

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



RECEIVED

**Cimarex Energy Co. of Colorado**

5215 North O'Connor Blvd. ♦ Suite 1500 ♦ Irving, TX 75038 ♦ (972) 443-3111 ♦ Fax (972) 443-6486  
Mailing Address: P.O. Box 140907 ♦ Irving, TX 75014-0907  
Cimarex Energy Co. • A NYSE Listed Company • "XEC"

October 16, 2007

Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, New Mexico 87505  
Attn: Mr. Will Jones

Re: Matador 28 State No. 1  
28-18S-33E  
30-025-31037  
Lea County, NM

Dear Mr. Jones:

Enclosed is an original form C-107A (Application for Downhole Commingling) for the referenced well.

The Matador 28 State No. 1 was recently recompleted by adding more Bone Spring perfs (9270'-9628') to previously producing Bone Spring perfs (10002'-10042'). In addition, Wolfcamp perfs at 11146'-11240' and at 11330'-11539' have been behind CIBPs since 12/94.

Cimarex proposes to downhole commingle the Bone Spring and Wolfcamp zones by removing the CIBPs above each Wolfcamp interval. We will use the subtraction method with a current Bone Spring test and future combined Bone Spring/Wolfcamp production to obtain our fixed percentage allocation.

It is anticipated that the reservoir pressure from these two zones will be compatible and the resulting volumes would not warrant a tubing-casing dual completion.

All royalty, overriding royalty, and working interest owners are identical in the two zones, and will not be harmed by a Bone Spring/Wolfcamp commingling.

If anything further is needed regarding this issue, or if you have any questions, please feel free to contact me at 972-443-6489.

Yours truly,

Zeno Farris  
Manager, Operations Administration

District I  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division

APPLICATION TYPE

District III  
1000 Rio Brazos Road, Aztec, NM 87410

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Single Well

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes  No

Cimarex Energy Co. of Colorado 5215 N. O'Connor Blvd., Suite 1500; Irving, TX 75039

Operator Address

DHC-3903

Matador 28 State 001 E-28-18S-33E Lea

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 162683 Property Code API No. 30-025-31037 Lease Type: Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Corbin; Bone Spring, South		Corbin; Wolfcamp, South
Pool Code	13160		13320
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9270'-10042'		11146'-11539'
Method of Production (Flowing or Artificial Lift)	Pump		Pump
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Within 150% of bottom perfs		
Oil Gravity or Gas BTU (Degree API or Gas BTU)	32.1, 1.492		40.2, 1.455
Producing, Shut-In or New Zone	Producing		Shut-In
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 06-19-07 Rates: 33/31/33	Date: Rates:	Date: To be supplied Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas	Oil Gas	Oil Gas

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
 If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No   
 Are all produced fluids from all commingled zones compatible with each other? Yes  No   
 Will commingling decrease the value of production? Yes  No   
 If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Zeno Farris TITLE Manager Operations Administration DATE October 16, 2007

TYPE OR PRINT NAME Zeno Farris TELEPHONE NO. (972)443-6489

E-MAIL ADDRESS zfarris@cimarex.com

Submit to Appropriate District Office  
 State Leases - 4 copies  
 Fee Leases - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

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

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Cimarex Energy Co. of Colorado			Lease Matador 28 State			Well No. 1
Unit Letter E	Section 28	Township 18 South	Range 33 East	County Lea		

Actual Footage Location of Well:  
 1980 feet from the North line and 660 feet from the West line

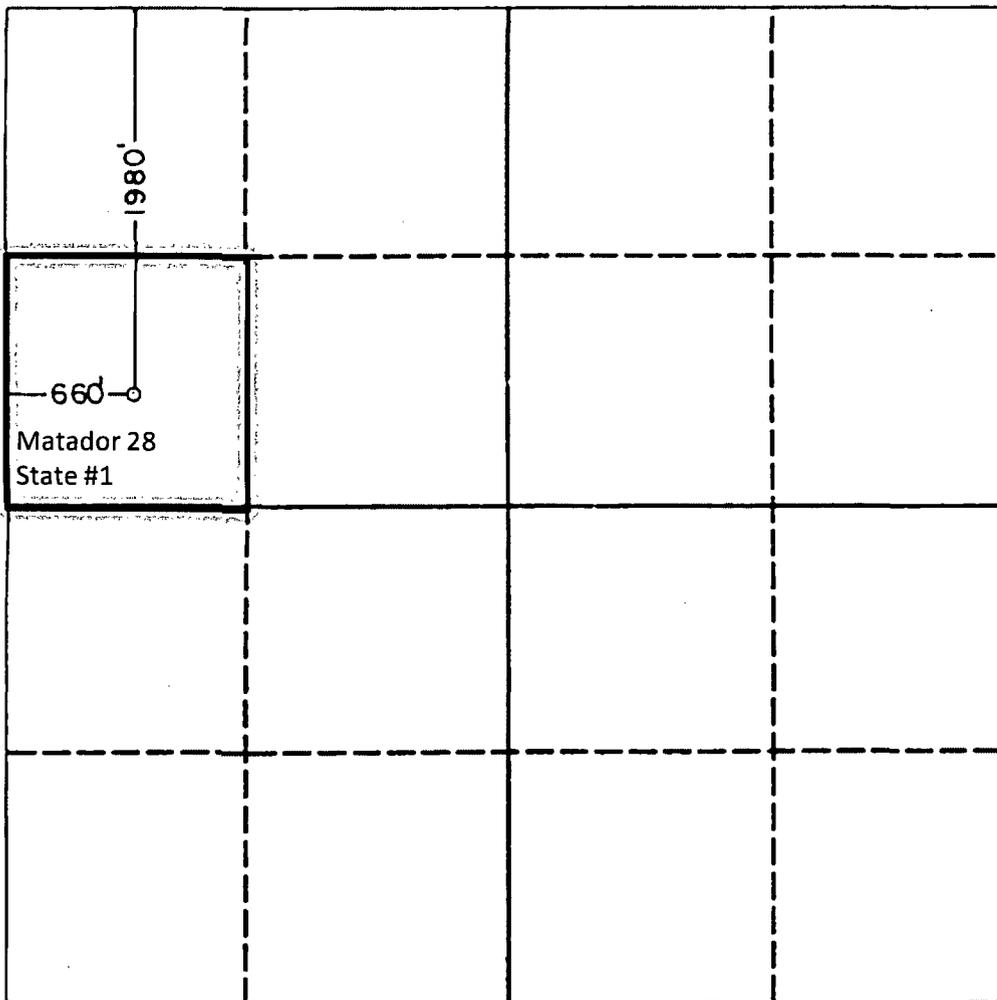
Ground level Elev. 3789.7	Producing Formation Bone Spring	Pool Corbin; Bone Spring, South	Dedicated Acreage: 40 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 

Yes  No If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Zeno Farris*  
 Signature  
 Zeno Farris  
 Printed Name  
 Manager Operations Admin  
 Position  
 Cimarex Energy Co. of Colorado  
 Company  
 10-16-07  
 Date

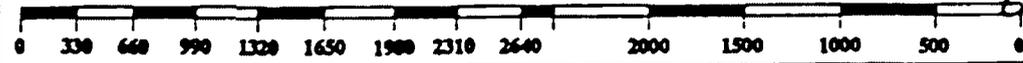
**SURVEYOR CERTIFICATION**

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 knowledge and belief.

Date Surveyed  
 September 8, 1990

Signature & Seal of Professional Surveyor  
  
 Signature  
 JOHN W. WEST  
 Certified No. 6776  
 JOHN W. WEST  
 9239

125930



MP

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

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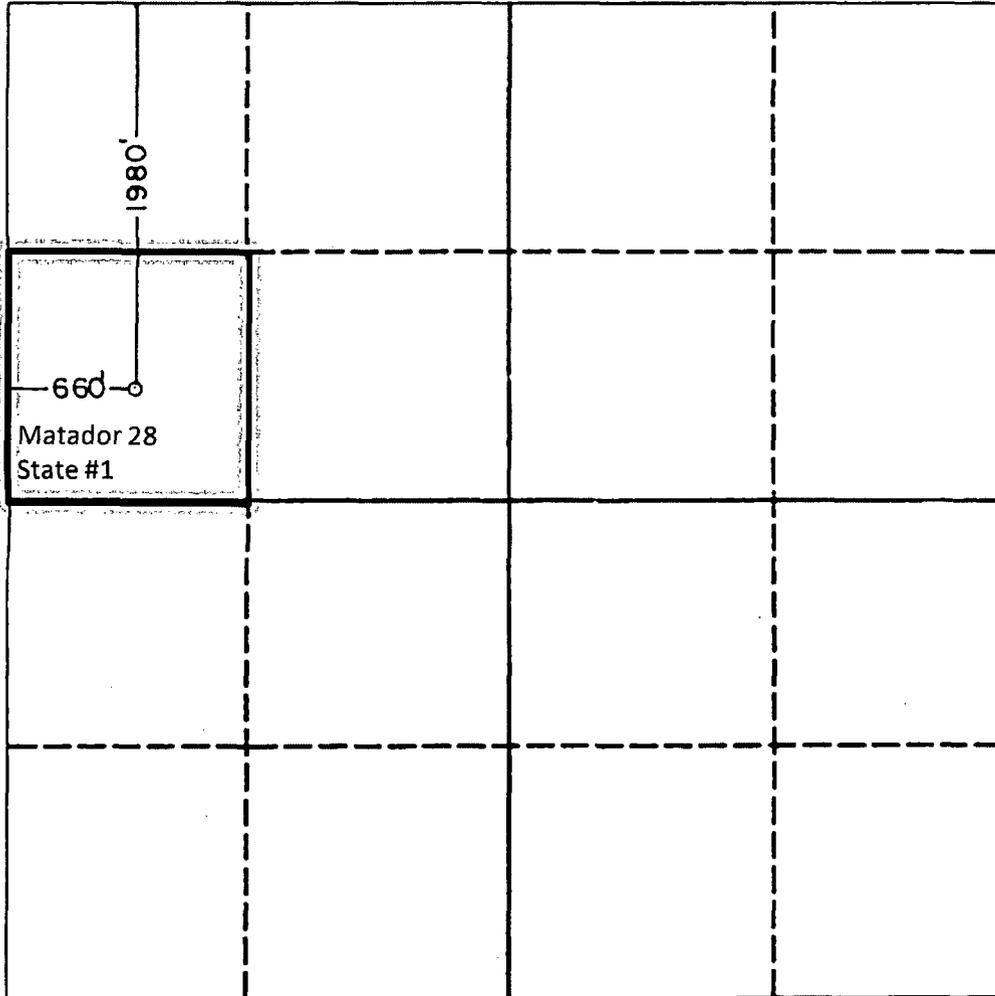
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*Zeno Farris*

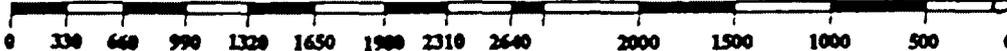
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Printed Name  
Manager Operations Admin  
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Company  
10-16-07  
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Date Surveyed  
September 8, 1990

Signature & Seal of Professional Surveyor  
*John W. West*  
Professional Surveyor  
JOHN W. WEST  
NEW MEXICO  
6724  
3739



mp