

10/29/2014 DATE IN	SUSPENSE	MAm ENGINEER	10/29/2014 LOGGED IN	NSC TYPE	PMAM143023941 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED OCT 30 2014

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.

David Catanach
Print or Type Name

David Catanach
Signature

Agent for Cimarex Energy Company
Title

10/28/14
Date

drcatanach@netscape.com
E-Mail Address

- NSL 7198
- NSP 2012
- Cimarex Energy CO
215099
WEL
- Klein 33 Federal Com
6H
30-015-42034
Pool
- WC-015 5262744
WOLF Camp (GAS)
98017

November 10, 2014

Hand Delivered

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey
Division Director

Re: **Revised Application for Unorthodox Well Location &
Non-Standard Spacing Unit/Horizontal Project Area**
Klein 33 Federal Com No. 6H
W/2 of Section 28 & Units C & D & Lots 3 & 4 of Irregular Section 33
All in Township 26 South, Range 27 East, NMPM,
WC-015 S262728A; Wolfcamp (Gas) Pool (98017)
Eddy County, New Mexico

Dear Ms. Bailey:

On October 28, 2014 Cimarex Energy Company ("Cimarex") filed an administrative application for an unorthodox horizontal well location and a 446.77-acre non-standard spacing unit/horizontal project area for its proposed Klein 33 Federal Com No. 6H. The non-standard spacing unit/horizontal project is to comprise the W/2 of Section 28 and Units C & D and Lots 3 & 4 (NW/4 equivalent) of Irregular Section 33, both in Township 26 South, Range 27 East. The surface, first take point and bottomhole locations for the Klein 33 Federal Com No. 6H were described in the original application as follows:

Klein 33 Federal Com No. 6H (API No. 30-015-42034)
Surface Location: 210' FSL & 2020' FWL (Lot 3) Section 33
First Take Point: 330' FSL & 2020' FWL (Lot 3) Section 33
Bottomhole Location: 330' FNL & 2020' FWL (Unit C) Section 28

Due to surface obstructions, Cimarex has moved the surface and first take point locations for the Klein 33 Federal Com No. 6H a distance of approximately 20 feet west of the originally proposed surface and first take point locations. The bottomhole location will not change. **The Klein 33 Federal Com No. 6H will now be drilled at these locations (See Attached C-102):**

Surface Location: 210' FSL & 2000' FWL (Lot 3) Section 33
First Take Point: 330' FSL & 2000' FWL (Lot 3) Section 33
Bottomhole Location: 330' FNL & 2020' FWL (Unit C) Section 28

Discussions with Division personnel with regards to this well location change confirms that Cimarex will not be required to re-notify all parties entitled to receive notice of this application because the new well location is slightly less unorthodox than the originally proposed location.

Consequently, Cimarex requests that the non-standard well location order issued for the Klein 33 Federal Com No. 6H correctly identify the new surface and first take point well locations.

Attached are a revised Form C-102 and a revised plat showing the well locations, spacing unit, offset spacing units, etc. If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach, Agent
Cimarex Energy Company
600 North Marienfeld, Suite 600
Midland, Texas 79701

Xc: OCD-Artesia

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 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

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

¹ API Number 30015-42034	² Pool Code 98017	³ Pool Name WC-015; 5262728A; WC
⁴ Property Code 40358	⁵ Property Name KLEIN 33 FEDERAL COM	⁶ Well Number 6H
⁷ OGRID No. 215099	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3185.5'

"Surface Location

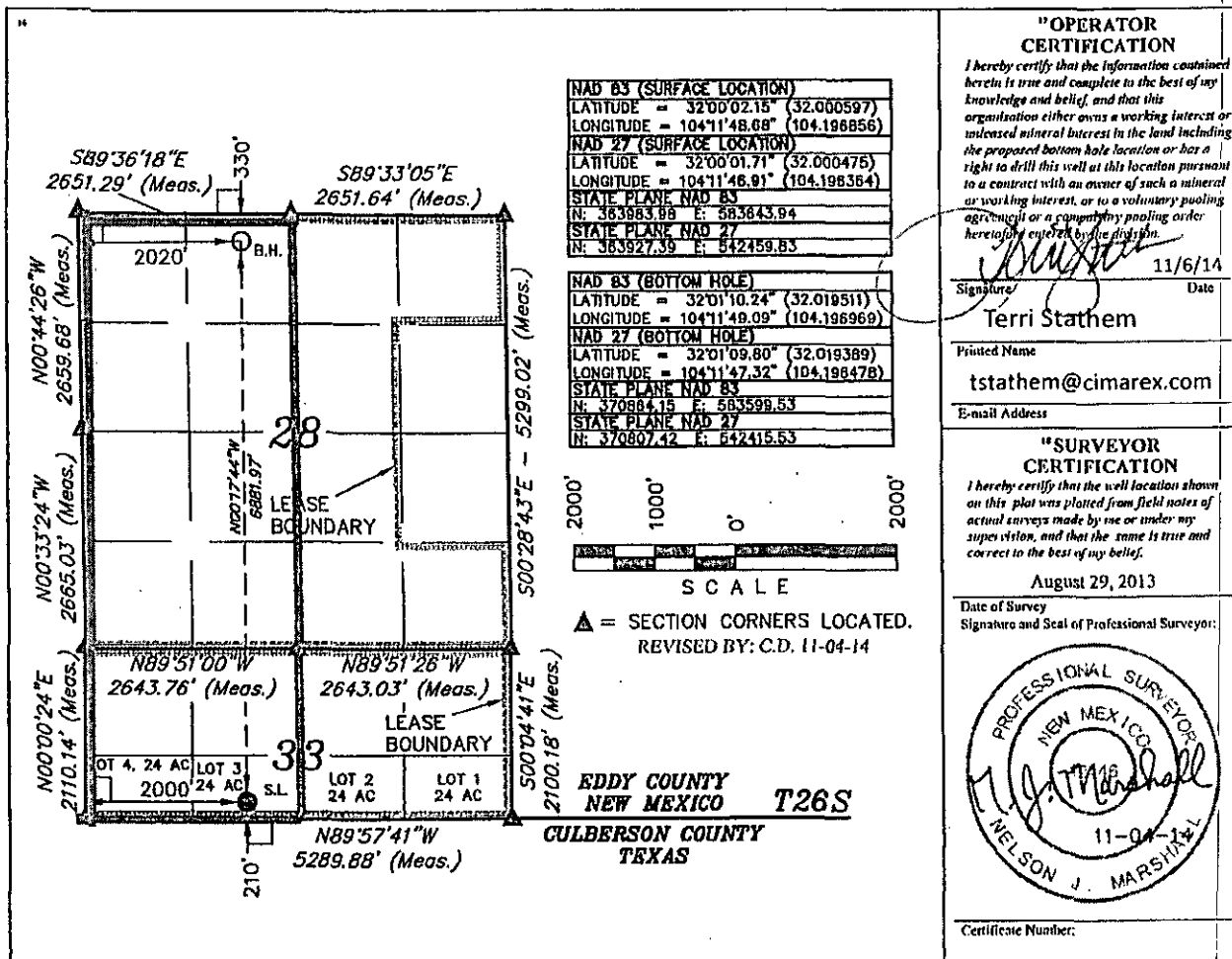
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	33	26S	27E		210	SOUTH	2000	WEST	EDDY

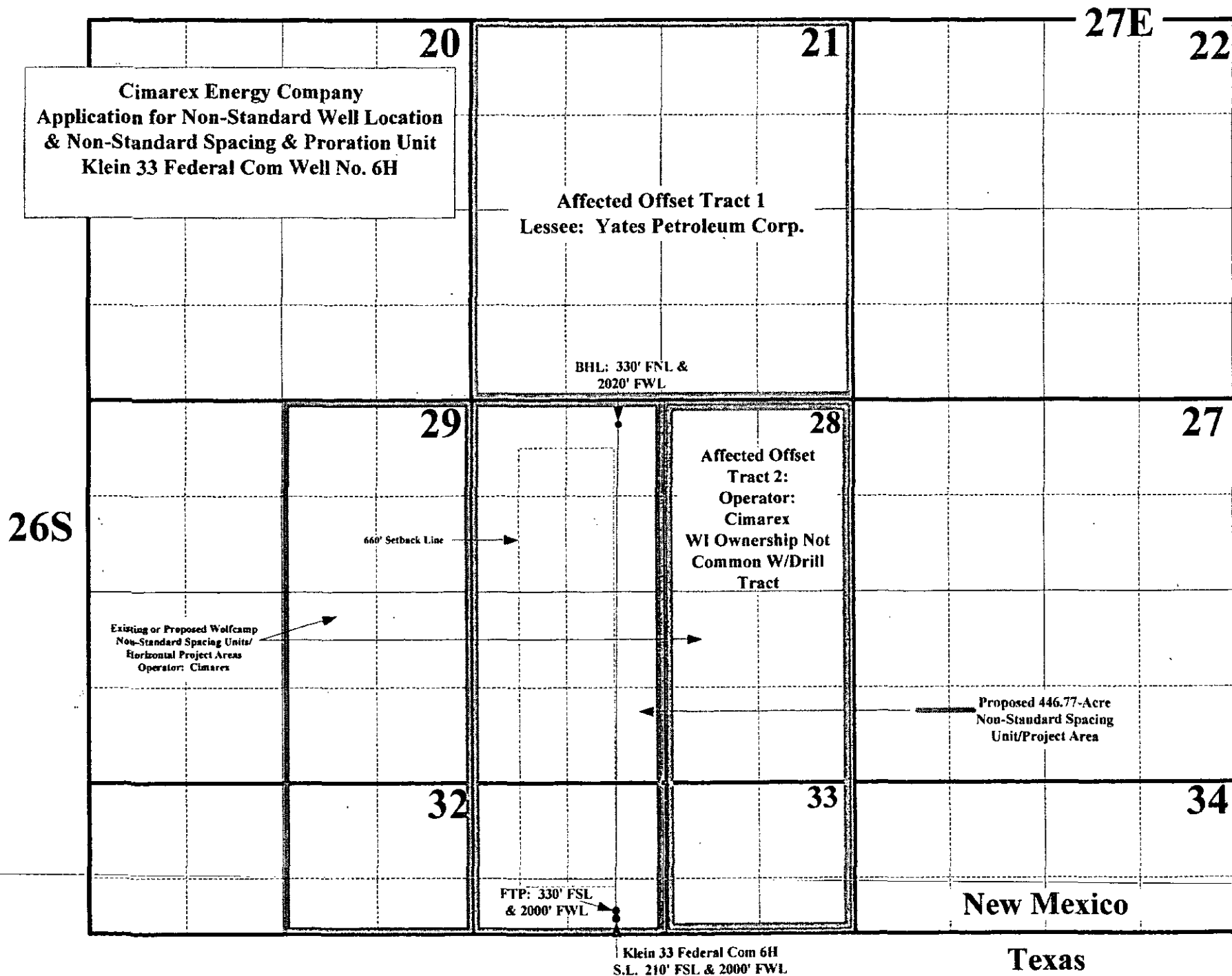
"Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	28	26S	27E		330	NORTH	2020	WEST	EDDY

¹¹ Dedicated Acres 446.77	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No. NSL & NSP pending
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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.





October 28, 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: (SEE ATTACHED NOTICE LIST)

Re: Cimarex Energy Company
Application for Non-Standard Spacing Unit/Horizontal Project Area &
Non-Standard Well Location
Klein 33 Federal Com No. 6H
Eddy County, New Mexico

Ladies & Gentlemen:

Enclosed please find a copy of an application for a Non-Standard Spacing Unit/Horizontal Project Area and Unorthodox Horizontal Well Location filed with the Oil Conservation Division. Cimarex Energy Company ("Cimarex") proposes to form a 446.77-Acre Non-Standard Gas Spacing Unit/Horizontal Project Area comprising the W/2 of Section 28 and Units C & D and Lots 3 & 4 of Irregular Section 33, both in Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico. This unit will be dedicated to the Klein 33 Federal Com Well No. 6H, which will be drilled as a horizontal well to test the WC-015 S262728A; Wolfcamp (Gas) Pool. The well is located at surface, first take point and bottomhole locations as described in the application.

You are being provided a copy of the application as an affected offset leaseholder or affected offset working interest owner. Objections must be filed with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within 20 days.

If you should have any questions, please contact me at (505) 690-9453.

Sincerely,



David Catanach-Agent
Cimarex Energy Company
600 N. Marienfeld, Suite 600
Midland, Texas 79701

Enclosure

Notice List
Cimarex Energy Company
Application for Unorthodox Well Location &
Non-Standard Spacing Unit/Horizontal Project Area
Klein 33 Federal Com No. 6H (API No. 30-015-42034)
Sections 28 & 33, T-26 South, R-27 East, NMPM

Tract No. 1: All of Section 21, T-26S, R-27E: Lease Owner:

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, New Mexico 88210

Tract No. 2: E/2 of Section 28 & Units A & B and Lots 1 & 2 of Irregular Section 33, T-26S, R-27E: Working Interest Owners:

COG Operating, LLC
One Concho Center
600 W. Illinois Avenue
Midland, Texas 79701

Premier Oil & Gas, Inc.
901 Waterfall Way, Suite 205
Richardson, Texas 75080
Attn: Kenneth C. Jones

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701

Mobil Producing Texas & NM, Inc.
c/o XTO Energy, Inc.
810 Houston Street
CORP WGR 706
Fort Worth, Texas 76102-6298

Nearburg Exploration Company, LLC
3300 North "A" Street, Bldg. 2, Suite 120
Midland, Texas 79705

Black Stone Minerals Company, LP
1001 Fannin Street, Suite 2020
Houston, Texas 77002

Matagorda, B1, L.P.
2001 Kirby Dr., Suite 1200
Houston, Texas 77019

Cimarex Energy Company

Notice by publication will be provided to the following working interest owners whose address cannot be located:

Petrorep Resources, Ltd.

Corexcal

Cimarex Energy Company
Application for Non-Standard Spacing Unit/Horizontal Project Area &
Non-Standard Well Location
Klein 33 Federal Com No. 6H
Sections 28 & 33, T-26 South, R-27 East, NMPM,
Eddy County, New Mexico

The following-described legal notice will be published in the:

Artesia Daily Press
503 W. Main Street
Artesia, New Mexico 88210-2067

The Affidavit of Publication will be forwarded to the Division upon receipt by Cimarex Energy Company

**TO: Petrorep Resources, Ltd.
Corexcal**

Cimarex Energy Company, 600 North Marienfeld, Suite 600, Midland, Texas 79701 has filed an application with the Oil Conservation Division seeking administrative approval to form a 466.77-Acre Non-Standard Spacing Unit/Horizontal Project Area comprising the W/2 of Section 28 and Units C and D and Lots 3 & 4 (NW/4 equivalent) of Irregular Section 33, both in Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico. This unit is to be dedicated to the Klein 33 Federal Com No. 6H which will be horizontally drilled from an unorthodox surface location 210 feet from the South line and 2020 feet from the West line and a first-take point unorthodox location 330 feet from the South line and 2020 feet from the West line, both in Irregular Section 33, to an unorthodox bottomhole location 330 feet from the North line 2020 feet from the West line (Unit C) of Section 28.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 20 days of the date of this publication.

Additional information can be obtained by contacting Mr. David Catanach Agent-Cimarex Energy Company at (505) 690-9453.

7012 0470 0001 5936 7695

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 1.40	0501
Certified Fee	\$3.30	06
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	OCT 29 2014
Total	\$7.40	10/29/2014

Sent To: Mobil Producing Texas & NM
 c/o XTO Energy, Inc.
 810 Houston, Street
 CORP WGR 706
 Fort Worth, Texas 76102-6298

PS Form 3800, August 2006 See Reverse for Instructions

7012 0470 0001 5936 7701

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Certified Fee	\$3.30	06
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	OCT 29 2014
Total	\$7.40	10/29/2014

Sent To: Black Stone Minerals Co., LP
 1001 Fannin Street, Suite 2020
 Houston, Texas 77002

PS Form 3800, August 2006 See Reverse for Instructions

7012 0470 0001 5936 7671

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Certified Fee	\$3.30	06
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	OCT 29 2014
Total	\$7.40	10/29/2014

Sent To: Nearburg Exploration Co. LLC
 3300 N. A Street, Bldg. 2, Suite 120
 Midland, Texas 79705

PS Form 3800, August 2006 See Reverse for Instructions

7012 0470 0001 5936 7688

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Certified Fee	\$3.30	06
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	OCT 29 2014
Total	\$7.40	10/29/2014

Sent To: Matagorda, B1, L.P.
 2001 Kirby Dr., Suite 1200
 Houston, Texas 77019

PS Form 3800, August 2006 See Reverse for Instructions

7012 0470 0001 5936 7640

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Postage	\$ 1.40	0501
Certified Fee	\$3.30	06
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	OCT 29 2014
Total	\$7.40	10/29/2014

Sent To: COG Operating, LLC
 One Concho Center
 600 W. Illinois Avenue
 Midland, Texas 79701

PS Form 3800, August 2006 See Reverse for Instructions

7012 0470 0001 5936 7657

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 1.40	0501
Certified Fee	\$3.30	06
Return Receipt Fee (Endorsement Required)	\$2.70	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	OCT 29 2014
Total	\$7.40	10/29/2014

Sent To: Mewbourne Oil Company
 500 W. Texas, Suite 1020
 Midland, Texas 79701

PS Form 3800, August 2006 See Reverse for Instructions

7012 0470 0001 5936 7718

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For delivery information visit our website at www.usps.com	
RICHARDSON, TX 75080	
OFFICIAL USE	
Postage	\$ 1.40
Certified Fee	\$3.30
Return Receipt Fee (Endorsement Required)	\$2.70
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total P	\$7.40
Sent To Street, Ap or PO Box City, State	
Premier Oil & Gas, Inc. 901 Waterfall Way, Suite 205 Richardson, Texas 75080 Attn: Kenneth C. Jones	
PS Form 3800, August 2000	

7012 0470 0001 5936 7633

U.S. Postal Service™	
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For delivery information visit our website at www.usps.com	
ARTESIA, NM 88210	
OFFICIAL USE	
Postage	\$ 1.40
Certified Fee	\$3.30
Return Receipt Fee (Endorsement Required)	\$2.70
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total P	\$7.40
Sent To Street, Ap or PO Box City, State	
Yates Petroleum Corporation 105 S. Fourth Street Artesia, New Mexico 88210	
PS Form 3800, August 2000	

Affidavit of Publication

No. 23233

State of New Mexico

County of Eddy:

Danny Scott

being duly sworn, says that he is the

Publisher

of the Artesia Daily Press, a daily newspaper of General circulation, published in English at Artesia, said county and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/day on the same

day as follows:

First Publication October 30, 2014

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

Subscribed and sworn before me this

30th day of October 2014



OFFICIAL SEAL
Latisha Romine
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 5/12/2015

Latisha Romine

Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

TO: Petrorep Resources, Ltd.
Corexcal

Cimarex Energy Company, 600 North Marlenfeld, Suite 600, Midland, Texas 79701 has filed an application with the Oil Conservation Division seeking administrative approval to form a 466.77-Acre Non-Standard Spacing Unit/Horizontal Project Area comprising the W/2 of Section 28 and Units C and D and Lots 3 & 4 (NW/4 equivalent) of Irregular Section 33, both in Township 26 South, Range 27 East, NMPM, Eddy County, New Mexico. This unit is to be dedicated to the Klein 33 Federal Com No. 6H which will be horizontally drilled from an unorthodox surface location 210 feet from the South line and 2020 feet from the West line and a first-take point unorthodox location 330 feet from the South line and 2020 feet from the West line, both in Irregular Section 33, to an unorthodox bottomhole location 330 feet from the North line 2020 feet from the West line (Unit C) of Section 28.

Interested parties must file objections with the New Mexico Oil Conservation Division, 1220 S. St Francis Drive, Santa Fe, New Mexico 87505, within 20 days of the date of this publication.

Additional information can be obtained by contacting Mr. David Catanach Agent-Cimarex Energy Company at (505) 690-9453.

Published in the Artesia Daily Press, Artesia, N.M., October 30, 2014 Legal No. 23233.

McMillan, Michael, EMNRD

From: David Catanach <drcatanach@netscape.com>
Sent: Tuesday, November 18, 2014 1:32 PM
To: McMillan, Michael, EMNRD
Subject: Re: Klein 6H NSP and NSL location

Yes Micheal, Those are exactly the reasons. If I failed to put that in the application, my apology. Just goes to show you, nobody's perfect.

Thanks,

David

--- Michael.McMillan@state.nm.us wrote:

From: "McMillan, Michael, EMNRD" <Michael.McMillan@state.nm.us>
To: "Catanach, David" <drcatanach@netscape.com>
Subject: Klein 6H NSP and NSL location
Date: Tue, 18 Nov 2014 19:40:19 +0000

David:

Is this why you want the NSL and NSP for the Klein Federal 6H? This is the similar reason used in previous applications.

Your last application stated why you moved the location, and not an overall reasons for the NSP and NSL

- It is our understanding that you are seeking this location in order to maximize the recovery of oil and gas reserves from the Wolfcamp formation within the project area.
- It is our understanding that you are seeking this location because the non-standard project area represents a reasonable and effective method by which portions of Irregular Section 33 can be incorporated into horizontal Wolfcamp project area.

Mike

Netscape. Just the Net You Need.

McMillan, Michael, EMNRD

From: Shapard, Craig, EMNRD
Sent: Monday, November 24, 2014 8:19 AM
To: McMillan, Michael, EMNRD
Subject: RE: Cimarex Klein 6H pool designation API 30-015-42034

This well has always been in the B.S., left out of the loop concerning pool change to W.C.

T.C. Shapard
District II Geologist
Energy Minerals & Natural Resource Department
811 S. First Street
Artesia, New Mexico 88202
Office: (575) 748-1283 Ext. 103
Fax: (575) 748-9120
E-MAIL: Craig.Shapard@state.nm.us



New Mexico Energy, Minerals and Natural Resources Department

From: McMillan, Michael, EMNRD
Sent: Monday, November 24, 2014 7:58 AM
To: Shapard, Craig, EMNRD
Subject: RE: Cimarex Klein 6H pool designation API 30-015-42034

TC:
The C-102 has a Bone Spring designation; however, the NSL and NSP application has Wolfcamp. API 30-015-42034

From: Shapard, Craig, EMNRD
Sent: Monday, November 24, 2014 7:26 AM
To: McMillan, Michael, EMNRD
Subject: RE: Cimarex Klein 6H pool designation API 30-015-42034

Need some info.

T.C. Shapard
District II Geologist
Energy Minerals & Natural Resource Department
811 S. First Street
Artesia, New Mexico 88202
Office: (575) 748-1283 Ext. 103
Fax: (575) 748-9120
E-MAIL: Craig.Shapard@state.nm.us



New Mexico Energy, Minerals and Natural Resources Department

From: McMillan, Michael, EMNRD
Sent: Friday, November 21, 2014 9:03 AM