From:	Riley Morris
To:	Lowe, Leonard, EMNRD; Deana M. Bennett
Cc:	Kaimi Brownlee; Dylan Park
Subject:	RE: [EXTERNAL] RE: PROTEST: Cimarex Energy Co. 4 NSL applications, Riverbend Wells No. 1H, 2H, 19H, 20H_Date: 08/24/22
Date:	Friday, October 28, 2022 10:21:34 AM

Thank you, Mr. Lowe. We will reflect these numbers in our files.

Riley C. Morris, RPL Sr. Landman, Permian Business Unit

From: Lowe, Leonard, EMNRD <Leonard.Lowe@emnrd.nm.gov> Sent: Friday, October 28, 2022 10:53 AM

To: Riley Morris <Riley.Morris@coterra.com>; Deana M. Bennett <deana.bennett@modrall.com>

Subject: RE: [EXTERNAL] RE: PROTEST: Cimarex Energy Co. 4 NSL applications, Riverbend Wells No. 1H, 2H, 19H, 20H\_Date: 08/24/22

#### Mr. Riley Morris,

Thank you for the notice update of the protested NSL applications. OCD will withdraw the applications indicated below. These NSL applications will be saved for record only in the following NSL order numbers.

ACTION ID. No.	Application No.	NSL	AMD	Applicant	OGRID	WELL NAME
134733	pLEL2223432944	8429	-	Cimarex Energy CO.	215099	Riverbed 12 13 Federal Com Well No. 20H
134716	pLEL2223134538	8428	-	Cimarex Energy CO.	215099	Riverbed 12 13 Federal Com Well No. 19H
134701	pLEL2223132903	8427	-	Cimarex Energy CO.	215099	Riverbed 12 13 Federal Com Well No. 2H
134691	pLEL2223130717	8426	-	Cimarex Energy CO.	215099	Riverbed 12 13 Federal Com Well No. 1H

#### Leonard R. Lowe

Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/

#### From: Riley Morris <<u>Riley.Morris@coterra.com</u>>

Sent: Monday, October 24, 2022 1:47 PM

To: Lowe, Leonard, EMNRD <<u>Leonard.Lowe@emnrd.nm.gov</u>>; Deana M. Bennett <<u>deana.bennett@modrall.com</u>>

Cc: jbradfute@marathonoil.com; Wrinkle, Justin, EMNRD <<u>Justin,Wrinkle@emnrd.nm.gov</u>>; Dylan Park <<u>Dylan,Park@coterra.com</u>>; Kaimi Brownlee <<u>Kaimi.Brownlee@coterra.com</u>>; Rice, Chase F. (MRO) <<u>cfrice@marathonoil.com</u>>

Subject: RE: [EXTERNAL] RE: PROTEST: Cimarex Energy Co. 4 NSL applications, Riverbend Wells No. 1H, 2H, 19H, 20H\_Date: 08/24/22 Importance: High

Mr. Lowe.

Please let this email to serve as notice that Cimarex Energy Co. wishes to withdraw our NSL applications for the 4 Riverbend 12-13 wells (1H, 2H, 19H and 20H).

Please let me know if you need anything additional in order to complete this request.

Thank you, Riley

Riley C. Morris, RPL Sr. Landman, Permian Business Unit

From: Lowe, Leonard, EMNRD <<u>Leonard.Lowe@emnrd.nm.gov</u>>

Sent: Wednesday, September 21, 2022 6:35 PM

To: Riley Morris <<u>Riley.Morris@coterra.com</u>>; Deana M. Bennett <<u>deana.bennett@modrall.com</u>>

Cc: jbradfute@marathonoil.com; Wrinkle, Justin, EMNRD <Justin, Wrinkle@emnrd.nm.gov>; Dylan Park <<u>Dylan.Park@coterra.com</u>>; Kaimi Brownlee <<u>Kaimi.Brownlee@coterra.com</u>>; Subject: RE: [EXTERNAL] RE: PROTEST: Cimarex Energy Co. 4 NSL applications, Riverbend Wells No. 1H, 2H, 19H, 20H\_Date: 08/24/22 Importance: High

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#### Riley C. Morris,

The 4 protested NSL applications for the Riverbed 12 13 Federal Com Wells No. (1H, 2H, 19H, 20H), as recognized by the OCD.

The timeline of these applications are as follows, according to what has evolved.

Applications Receive Date: 08/16/22 Applications Protest Date: 08/24/22 30 Day Protested time frame granted Date: 09/24/22

As of today, 09/21/22, you are requesting a 60 day extension to the initially granted 30 days. OCD does not want to have pending applications linger long, if possible. The 60 days extension request will not be approved.

OCD will grant a 45 day extension from the initial 30 day time frame date of 09/24/22. The 45 days granted will end on 11/08/22.

If no resolution is obtained at the end of the 45 days, the OCD will initiate cancelation of the NSL applications. OR the Applicant/Protestant can take the NSL subject matter to Hearing thereafter, if they wish to.

OCD appreciates you being attentive to the time frames placed upon the protested NSL applications.

If you have any questions to these matters, please feel free to reply or call me.

Thank you,

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/

#### From: Riley Morris <<u>Riley.Morris@coterra.com</u>> Sent: Wednesday, September 21, 2022 4:01 PM

To: Lowe, Leonard, EMNRD <<u>Leonard.Lowe@emnrd.nm.gov</u>>; Deana M. Bennett <<u>deana.bennett@modrall.com</u>>

Cc: jbradfute@marathonoil.com; Wrinkle, Justin, EMNRD

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

All,

We are currently working to resolve the NSL application protest with Marathon Oil Company. Therefore, we request a sixty (60) day extension in order to reach a resolution.

Please let me know if this request has been granted. I will be traveling most of the day tomorrow for an on-site related to a Drill Island, but will be able to check my email in the afternoon.

Thank you,

Riley

Riley C. Morris, RPL Sr. Landman, Permian Business Unit

From: Lowe, Leonard, EMNRD <<u>Leonard.Lowe@state.nm.us</u>> Sent: Wednesday, August 24, 2022 11:02 AM To: Deana M. Bennett <<u>deana.bennett@modrall.com</u>> Cc: jbradfute@marathonoil.com; Wrinkle, Justin, EMNRD <<u>Justin.Wrinkle@state.nm.us</u>> Subject: PROTEST: Cimarex Energy Co. 4 NSL applications, Riverbend Wells No. 1H, 2H, 19H, 20H\_Date: 08/24/22 Importance: High

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

Ms. Deana M. Bennett

Re: Cimarex Energy Co., NSL Administrative Applications, Protest Date: 08/24/22 for wells Riverbend 12 13 Federal Com Well No. 1H Riverbend 12 13 Federal Com Well No. 2H Riverbend 12 13 Federal Com Well No. 19H Riverbend 12 13 Federal Com Well No. 20H

The OCD was notified that Marathon Oil Company has protested your 4 applications for approval of a Non Standard Location for the above subject wells. This party has been identified as an affected person for their specific locations.

Therefore, you are being notified that if **Cimarex Energy Co.** wishes for this application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party.

The NSL applications will be retained by OCD, but suspended from further administrative review.

Please contact the OCD once a decision regarding this application is determined within the next 30 days. If no update is given by the 30 day date, the applications will be cancelled.

08/24/22, notice date 09/24/22, 30 day concludes

Protestant contact information:

Jennifer Bradfute Senior Counsel, Permian & Bakken Marathon Oil Company Cell: 505-264-8740 jbradfute@marathonoil.com

Please call/e-mail me with any questions regarding this matter.

Leonard R. Lowe Engineering Bureau OCD - EMNRD 5200 Oakland Ave. NE Albuquerque, N.M. 87113 C: 505-930-6717 http://www.emnrd.state.nm.us/ocd/

This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message.

This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message the second of the addressee or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message.

This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message.

From:	Bradfute, Jennifer (MRO)
To:	Lowe, Leonard, EMNRD; Wrinkle, Justin, EMNRD
Cc:	Deana M. Bennett (dmb@modrall.com); Rice, Chase F. (MRO); STATHEM, Terri (MRO)
Subject:	[EXTERNAL] NSL Protest to Cimarex"s Application re: Riverbend 12-13 Fed. Com 1H, 2H, 19H, and 20H
Date:	Wednesday, August 24, 2022 8:00:04 AM
Attachments:	image001.png
	NSL Application - Cimarex Riverbend E2 12-13 T25S R28E,PDF

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Leonard and Justin,

I hope that you are both doing well! Marathon Oil Permian LLC received the attached NSL applications filed by Cimarex for the following wells:

Riverbend 12-13 Fed. Com 1H Riverbend 12-13 Fed. Com 2H Riverbend 12-13 Fed. Com 19H Riverbend 12-13 Fed. Com 20H

These wells appear to be located within the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. Marathon objects to these applications and submits this protest. The proposed FTP for Cimarex's wells will encroach upon Marathon's interests and operated spacing unit in the E/2 of Section 1 and drain production from Section 1. This impacts Marathon's correlative rights. Also, it appears that Cimarex's SHL is off-lease and that Cimarex's proposed wells may traverse across Marathon's operated spacing unit. Marathon is concerned that the traversing portions of the laterals for the proposed wellbores may interfere with Marathon's development in Section 1. As a result, Marathon opposes the granting of Cimarex's applications.

Thank you, Jennifer

# Jennifer Bradfute

Senior Counsel, Permian & Bakken Marathon Oil Company Cell: 505-264-8740 jbradfute@marathonoil.com



ID NO. 134701

**NSL - 8427** 

Revised March 23, 2017

CAN 220 Louth St. Francis Drive	Constant of the
REGULATIONS WHICH REQUIRE PROCESSING         Applicant: Cimarex Energy Co.         Well Name: Riverbend 12-13 Federal Com 2H         Pool: Purple Sage; Wolfcamp (Gas)         SUBMIT ACCURATE AND COMPLETE INFORMATION I	APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND G AT THE DIVISION LEVEL IN SANTA FE OGRID Number: 215099 API: 30-015-49159 Pool Code: 98220 REQUIRED TO PROCESS THE TYPE OF APPLICATION
<ul> <li>INDICATEE</li> <li>TYPE OF APPLICATION: Check those which apply A. Location – Spacing Unit – Simultaneous Ded NSL NSP (PROJECT AREA)</li> <li>B. Check one only for [1] or [1] [1] Commingling – Storage – Measurement DHC CTB PLC PC [1] Injection – Disposal – Pressure Increase – WFX PMX SWD IPI</li> <li>NOTIFICATION REQUIRED TO: Check those which A. Offset operators or lease holders B. Royalty, overriding royalty owners, revent C. Application requires published notice D. Notification and/or concurrent approval E. Notification and/or concurrent approval F. Surface owner G. For all of the above, proof of notification H. No notice required</li> </ul>	for [A] lication NSP (PRORATION UNIT) SD OLS OLM - Enhanced Oil Recovery EOR PPR apply. ue owners by SLO by BLM
3) <b>CERTIFICATION:</b> I hereby certify that the informati administrative approval is <b>accurate</b> and <b>complet</b> understand that <b>no action</b> will be taken on this ap notifications are submitted to the Division.	te to the best of my knowledge. I also
Note: Statement must be completed by an individ           Deana M. Bennett           Print or Type Name	lual with managerial and/or supervisory capacity.           08/16/2022           Date

Signature

505-848-1834

Phone Number

deana.bennett@modrall.com e-mail Address



LAWYERS

August 16, 2022

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 its Riverbend 12-13 Federal Com 2H Well located in the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy 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 Riverbend 12-13 Federal Com 2H well (API No. 30-015-49159) (the "Well"). The Well will be located in a 640-acre, more or less, spacing unit underlying the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, and will be in the Purple Sage Wolfcamp Gas Pool (Pool ID: 98220). A C-102 for the Well is attached as Exhibit A.

The Purple Sage Wolfcamp Gas Pool has special pool rules which establish 320-acre building blocks and 330' foot setback requirements. The Well will be in the E/2 of Sections 12 and 13, *i.e.*, 320-acre building blocks, but will have setbacks of 100' for the toe and heel, which requires approval of an NSL. As shown on Exhibit A, this is a horizontal well that will be drilled as follows:

- <u>Surface Hole Location</u>: 1207' from the South line and 2462' from the West line of Section 1 (outside of the horizontal spacing unit);
- <u>First Take Point</u>: 100' from the North line and 1557' from the East line of Section 12;

Deana M. Bennett 505.848.1834 dmb@modrall.com

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 • <u>Last Take Point/Bottom Hole Location</u>: 100' from the South line and 995' from the East line of Section 13.

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 first and last take points for the Well are closer than 330' from the boundary of the spacing unit. Specifically, the first take point would be 100' from the North line of Section 12 and the last take point would be 100' from the South line of Section 13. *See* Exhibit A (C-102). The unorthodox location will encroach towards the SE/4 of Section 1 of Township 25 South, Range 28 East and the NE/4 of Section 24, Township 25 South, Range 28 East. Cimarex has confirmed that the tracts adjoining the spacing unit by a corner are more the 330' away from the unorthodox locations requested.

Pursuant to Rule 19.15.4.12(A)(2) and Rule 19.15.2.7(A)(3), Cimarex is providing notice to the operator of the SE/4 of Section 1 of Township 25 South, Range 28 East (Marathon Oil Permian LLC) and to the operator of the NE/4 of Section 24, Township 25 South, Range 28 East (Mewbourne Oil Co.). Cimarex is also providing notice to the Bureau of Land Management. Proof of mailing, along with a copy of the notice letter sent to affected parties, is attached hereto as Exhibit D.

Your attention to this matter is appreciated.

Sincerely,

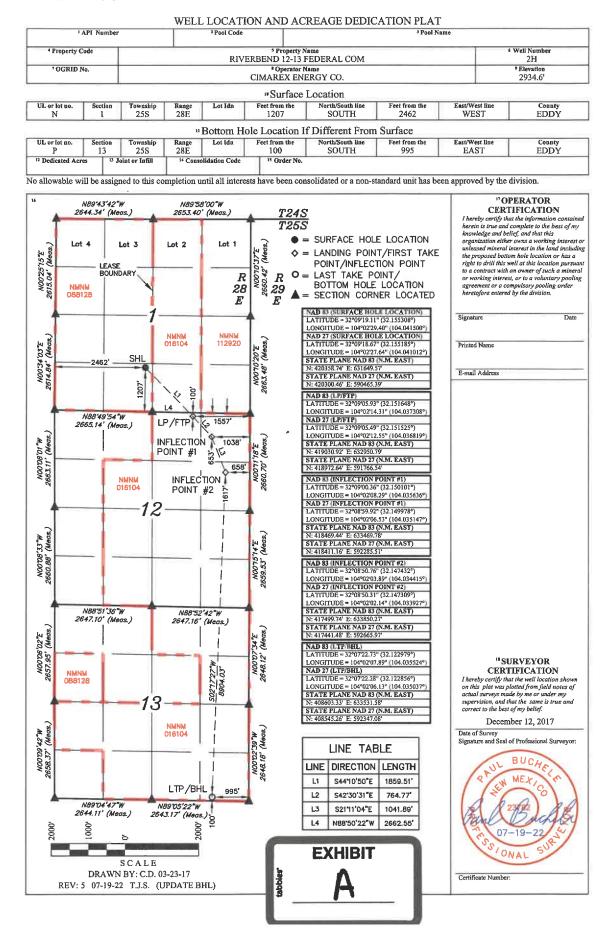
Alau UBennt

Deana M. Bennett Attorney for Cimarex Energy Co.

District. I 1625 N. French Dr., Hobbs, NM 88240 Phone: (573) 393-6161 Fax: (573) 393-0720 District III 811 S. First SL, Artesia, NM 88210 Phone: (573) 748-1283 Fax: (573) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District III 1220 S. R: Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3460

### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT





August 16, 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 Riverbend 12-13 Federal Com 1H; Riverbend 12-13 Federal Com 2H; Riverbend 12-13 Federal Com 19H; Riverbend 12-13 Federal Com 20H; Eddy County, New Mexico

Dear Director Sandoval/OCD Engineering Bureau

Cimarex Energy Co., OGRID Number 215099, respectfully requests administrative approval of non-standards location ("NSL") for the following wells (the "Wells"):

- Riverbend 12-13 Federal Com 1H, API No. 30-015-49155;
- Riverbend 12-13 Federal Com 2H, API No. 30-015-49159
- Riverbend 12-13 Federal Com 19H, API No. 30-015-49523; and
- Riverbend 12-13 Federal Com 20H, API 30-015-49536.

Cimarex is submitting four separate non-standard location applications, one for each well. The Wells will be completed within the Purple Sage Wolfcamp Gas Pool (Pool ID: 98220). Cimarex is requesting non-standard location approval for the Wells to allow the setbacks to be less than 330' from the northern and southern boundaries of the horizontal spacing unit. Allowing Cimarex to complete the wells at this non-standard location will result in the greatest recovery of reserves from all of the wells and will reduce waste.

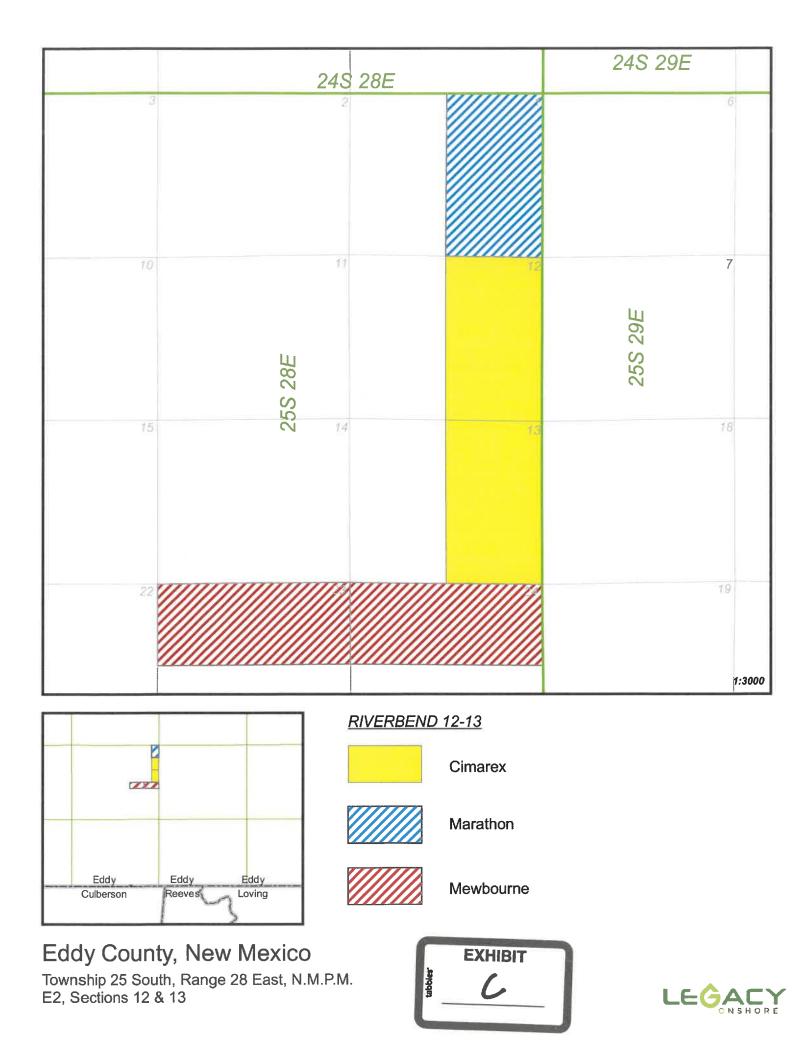
Thank you for your consideration. Should you have any questions please contact me at brett.stewart@coterra.com or (432)571-7889.

Sincerely,

Brett Stewart

Brett Stewart Reservoir Engineer Cimarex Energy Co.





# Cimarex Riverbend 12-13 NSL Notice List

SE/4 of Section 1: Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, TX 77024

NE/4 of Section 24: Mewbourne Oil Co. P.O. Box 7698 Tyler, TX 75711

Other: Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508



August 16, 2022



VIA CERTIFIED MAIL

## TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for its Riverbend 12-13 Federal Com 1H Well located in the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for its Riverbend 12-13 Federal Com 2H Well located in the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for its Riverbend 12-13 Federal Com 19H Well located in the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

Re: Application of Cimarex Energy Co. for administrative approval of unorthodox well location for its Riverbend 12-13 Federal Com 20H Well located in the E/2 of Sections 12 and 13, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Sir or Madam:

Enclosed are copies of the above referenced applications 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 applications. If no objection is received within this twenty-day period, the applications may be approved administratively by the Division.

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

Brett Stuart Cimarex Energy Co. brett.stewart@coterra.com 432-571-7889

Sincerely. M Bennett

Attorney for Cimarex Energy Co.

Deana M. Bennett 505.848.1834 dmb@modrall.com

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

Karlene Schuman	Modrall Sperling Roehl Harris & Sisk P.A.	500 Fourth Street, Suite 1000	Albuquerque NM 87102
Karlene	Modrall	500 Four	Albuque

**PS Form 3877** 

Type of Mailing: CERTIFIED MAIL 08/16/2022

Firm Mailing Book ID: 232097

Rest.Del.Fee Contents	\$0.00 82762.0128. Notice	\$0.00 82762.0128. Notice	\$0.00 82762.0128. Notice	\$0.00	\$26.64	
RR Fee	\$2.00	\$2.00	\$2.00	\$6.00		
Service Fee RR Fee	\$4.00	\$4.00	\$4.00	\$12.00	Grand Total:	
Postage	\$2.88	\$2.88	\$2.88	<b>\$8.64</b>		
				Totals:		Dated:
Name, Street, City, State, Zip	9314 8699 0430 0098 4265 40 Marathon Oil Permian LLC 990 Town & Country Blvd. Houston TX 77024	Mewbourne Oil Co. P.O. Box 7698 Tyler TX 75711	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508			ces Postmaster: ce Name of receiving employee
<b>USPS Article Number</b>	8699 0430 0098 4265 40	9314 8699 0430 0098 4265 57 Mewbourne Oil Co. P.O. Box 7698 Tyler TX 75711	9314 8699 0430 0098 4265 64			Total Number of Pieces Received at Post Office
Line USPS	1 9314	2 9314	3 9314			List Number of Pieces Listed by Sender

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