

DATE IN 13-Feb-07	SUSPENSE	ENGINEER D. Brooks	LOGGED IN 15-Feb-07	TYPE NSL	APP NO p CLP 0704639 689
-------------------	----------	--------------------	---------------------	----------	--------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



*Cimmonex
 Mescalero 30 Fed #
 5579*

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 _____

2007 FEB 13 PM 1 51

[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.

James Bruce
 P.O. Box 1056
 Santa Fe, New Mexico 87504

Signature

Attorney for Applicant
 Title

Date

jamesbruc@aol.com
 e-mail Address

2/13/07

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

February 14, 2007

Hand delivered

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

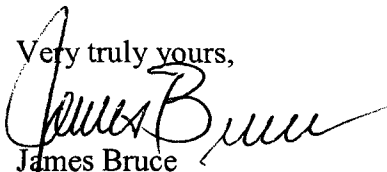
Dear Mr. Fesmire:

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

<u>Well:</u>	Mescalero 30 Fed. Well No. 2
<u>Location:</u>	1200 feet FSL & 1980 feet FWL
<u>Well Unit:</u>	SE $\frac{1}{4}$ SW $\frac{1}{4}$ §30-19S-34E, Lea County, New Mexico

The well was drilled in 2003, and was completed in the Morrow formation (Quail Ridge-Morrow Gas Pool). The well is currently an uneconomic Morrow producer, and applicant proposes to re-complete the well in the Strawn formation (East Gem-Strawn Pool). Under statewide rules, spacing is 40 acres, with wells to be at least 330 feet from a quarter-quarter section line. A Sundry Notice proposing the work, with a Form C-102, is attached as Exhibit A.

The entire section is subject to Federal Lease NM 056376, which has common royalty, overriding royalty, and working interest ownership. Therefore, there is no adversely affected offset, and notice of this application has not been given to anyone.

Very truly yours,

James Bruce

Attorney for Cimarex Energy Co. of Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
abandoned well. Use form 3160-3 (APD) for such proposals.*

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NM-056376
2. Name of Operator Cimarex Energy Co. of Colorado		6. If Indian, Allottee or Tribe Name
3a. Address PO Box 140907; Irving, TX 75014-0907	3b. Phone No. (include area code) 972-401-3111	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) N-30-19S-34E 1200' FSL & 1980' FWL		8. Well Name and No Mescalero 30 Federal No. 2
		9. API Well No. 30-025-36040
		10. Field and Pool, or Exploratory Area Quail Ridge; Morrow (Gas)
		11. County or Parish, State Lea County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete to Strawn	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, included estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The Mescalero 30 Federal No. 2 is currently producing 2-4 mcfpd from Quail Ridge; Morrow (Gas) perfs from 13412'-13430'. Cimarex proposes to re-enter, set CIBP @ 13190' w/ 35' cmt, and perf as follows:

Perf Lower Strawn 12264'-12278' 3 jsp/ 42 holes. With packer at 12278', spot 4 bbl 15% NeFe HCL. Then acidize with 1500 gal 15% NeFe HCL w/ 60 ball sealers. Swab to test production, then release packer.

Perf Upper Strawn 12238'-12248' 3 jsp/ 30 holes. Set RBP @ 12258' and packer @ 12248'. Spot with 4 bbl 15% NeFe HCL. Then acidize with 1500 gal 15% NeFe HCL w/ 45 ball sealers. Swab to test production.

If additional stimulation is needed, pull packer and RBP and frac with plan devised at time of procedure. Swab to test production again.

Set production packer @ 12150', swab again if needed, and turn well to sales as a Gem; Strawn producer.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Natalie Krueger

Signature

Natalie Krueger

Title

Reg Analyst 1

Date

December 27, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of Approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or a fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

EXHIBIT

A

DISTRICT I
1825 N French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1009 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36040	Pool Code	Pool Name E Gem; Strawn 96244
Property Code	Property Name MESCALERO 30 FEDERAL	Well Number 2
OCRID No. 162683	Operator Name Cimarex Energy Co. of Colorado	Elevation 3641'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	19 S	34 E		1200	SOUTH	1980	WEST	LEA

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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No. NSL Pending						

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 that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Zeno Farris</i> Signature</p> <p>Zeno Farris Printed Name</p> <p>Mgr Operations Admin Title</p> <p>12-27-06 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>FEBRUARY 4, 2002 Date Surveyed</p> <p><i>[Signature]</i> Signature of Professional Surveyor</p> <p>NEW MEXICO Professional Surveyor 7977</p> <p>P.W.O. No. 22694</p> <p>Certified by Gary L. Jones 7977 PROFESSIONAL LAND SURVEYOR</p>	
	<p>Mescalero 30 Federal #2</p> <p>NM-056376</p>	

CIMAREX ENERGY CORPORATION

Mescalero "30" Federal #2

Quail Ridge COMPLETION PROCEDURE September 19, 2006

OBJECTIVE:

Restore Morrow Production or Recomplete to Strawn

WELL DATA:

Elevation: 3664 RKB (23' AGL)
TD: 13756'
PBTD: 13696' (FC)
Casing: 13 3/8, 48#, H40, ST&C @ 445'. Cement Circulated
9 5/8" 40# NS-110HC 8rd LTC @ 3525. Cement Circulated
5 1/2" 17# P110 LTC @ 13750' Cement Circulated 2nd Stage only
Casing Leak: @ 5012-5041--Squeezed
Existing Morrow Perfs: 13,212 – 13,430' (Non-continuous)
Proposed Strawn Perfs: 12,238-48, 12,264-78
Tubing: 2 3/8", 4.7#, 8R, EUE
Correlation Log: Halliburton CBL Dated 8/26/03

PROCEDURE

1. MI & RU Slick line. RIH verify check valve removal from XN nipple (Packer @ 13380), Remove check if necessary. Run dip in pressure survey.
2. NUWH, turn to sales Swab if necessary.
3. Production test 30-60 days, evaluate for plunger, gas lift, or capillary string.

RECOMPLICATE TO STRAWN

If production from the Morrow cannot be restored proceed with Strawn recompletion:

1. MIRUPU, NUBOP, TOH w/ tubing.
2. RU WL Run GR/JB to 13,300±', set CIBP @ 13,190±', (within 100' of top Morrow perf @ 13,212') dump 35' cement on CIBP.
3. TIH w/ tubing and packer to 6000±' (below squeeze @ 5012-5041). Set packer and test casing/CIBP to 2500 psi. TOH
4. Perf Strawn 3 JSPF phased 120 degrees using premium charges as follows:
 - 12264-78 (14', 42 holes)
5. TIH with tubing and packer to 12,278', Spot 4 bbl 15% NEFE HCL, PU tubing to 12,150 and reverse 4 bbl into tubing. Set packer.

6. Acidize Lower Strawn interval 12,264-78' w/ 1500 gal 15% NEFE HCL use 60 ball sealers for diversion.
7. Swab to recover load and test production.
8. Release packer and POH.
9. Perf Strawn 3 JSPF phased 120 degrees using premium charges as follows:
 - **12238-48 (10', 30 holes)**
10. TIH with tubing, RBP and packer. Set RBP @ ~12,258' (between two sets of perfs). PU with packer at 12,248' & spot 4 bbl 15% NEFE HCL, Pull tubing to ~12,150 and reverse 4 bbl into tubing. Set packer.
11. Acidize Upper Strawn interval 12,238-48' w/ 1500 gal 15% NEFE HCL use 45 ball sealers for diversion.
12. Swab to recover load and test production.
13. IF additional stimulation is required, pull tubing, packer and RBP. Run 3 1/2" frac string and packer to 6000' +/- set packer. RU & frac as per attached recommendation.
14. Flow and/or swab back to recover load and test production.
15. Pull 3 1/2" frac string. Run production packer and 2 3/8 production tubing, set packer @ 12150'.
16. Swab well in if necessary.
17. Turn well to sales.

CIMAREX ENERGY COMPANY

SPUDDED 7/11/03

Mescalero 30 Federal #2

API : 30-025-36040

Proposed Recompletion

J. Piwetz, 9/21/2006

KB: 3664' (23' AGL)
DF: 3663'
GL: 3641'

1200' FSL & 1580' FWL
Unit N, Sec 30, T19S, R24E
Lea County, NM
Quail Ridge, Morrow

Casing Strings:

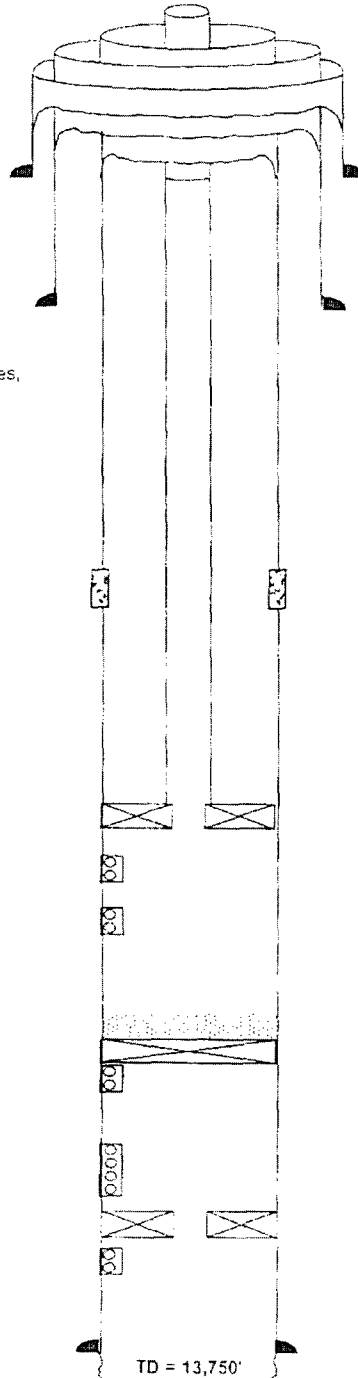
13 3/8" 48#, H-40, STC @ 445'
TOC @ surface.

9 5/8" 40#, NS110-HC, STC @ 3525'
TOC @ surface.

5 1/2" 17#, P110 @ 13,750'. Cmt 2 stages,
cmt circ 2nd stage only.

Tubing String:

No tbg detail in file
2 3/8" tbg w/sliding sleeve @ 13,158'



Sqz csg leak 5012'-5041'

Strawn Perfs: 12,238-248 (10', 30 holes)

Strawn Perfs: 12,264-278 (14', 42 holes)

Perfs: 13,212'-24', 13,265'-68'

CIBP @ 13,190'

Perfs: 13,307'-10', 13,312'-20', 13,323'-34'

Howco permanent pkr @ 13,380'

Perfs: 13,3412'-30'

TD = 13,750'

PBD = 13,696'