

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-768
Administrative Application Reference No. pMAM1525837108

October 6, 2015

Cimarex Energy Co. of Colorado
Attention: Ms. Aricka Easterling

Cimarex Energy Co. of Colorado (OGRID 162683) is hereby authorized to surface commingle oil and gas production from Quail Ridge; Bone Spring, South Pool (50461) from the following leases and wells:

Lease: Communization Agreement Chaparral 33 Federal Com 3H
Description: E/2 E/2 of Section 33, Township 19 South, Range 34 East, NMPM
Wells: Chaparral 33 Federal Com. Well No. 3H

Lease: Pending Communization Agreement Chaparral 33 Federal Com 4H
Description: W/2 E/2 of Section 33, Township 19 South, Range 34 East, NMPM
Well: Chaparral 33 Federal Com. Well No. 4H

Lease: Pending Communization Agreement Chaparral 33 Federal Com 5H
Description: E/2 W/2 of Section 33, Township 19 South, Range 34 East, NMPM
Well: Chaparral 33 Federal Com. Well No. 5H

The combined project area for these wells include the E/2 and E/2 W/2 of Section 33, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Chaparral 33 Federal Com. Well No. 3H Central Tank Battery (CTB), located in Unit A, Section 33, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be separately metered using allocation meters.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on October 6, 2015.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs
Bureau of Land Management – Carlsbad