



Aubrey Dunn
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Cimarex Energy Co.
ATTN: Ms. Cayla Gorski
600 N. Marienfeld St., Suite 600
Midland, TX 79701

July 17, 2018

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

Dear Ms. Gorski:

We have received your letter of July 3, 2018, in which you requested approval of the Initial Bone Spring Formation Participating Area for the Maduro Unit.

We have determined that the Maduro Unit #9 well is capable of producing unitized substances in paying quantities from the Bone Spring Formation:

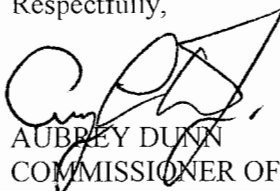
Well Name & Number	Location	Pool/Formation	Completion Date	NM State Land Office Determination
Maduro Unit #9 API # 30-025-40437	29-19S-33E	Gem; Bone Spring (27220)	9/23/2012	Paying quantities

Based on this paying quantities determination, the New Mexico State Land Office also approves formation of the Initial Bone Spring Formation Participating Area:

Unit	Participating Area	Commercial Determination Basis	Effective Date	PA Acreage
Maduro Unit	Initial Bone Spring Formation Participating Area "A"	Maduro Unit #9	9/23/2012	1,440

If you have any questions or if we may be of further assistance, please contact Units Manager Marilyn Gruebel at 505.827.5791 or mgruebel@slo.state.nm.us.

Respectfully,



AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/mg

cc: NMOCD – Attn: Mr. Daniel Sanchez
NMRMD – Attn: Mr. Roddy Martinez
BLM CFO – Attn: Mr. Chris Walls
BLM WY – Attn: Mr. Dave Chase
OGMD – Well Designation Coordinator
Units Reader Files

NEW Participating Area:
REPORT TO DEPARTMENTS

UNIT NAME: Maduro Unit		UNIT #: 300147	
OPERATOR: Cimarex			
OGRID #: 162683			
COUNTY: Lea			
PA NAME: Initial Bone Spring PA "A"			

EFFECTIVE DATE	SLO APPROVAL DATE	BLM APPROVAL DATE	BLM SERIAL NUMBER	TOTAL ACREAGE	STATE	FEDERAL	INDIAN	FEE
9/23/2012	7/17/2018			1,440.00	400.00	1,040.00	0.00	0.00

TOWNSHIP:	RANGE:	SECTION:	DESCRIPTION
19S	33E	28	W2
		29	ALL
		32	N2
		33	NW4