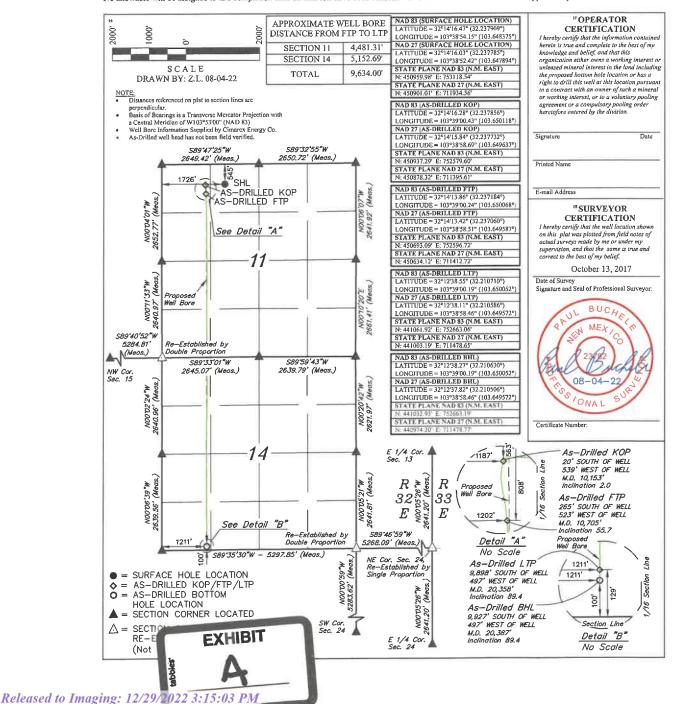
#### "Surface Location

UL or lot no.	Section 11	24S	32E	Lot Idn	545	NORTH	1726	WEST	LEA	

#### "Bottom Hole Location If Different From Surface

UL or lot no.	Section 14	Township 24S	Range 32E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 1211	East/West line WEST	County LEA
12 Dedicated Acr 320	es 13 J	oint or Infill	14 Conso	lidation Code	15 Order No.				

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.



XTO Holdings, LLC hereby waives objection to the Cimarex Energy Co.'s application for a non-standard location for the Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dated: 11-17-22 Bell Work
Signature Sc. Landman



Energy Co.'s application for a non-standard location for the Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dated: 11/2/2022 Signature

ConocoPhillips Company	hereby waives objection to the Cimarex
Energy Co.'s application for a non-st	andard location for the Dos Equis 11-14
Federal Com 24H Well located in the	W/2 W/2 of Sections 11 and 14, Township
24 South, Range 32 East, NMPM, Le	a County, New Mexico.

Dated: 11/8/2022

Signature

Offsetting Sections	Operator	WIOs If Needed N/A if Cimarex IS NOT operator	Date Notice Letter Sent
Section 11, T24S-R32E	Cimarex Energy Co.	Chevron USA Inc.	NA: Obtained waiver
	ò	1400 Smith St.	
		Houston, TX 77002	
		and	
		XTO Holdings Inc.	
		22777 Springwoods Pkwy	
		Spring, TX 77389	
Section 14, T24S-R32E	Cimarex Energy Co.	Chevron USA Inc.	NA: Obtained waiver
		1400 Smith St.	
		Houston, TX 77002	
		and	
		XTO Holdings Inc.	
		22777 Springwoods Pkwy	
		Spring, TX 77389	
Section 23, T24S-R32E	ConocoPhillips	N/A	NA: Obtained waiver
	Company		
	600 W. Illinois Ave Midland, TX 79701		

# Other Notice Parties:

Other Notice Parties	Date Notice Letter Sent	
Bureau of Land Management	12/2/2022	



December 2, 2022

Deana M. Bennett 505.848.1834 dmb@modrall.com

# **VIA CERTIFIED MAIL**

## TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for Dos Equis 11-14 Federal Com 24H Well located in the W/2 W/2 of Sections 11 and 14, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application. If no objection is received within this twenty-day period, the application may be approved administratively by the Division.

If you have any questions concerning this application, please contact:

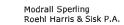
Mark McCoy Reservoir Engineer Cimarex Energy Co. Mark.McCoy@Coterra.com 432-571-7828

> Sincerely, Mean M Benneth

Earl E. DeBrine Deana M. Bennett

Attorneys for Cimarex Energy

Co.



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



877
m 38
Fort
PS

Firm Mailing Book ID: 237495	Reference Contents	82762.0128DosEquis			
Firm Mailing	Rest.Del.Fee	\$0.00	\$0.00	\$7.92	
	RR Fee	\$2.00	\$2.00	Grand Total:	
.1	Service Fee RR Fee	\$4.00	\$4.00	Grand	
PS Form 3877 Type of Mailing: CERTIFIED MAIL 12/02/2022	Postage	\$1.92	\$1.92		
PS Form 3877 Mailing: CERTIF 12/02/2022			Totals:		Dated:
Type of	Name, Street, City, State, Zip	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508			Postmaster: Da Name of receiving employee
l Harris & Sisk P.A. e 1000 2	USPS Article Number Na	9314 8699 0430 0102 0260 18 United States of America Bureau of Land Managen 301 Dinosaur Trail Santa Fe NM 87508			Total Number of Pieces Received at Post Office
Skarlene Schuman Polodrall Sperling Roehl Harris & Sisk P.A. 2000 Fourth Street, Suite 1000 Hbuquerque NM 87102	Line	729/2022 .	3:1:	5: <i>03</i>	List Number of Pieces Listed by Sender

Page 20 of 23
Page Page Page Page Vall Certified Pro.ne. Page Page 2002



November 21, 2022

## VIA E-FILING

Director Adrienne Sandoval and OCD Engineering Bureau Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Non-Standard Location Application
Dos Equis 11-14 Federal Com 24H
Lea County, New Mexico

Dear Director Sandoval/OCD Engineering Bureau

Cimarex Energy Co., OGRID Number 215099, respectfully requests administrative approval of a non-standard location ("NSL") for the following well (the "Well"):

Dos Equis 11-14 Federal Com 24H, API No. 30-025-47645.

The as-drilled completed interval of the Well is approximately 1202' from the West line of Section 11 and 1211' from the West line of Section 14, Township 24 South, Range 32 East, which is closer than 330' from the outer boundary of the spacing unit. The first and last take points for the Well are standard.

Cimarex is requesting non-standard location approval for the Well to allow the setback from the outer boundary to be less than 330' from the eastern boundary of the horizontal spacing unit. Allowing Cimarex to complete the Well at this non-standard location will result in the greatest recovery of reserves from the unit and will reduce waste.

Thank you for your consideration. Should you have any questions please contact me at Mark.Mccoy@coterra.com or (432) 571-7828.

Sincerely,

Mark McCoy

Reservoir Engineer Cimarex Energy Co.

EXHIBIT

B

B

Exhibit B

# Sections 11 & 14 Working Interest:

Chevron USA Inc. 1400 Smith Street Houston, TX 77002

XTO Holdings Inc. 22777 Springwoods Pkwy Spring, TX 77389

Section 23 Operator: ConocoPhillips Company 600 W. Illinois Ave Midland, TX 79701





District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

CONDITIONS

Action 163457

## **CONDITIONS**

Operator:	OGRID:
CIMAREX ENERGY CO.	215099
600 N. Marienfeld Street	Action Number:
Midland, TX 79701	163457
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

#### CONDITIONS

Created	Condition	Condition Date
Ву		
llowe	NSL - 8506 is approved. The approved Order can be retrieved at the following OCD website link. https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	12/29/2022