

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] TYPE OF APPLICATION - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name _____ Signature _____ Title _____ Date _____
e-mail Address _____

Cimarex Energy Co.

Mid-Continent Region

15 East 5th Street

Suite 1000

Tulsa, Oklahoma 74103-4346

PHONE 918.585.1100

FAX 918.583.7781

October 15, 2004

2004 OCT 18 AM 11

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F. (2), Cimarex Energy Co. applies for approval of an unorthodox gas well location for the following well:

Well: Wagon Wheel "13" Federal Well No. 2ST

Location: SHL: 1650' FNL & 1980' FEL
BHL: 750' FNL & 2500' FWL

Well Unit: W½ of Section 13, Township 22 South, Range 22 East, N.M.P.M., Eddy County, New Mexico

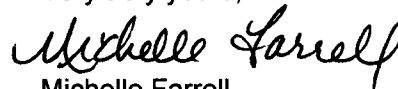
A Form C-102 for the well is attached as *Exhibit A*. The well will be drilled to test the Morrow formation (Indian Basin Southwest-Morrow Gas Pool). The pool is spaced on 320 acres, with wells to be located no closer than 660 feet to a quarter section line nor closer than 10 feet to a quarter-quarter section line.

The location is based on geological and geophysical reasons. Attached as *Exhibit B* is an isopach of the area, based on well control and seismic data. The proposed Cimarex Wagon Wheel "13" Federal #2 ST is located in a seismically-defined area of increased Morrow Formation thickness. Areas of thickened Morrow section increase the probability of encountering reservoir quality sandstones. The target area of increased thickness does not exist at a standard location. In addition, the severe lost circulation commonly encountered in the San Andres Formation in this area is mitigated by sidetracking below an existing casing string in the original Wagon Wheel 13 Federal #2. In order to drill this well at an optimum site, thereby preventing waste, Cimarex respectfully requests approval of a non-standard location

Attached as *Exhibit C* is a location plat. All of Section 13 is covered by federal lease NM 100586, and the location is internal to the lease. Working, royalty, and overriding royalty ownership are common throughout the lease. Therefore, no interest owner is adversely affected, and notice of this application has not been provided to anyone.

Please call me at (918) 295-1727 if you have any questions.

Very truly yours,



Michelle Farrell
Land Tech

Enclosures

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-33483	Pool Code	Pool Name
Property Code	Property Name WAGON WHEEL 13 FEDERAL	Well Number 2ST
OGRID No.	Operator Name CIMAREX ENERGY COMPANY	Elevation 4343'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	13	22-S	22-E		1650'	NORTH	1980'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	13	22-S	22-E		750'	NORTH	2500'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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

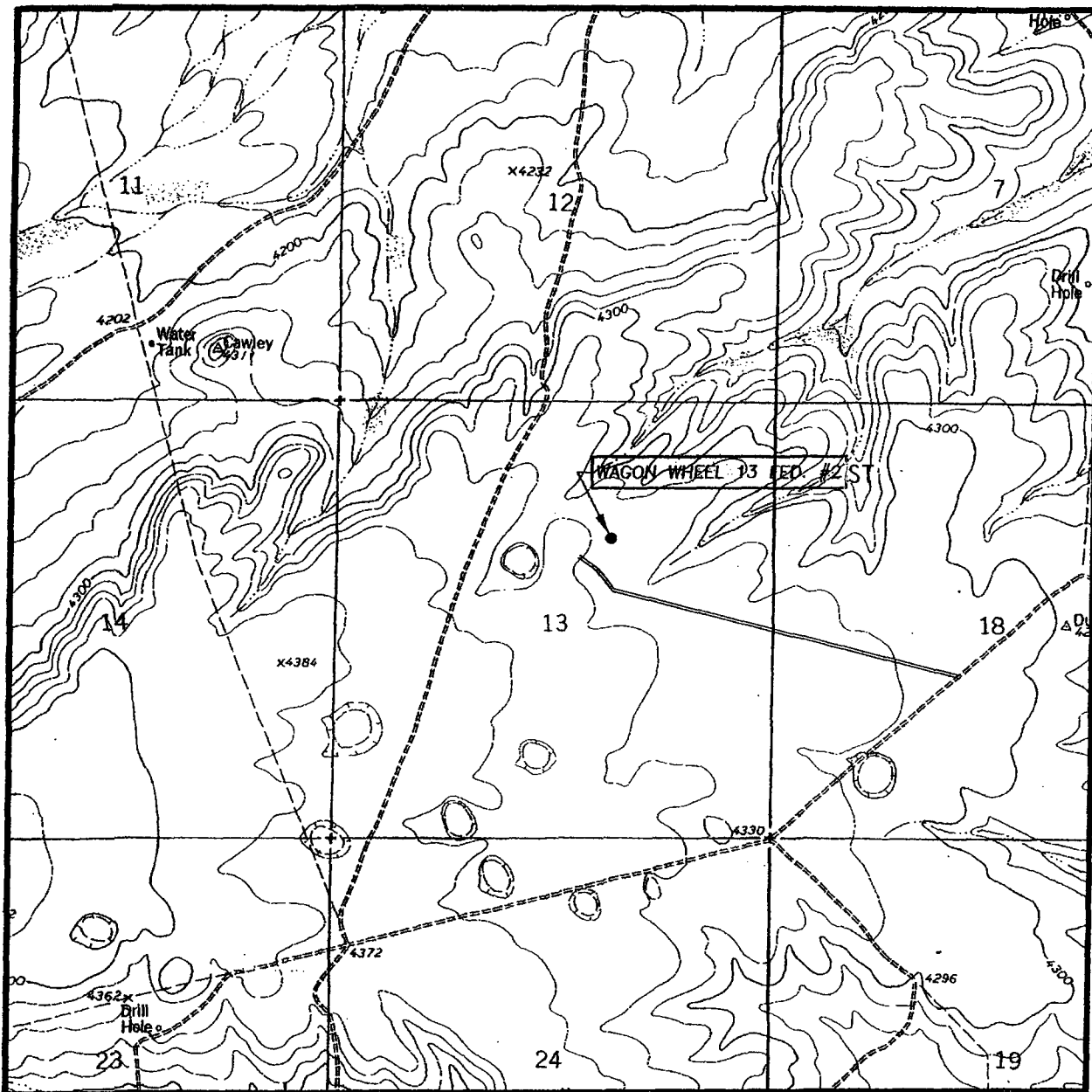
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Michelle Farrell</i> Signature Michelle Farrell Printed Name Land Tech Title 10-14-04 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>APRIL 29, 2004 Date Surveyed LA REV: 10/7/04 Signature & Seal of Professional Surveyor <i>Gary Eidsen</i> 04.11.0471 Certificate No. GARY EIDSON 12641</p>
--	---



Scale:
1" = 2000'

Date:
15 October, 2004

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'
CAWLEY DRAW, N.M.

SEC. 13 TWP. 22-S RGE. 22-E

SURVEY N.M.P.M.

COUNTY EDDY


DESCRIPTION 1650' FNL & 1980' FEL

ELEVATION 4343'

OPERATOR CIMAREX ENERGY COMPANY

LEASE WAGON WHEEL 13 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
CAWLEY DRAW, N.M.



PROVIDING SURVEYING SERVICES
SINCE 1946

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

10:49 AM - Tuesday Nov. 2nd



State of New Mexico
OIL CONSERVATION COMMISSION

From

MICHAEL E. STOGNER
PETROLEUM ENGINEER

Memo

To

Voice mail message from Michelle Farrell. Checking on the status of its application.

918-295-1727

P.O. BOX 2088
LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
505-827-5811

Stogner, Michael

From: Michelle Farrell [MFarrell@cimarex.com]
Sent: Wednesday, November 03, 2004 9:50 AM
To: mstogner@state.nm.us
Subject: Emailing: Wagon Wheel 13 Fed #2 Plan #1 Report 10-18-04.pdf



Wagon Wheel 13
Fed #2 Plan #1 ...

Please note also, per the BLM's request, the well name has been modified to Wagon Wheel 13 ST Fed #2

Thanks and let me know if you have any questions!

Michelle

<<Wagon Wheel 13 Fed #2 Plan #1 Report 10-18-04.pdf>>

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>



Cimarex Energy Co., Inc.

Eddy Co., New Mexico

Wagon Wheel 13 Fed #2

Wagon Wheel 13 Fed #2

S-Well #1

Plan: Plan #1

Standard Planning Report

18 October, 2004



Black Viper Energy Services

Planning Report

Database:	EDM 2003.5 Single User Db	Local Co-ordinate Reference:	Well Wagon Wheel 13 Fed #2
Company:	Cimarex Energy Co., Inc.	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project:	Eddy Co., New Mexico	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	Wagon Wheel 13 Fed #2	North Reference:	Grid
Well:	Wagon Wheel 13 Fed #2	Survey Calculation Method:	Minimum Curvature
Wellbore:	S-Well #1		
Design:	Plan #1		

Project	Eddy Co., New Mexico		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Ground Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Wagon Wheel 13 Fed #2, Sec 13, T 22S, R 22E		
Site Position:		Northing:	512560.55 ft
From:	Lat/Long	Easting:	423806.99 ft
Position Uncertainty:	ft	Slot Radius:	in
		Latitude:	32° 24' 032" N
		Longitude:	104° 34' 048" W
		Grid Convergence:	-0.13 °

Well	Wagon Wheel 13 Fed #2		
Well Position	+N-S	0.00 ft	Northing: 512560.55 ft
	+E-W	0.00 ft	Easting: 423806.99 ft
Position Uncertainty	ft	Wellhead Elevation:	ft
		Latitude:	32° 24' 032" N
		Longitude:	104° 34' 048" W
		Ground Level:	0.00 ft

Wellbore	S-Well #1		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF2000	10/7/2004	9.05
			Dip Angle
			(°)
			60.41
			Field Strength
			(nT)
			49452

Design	Plan #1		
Audit Notes:			
Version:	Phase:	PROTOTYPE	Tie On Depth: 5200.00
Vertical Section:	Depth From (TVD)	+N-S	+E-W
	(ft)	(ft)	(ft)
	0.00	0.00	0.00
			Direction
			(°)
			318.37

Plan Sections										
Measured Depth	Inclination	Azimuth	Vertical Depth	+N-S	+E-W	Dogleg Rate	Build Rate	Turn Rate	TFO	Target
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(°/100ft)	(°/100ft)	(°/100ft)	(°)	
5200.00	4.01	262.90	5198.19	11.99	-70.40	0.00	0.00	0.00	0.00	
5808.79	20.04	321.51	5792.84	91.69	-157.19	3.00	2.63	9.63	68.98	
8315.98	20.04	321.51	8148.19	764.21	-692.01	0.00	0.00	0.00	0.00	
9318.10	0.00	320.78	9130.00	900.00	-800.00	2.00	-2.00	0.00	180.00	Target #1 (WW13F)
10138.10	0.00	320.78	9950.00	900.00	-800.00	0.00	0.00	0.00	320.78	PBHL - TD(WW13F)



Black Viper Energy Services

Planning Report

Database: EDM 2003.5 Single User Db
Company: Cimarex Energy Co., Inc.
Project: Eddy Co., New Mexico
Site: Wagon Wheel 13 Fed #2
Well: Wagon Wheel 13 Fed #2
Wellbore: S-Well #1
Design: Plan #1

Local Co-ordinate Reference: Well Wagon Wheel 13 Fed #2
TVD Reference: WELL @ 0.00ft (Original Well Elev)
MD Reference: WELL @ 0.00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5200.00	4.01	262.90	5198.19	11.99	-70.40	55.73	0.00	0.00	0.00
KOP - Build 3/100									
5808.79	20.04	321.51	5792.84	91.69	-157.19	172.96	3.00	2.63	9.63
EOC - Hold 20*									
8315.98	20.04	321.51	8148.19	764.21	-692.01	1030.92	0.00	0.00	0.00
KOP - Drop 2/100									
9318.10	0.00	320.78	9130.00	900.00	-800.00	1204.16	2.00	-2.00	0.00
EOC									
10138.10	0.00	320.78	9950.00	900.00	-800.00	1204.16	0.00	0.00	0.00

Targets

Target Name	Shape	TVD (ft)	Northing (ft)	Easting (ft)	+N/-S ft	+E/-W ft	Created	Updated
PBHL - TD(VW13F#2)	Rectangle	9950.00	513460.55	423006.99	900.00	-800.00	10/7/2004	10/18/2004
Target #1 (VW13F#2)	Rectangle	9130.00	513460.55	423006.99	900.00	-800.00	10/7/2004	10/18/2004

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
5200.00	5198.19	11.99	-70.40	KOP - Build 3/100
5808.79	5792.84	91.69	-157.19	EOC - Hold 20*
8315.98	8148.19	764.21	-692.01	KOP - Drop 2/100
9318.10	9130.00	900.00	-800.00	EOC