

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.**

|                    |           |                      |          |
|--------------------|-----------|----------------------|----------|
| Natalie Krueger    |           | Regulatory Analyst   | 11/21/08 |
| Print or Type Name | Signature | Title                | Date     |
|                    |           | nkrueger@cimarex.com |          |
|                    |           | e-mail Address       |          |

5215 N. O'Connor Blvd  
Suite 1500  
Irving, TX 75039  
972-401-3111 (phone)  
972-443-6486 (fax)

RECEIVED

Cimarex Energy Co. of Colorado 2008 NOV 24 AM 11 07

November 21, 2008

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

RE: Airpark 35 Federal Com No. 1  
30-015-35613  
C-107-A – Application for Downhole Commingling – Wolfcamp & Cisco-Canyon

Dear Mr. Jones,

Enclosed is an original Form C-107-A (Application for Downhole Commingling) for the well mentioned above.

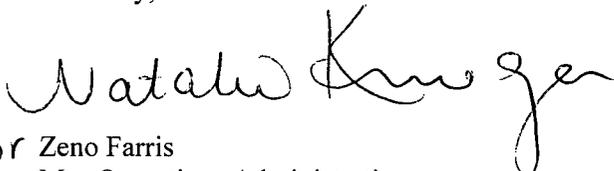
This well was completed in the Morrow in 04-08 with perfs at 11250'-11256.' Cimarex proposes to re-enter, set a CIBP @ 11175' w/ 35' cement, and then perf the Cisco-Canyon at 9800'-9939' and the Wolfcamp at 9062'-9355.' Then, the 2 zones will be combined in a 4-stage frac, with production numbers to be derived from running a production log post-frac. At that time, the allocation percentages will be submitted to the NMOCD for use in the production reporting split.

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

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

If you have any questions or need further information, please call me at 972-443-6489.

Sincerely,

  
for Zeno Farris  
Mgr Operations Administration

zfarris@cimarex.com

.....

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

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

DISTRICT III  
1000 Rio Brazos Rd., Asteo, NM 87410

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |   |                               |
|----------------------------|---|-------------------------------|
| API Number<br>30-015-35613 | Pool Code                                       | Pool Name<br>Wildcat Wolfcamp |
| Property Code              | Property Name<br>AIRPARK "35" FEDERAL COM       | Well Number<br>1              |
| OGRID No.<br>162683        | Operator Name<br>CIMAREX ENERGY CO. OF COLORADO | Elevation<br>3601'            |

Surface Location

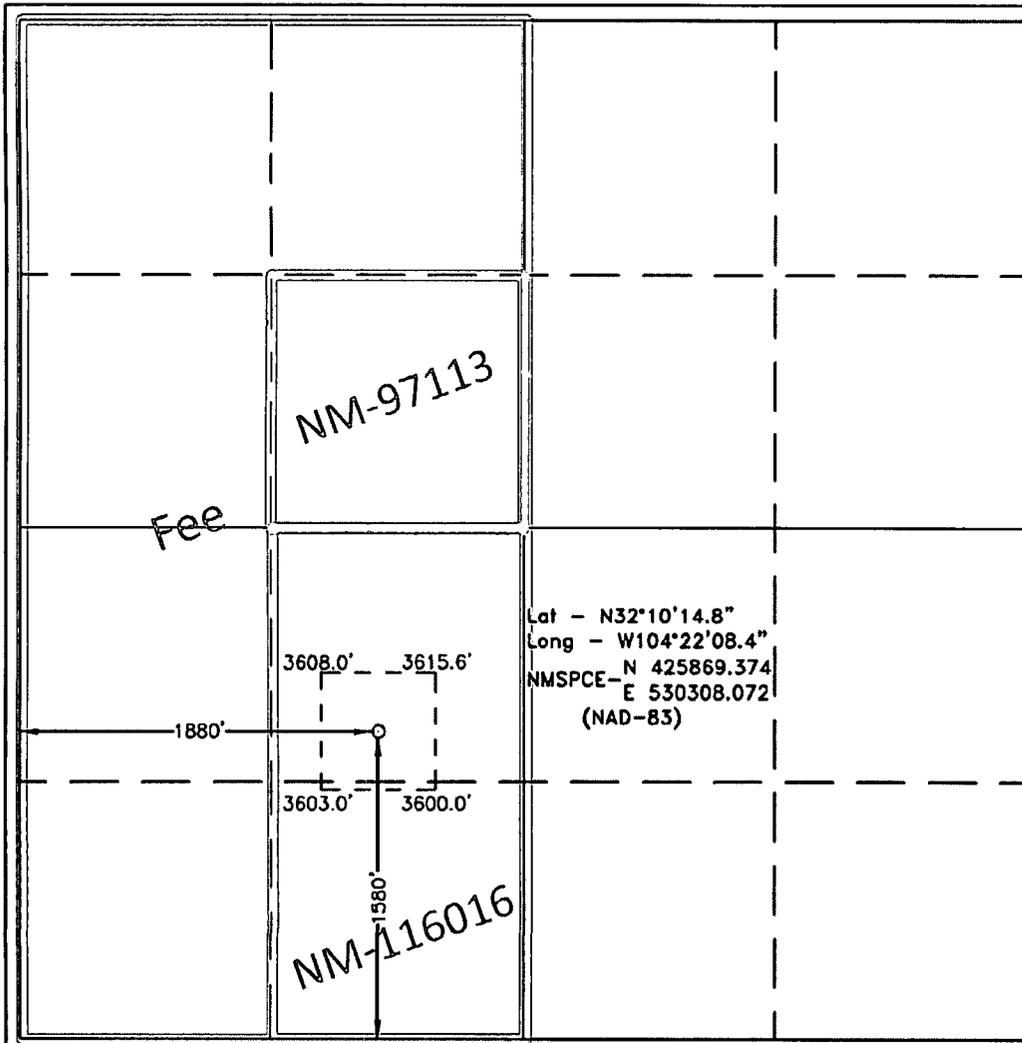
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K             | 35      | 24 S     | 25 E  |         | 1580          | SOUTH            | 1880          | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                        |                 |                         |                          |
|------------------------|-----------------|-------------------------|--------------------------|
| Dedicated Acres<br>320 | Joint or Infill | Consolidation Code<br>P | Order No.<br>DHC 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



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Zeno Farris 11-21-08  
Signature Date

Zeno Farris  
Printed Name

---

**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 belief.

MARCH 30, 2007  
Date Surveyed

GARY L. JONES  
Signature & Seal of Surveyor  
Professional Surveyor

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

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

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

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |   |  |
|----------------------------|---|--|
| API Number<br>30-015-35613 | Pool Code<br>97566                              | Pool Name<br>Walnut Canyon; Upper Penn |
| Property Code              | Property Name<br>AIRPARK "35" FEDERAL COM       | Well Number<br>1                       |
| OGRID No.<br>162683        | Operator Name<br>CIMAREX ENERGY CO. OF COLORADO | Elevation<br>3601'                     |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K             | 35      | 24 S     | 25 E  |         | 1580          | SOUTH            | 1880          | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                        |                 |                         |                          |
|------------------------|-----------------|-------------------------|--------------------------|
| Dedicated Acres<br>320 | Joint or Infill | Consolidation Code<br>P | Order No.<br>DHC 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><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Zeno Farris</i> 11-21-08<br/>Signature Date</p> <p>Zeno Farris<br/>Printed Name</p> |
|  | <p><b>SURVEYOR CERTIFICATION</b></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>MARCH 30, 2007<br/>Date Surveyed</p> <p>GARY L. JONES<br/>Signature &amp; Seal<br/>Professional Surveyor</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>   |

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

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

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

**APPLICATION FOR DOWNHOLE COMMINGLING**

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

Airpark 35 Federal Com 001 K-35-24S-25E Eddy  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 162683 Property Code API No. 30-015-35613 Lease Type:  Federal  State Fee

| DATA ELEMENT  | UPPER ZONE                               | INTERMEDIATE ZONE | LOWER ZONE                     |
|---|--|-------------------|--------------------------------|
| Pool Name   | WILDCAT; Wolfcamp <del>Wildcat</del> Gas |                   | Walnut Canyon; Upper Penn Gas  |
| Pool Code   |  |                   | 97566                          |
| Top and Bottom of Pay Section<br>(Perforated or Open-Hole Interval)   | 9062' - 9355'                            |                   | 9800' - 9939'                  |
| Method of Production<br>(Flowing or Artificial Lift)  | Flowing                                  |                   |                                |
| Bottomhole Pressure<br>(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<br>(Degree API or Gas BTU)   | To be supplied                           |                   | 1.125                          |
| Producing, Shut-In or New Zone  | New Zone                                 |                   | New Zone                       |
| Date and Oil/Gas/Water Rates of Last Production.<br>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date:<br>Rates: to be supplied           | Date:<br>Rates:   | Date:<br>Rates: to be supplied |
| Fixed Allocation Percentage<br>(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 November 21, 2008  
 TYPE OR PRINT NAME Zeno Farris TELEPHONE NO. (972) 443-6489  
 E-MAIL ADDRESS zfarris@cimarex.com

COPY

From: Origin ID: JMDA (469) 420-2723  
Natalie Krueger  
Cimarex Energy Co.  
600 East Las Colineas Blvd Ste 1100  
Irving, TX 75039



Ship Date: 21NOV08  
ActWgt: 1.0 LB  
CAD: 9016127/NET8091  
Account#: S \*\*\*\*\*

Delivery Address Bar Code

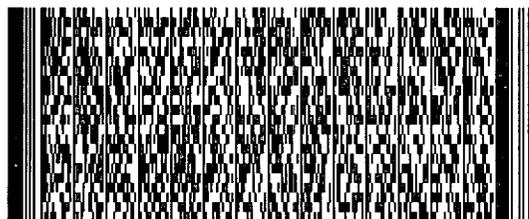


Ref # 31605 & C107A Airpark 35 1 DHC  
Invoice #  
PO #  
Dept #

SHIP TO: (505) 234-5972 BILL SENDER  
**Betty Hill**  
**Bureau of Land Management**  
**620 East Greene Street**  
  
**Carlsbad, NM 88220**

MON - 24NOV PM  
PRIORITY OVERNIGHT

TRK# 7961 3522 9898  
0201



**XH CAO A**

88220  
NM-US  
LBB



**After printing this label:**

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

**Warning:** Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits, see current FedEx Service Guide.