

4/2/09 DATE IN	SUSPENSE	D. Brooks ENGINEER	4/2/09 LOGGED IN	NSL TYPE	PKAA0909228599 APP NO.
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RECEIVED

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
2009 APR 2 AM 7 38 - Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



30-015
Chosa Draw "27"
Federal #003
Cimarex of CO.
11621683

ADMINISTRATIVE APPLICATION CHECKLIST

6028

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.

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

Signature

Attorney for Applicant
Title Date

jamesbruc@aol.com
e-mail Address

4/1/09

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

April 1, 2009

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 NMAC 19.15.15.13, Cimarex Energy Co. of Colorado applies for approval of an unorthodox oil well location for the following horizontal well:

<u>Well name:</u>	Chosa Draw "27" Fed. Com. Well No. 3
<u>Surface location:</u>	2480 feet FSL & 850 feet FEL
<u>Bottom hole location:</u>	330 feet FSL & 850 feet FEL
<u>Well unit (project area):</u>	E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 27, Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico

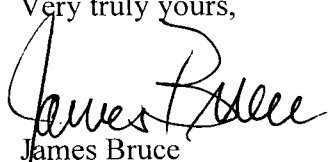
The well will test the Delaware formation (North Cottonwood Draw-Delaware Pool). Under the Division's statewide rules, spacing is 40 acres, with wells to be at least 330 feet from a quarter-quarter section line. A Form C-102 is attached as **Exhibit A**.

The well's surface location is unorthodox due to topography. The E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 27 is covered by arroyos except in the very northern portion of the well unit, where the wellsite and access road are located on a ridge top. **Exhibit B**. Thus the surface location must be moved to the north of an orthodox location; a surface location in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ is also not possible due to the arroyos. The well will penetrate the Delaware at the surface location.

Attached as **Exhibit C** is a land plat. The offsetting well unit in the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 27 (the Chosa Draw Fed. Com. Well No. 2) is covered by Federal Lease NM 94840 and a fee tract. The owners of that well unit are listed in **Exhibit D**. The remainder of Section 27 is covered by Federal Lease NM 92160, which is owned by Chevron USA Production Company and/or applicant. **Exhibit E**. Notice of this application has been sent to the offset interest owners. **Exhibit F**.

Please call me if you have any questions concerning this application.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Cimarex Energy Co. of Colorado

EXHIBIT A

Chosa Draw 27 Fed Com 2
 SHL 130 FNL & 940 FEL
 BHL 2295 FNL & 682 FEL

Chosa Draw 27 Fed Com 3
 SHL & P. P. 2480 FSL & 850 FEL
 BHL 330 FSL & 850 FEL

SURFACE LOCATION
 Lat - N32°06'01.28"
 Long - W104°16'29.28"
 NMSPCE - N 400250.6
 E 559462.7
 (NAD-83)

BOTTOM HOLE LOCATION
 Lat - N32°05'40.01"
 Long - W104°16'29.54"
 NMSPCE - N 398101.051
 E 559441.162
 (NAD-83)

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.

02-24-09
 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.

JANUARY 8, 2009
 Date Surveyed _____
 Signature & Seal of Gary L. Jones
 Professional Surveyor
 W.O. 100 21018
 Certificate No. Gary L. Jones 7977

BASIN SURVEYS

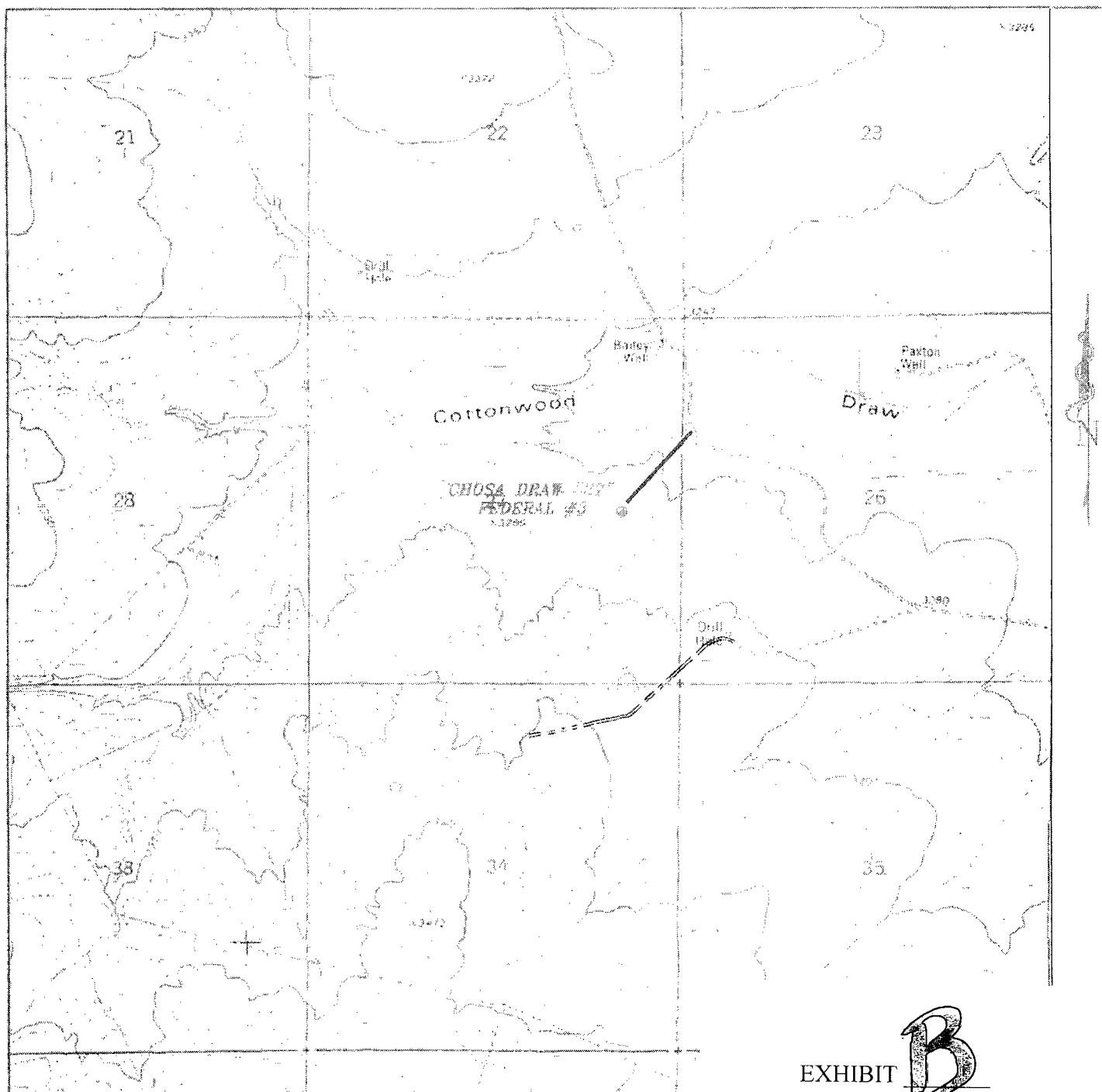


EXHIBIT **B**

CHOSA DRAW "27" FEDERAL #3
 Located 2480' FSL and 850' FEL
 Section 27, Township 25 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-2316 - Office
 (575) 393-2405 - Fax
 basin-surveys.com

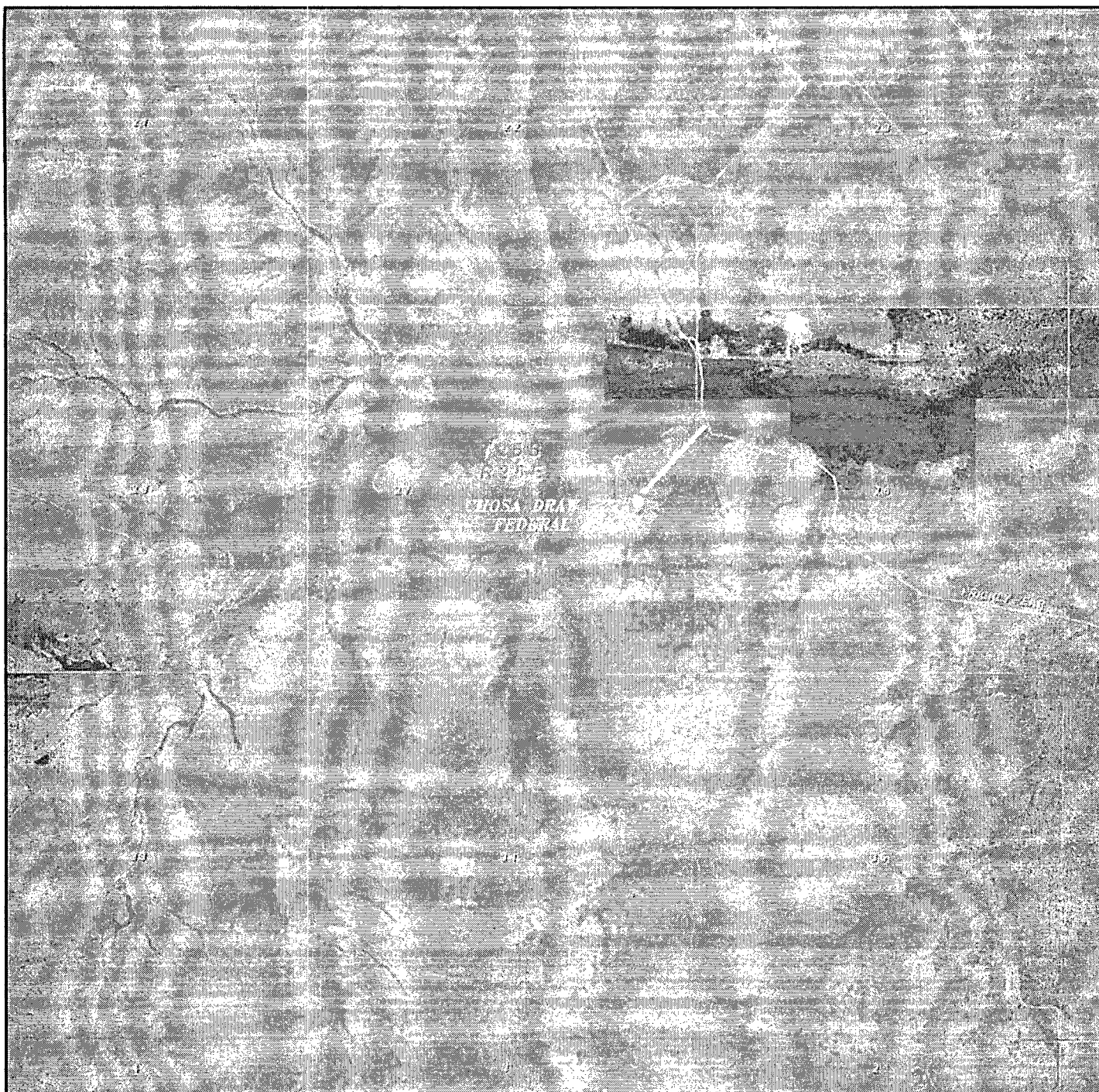
W.C. Number: JMC 21016

Survey Date: 01-09-2009

Scale: 1" = 200.0'

Date: 01-09-2009

CIMAREX
ENERGY CO.
OF COLORADO



CHOSA DRAW "27" FEDERAL #3
 Located 2480' FSL and 850' FEL
 Section 27, Township 25 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico



focused on excellence
 in the oilfield

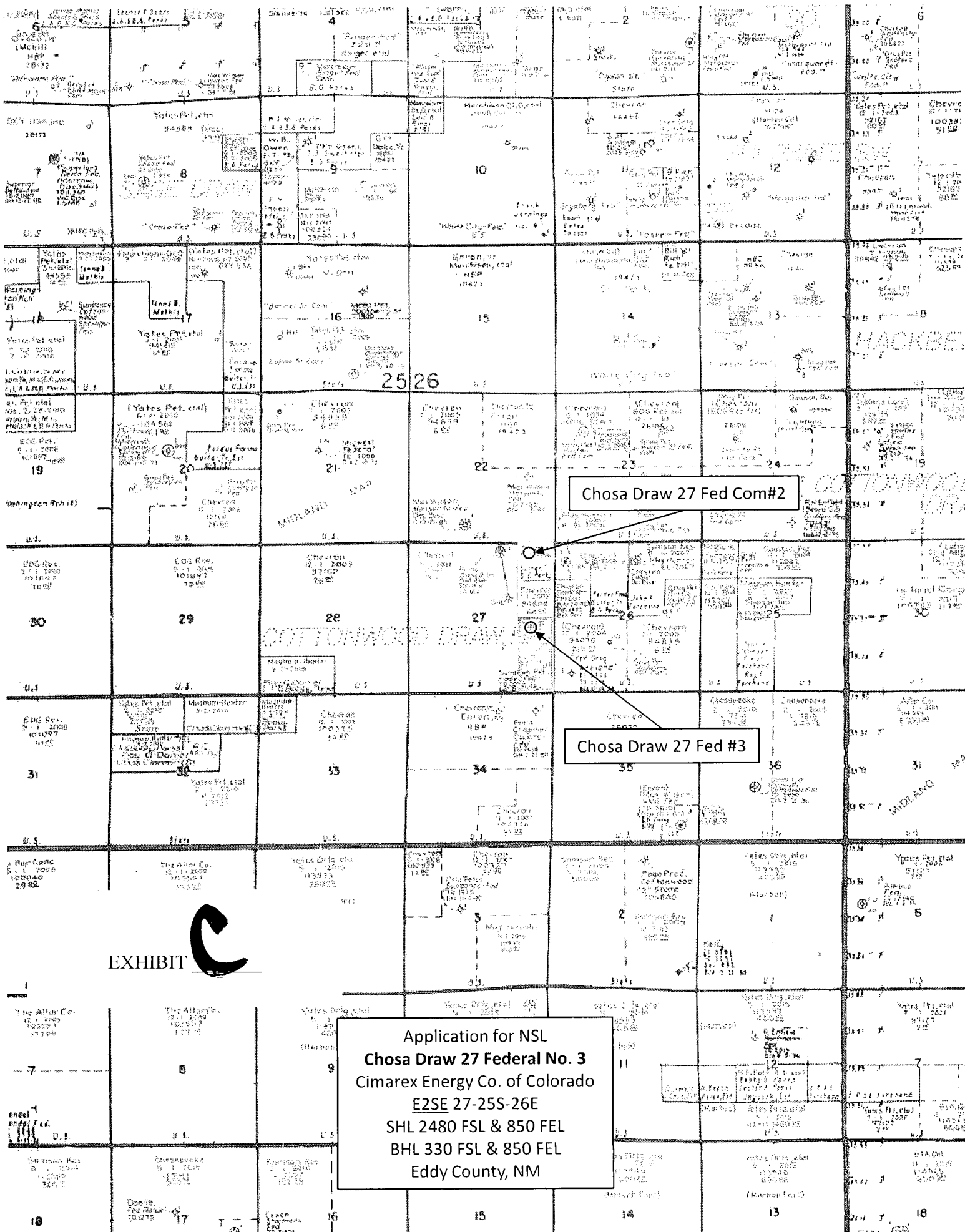
P.O. Box 1785
 1120 N. West County Rd
 Hobbs, New Mexico 88241
 (505) 343-7316 - Office
 (505) 343-2206 - Fax
 basin surveys.com

W.O. Number JMS 2101E

Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

**CIMAREX
 ENERGY CO.
 OF COLORADO**



EXHIBIT

Application for NSL
Chosa Draw 27 Federal No. 3
Cimarex Energy Co. of Colorado
E2SE 27-25S-26E
SHL 2480 FSL & 850 FEL
BHL 330 FSL & 850 FEL
Eddy County, NM

Chosa Draw 27 Federal No. 3
SHL 2480 FSL & 850 FEL (UL I), BHL 330 FSL & 850 FEL (UL P)
E2NE 27-25S-26E
Cottonwood Draw; Delaware, North
Eddy County, NM



RE: NSL Application - Notification of Non-Common Owners in E2NE 27-25S-26E

LESLIE DAVID GUITAR P O BOX 2228 BROWNWOOD, TX 76804	JACK G WOODS PO BOX 1159 ABILENE, TX 79604	CHEVRON USA INC OWNERSHIP DIVISION PO BOX 730436 DALLAS, TX 75373-0436
MINERALS MANAGEMENT SERVICE ROYALTY MANAGEMENT PROGRAM PO BOX 5810 DENVER, CO 80217-5810	PARDUE LIMITED COMPANY PO BOX 2018 CARLSBAD, NM 88221	GALL FAMILY TRUST LAURA WOODS GALL TRUSTEE 11409 SNOWWHITE DR DALLAS, TX 75229-2760
WENDE W MORGAN 1720 SOUTHWICKE FLOWER MOUND, TX 75022	JOHN G. WITHERSPOON JR 7404 LEMONWOOD LANE FT. WORTH, TX 76133	BRETT G. WITHERSPOON PO BOX 100635 FT. WORTH, TX 76185
WHITTEN G. WITHERSPOON 7524 PEAR TREE LANE FT. WORTH, TX 76133	PRESSLEY HUDSON GUITAR PO BOX 5383 ABILENE, TX 79608-5383	KELLY WOODS LEACH C/O JACK G WOODS AIF 312 GREATVIEW CIRCLE BIRMINGHAM, AL 35226-2320
REPPS B GUITAR JR PO BOX 7252 ABILENE, TX 79608	JACK G WOODS JR PO BOX 341342 AUSTIN, TX 78734-0023	THE RUTH G MURCHISON TRUST RUTH G MURCHISON TRUSTEE PO BOX 712 RED BLUFF, CA 96080
CATHERINE GALL PARKER 3721 PALLOS VERDAS DALLAS, TX 75229	CAREN G LUCAS PO BOX 1485 SANTA ROSA BEACH, FL 32459-5202	JERI ALEXANDER LOTT 5005 91ST STREET LUBBOCK, TX 79424



JAMES M ALEXANDER AKA JAMES MINOR ALEXANDER AKA J M ALEXANDER MARILYN JANE GUITAR GALUSHA AIF PO BOX 58 ABILENE, TX 79604	MARTHA JANE RHODES MARILYN JANE GUITAR GALUSHA AIF PO BOX 58 ABILENE, TX 79604	MARILYN JANE GUITAR GALUSHA TRUST MARILYN JANE GUITAR GALUSHA TRUSTEE PO BOX 1438 ABILENE, TX 79604
GUY WITHERSPOON III 308 HAZELWOOD DR FORT WORTH, TX 76107	JOHN GUITAR III 1234 LEGGETT DRIVE ABILENE, TX 79605	BETTY WITHERSPOON NEVILL TRUSTEE OF THE GAYLE NEVILL TRUST 5528 TAHOE LANE FAIRWAY, KS 66205
VIRGINIA NEVILL TRUST 5528 TAHOE LANE FAIRWAY, KS 66205	JAMES KELLY POLK ELIZABETH POLK GALBRAITH POA 251 TOWN CENTER LANE #2311 KELLER, TX 76248	RUTH ANN POLK CAUDLE 5615 PRESTON FAIRWAYS DALLAS, TX 75252
JANIE LEE POLK HARBOUR C/O JAMES K POLK AGENT AND AIF 4400 ARCADY DALLAS, TX 75205	BARBARA LEE BACKMAN INC STEPHEN F BACKMAN PO BOX 537 COLBERT, WA 99005	GUITAR LAND & CATTLE CO LP P O BOX 2213 ABILENE, TX 79604

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 04/01/09 11:57 AM

Page 1 of 2

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
1,320.000

Serial Number
NMNM-- - 092160

Serial Number: NMNM-- - 092160

Name & Address

Int Rel % Interest

CHEVRON USA PROD CO	PO BOX 1635	HOUSTON TX 772511635	LESSEE	100.000000000
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Serial Number: NMNM-- - 092160

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0250S	0260E	020	ALIQ		SESW,SE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	027	ALIQ		W2NE,NW,S2;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	028	ALIQ		N2,N2SW,SE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 092160
Pending Office

Act Date	Code	Action	Action Remarks
10/19/1993	387	CASE ESTABLISHED	9310061
10/20/1993	191	SALE HELD	
10/20/1993	267	BID RECEIVED	\$34320.00;
10/20/1993	392	MONIES RECEIVED	\$34320.00;
11/03/1993	237	LEASE ISSUED	
11/03/1993	974	AUTOMATED RECORD VERIF	AR/MV
11/15/1993	600	RECORDS NOTED	
11/23/1993	111	RENTAL RECEIVED	\$1980.00;21/MULTIPLE
11/29/1993	963	CASE MICROFILMED	CNUM 570,076 JS
12/01/1993	496	FUND CODE	05;145003
12/01/1993	530	RLTY RATE - 12 1/2%	
12/01/1993	868	EFFECTIVE DATE	
12/13/1993	140	ASGN FILED	SCHUTZ/CHEVRON USA
01/19/1994	139	ASGN APPROVED	EFF 01/01/94;
01/19/1994	974	AUTOMATED RECORD VERIF	BCO/KRP
11/04/1994	111	RENTAL RECEIVED	\$1980.00;21/000000003
11/13/1995	084	RENTAL RECEIVED BY MMS	\$1980.00;21/000000005
11/12/1996	084	RENTAL RECEIVED BY MMS	\$1980.00;21/000000007
11/10/1997	084	RENTAL RECEIVED BY MMS	\$1980.00;21/000045009
11/10/1998	084	RENTAL RECEIVED BY MMS	\$1980.00;21/000045011
11/10/1998	084	RENTAL RECEIVED BY MMS	\$660.00;23/0000450115
11/12/1999	084	RENTAL RECEIVED BY MMS	\$2640;21/450137
11/13/2000	084	RENTAL RECEIVED BY MMS	\$2640;21/181
11/30/2003	235	EXTENDED	THRU 11/30/2005
01/01/2004	246	LEASE COMMITTED TO CA	NMNM111040;
01/30/2004	393	DEC ISSUED	LSE EXTENDED
01/30/2004	974	AUTOMATED RECORD VERIF	LBO
04/10/2004	650	HELD BY PROD - ACTUAL	NMNM111040;
10/30/2006	246	LEASE COMMITTED TO CA	CA NMNM120212
04/04/2008	643	PRODUCTION DETERMINATION	CA NMNM120212
04/04/2008	660	MEMO OF 1ST PROD-ALLOC	CA NMNM120212

EXHIBIT

Line Nr Remarks

Serial Number: NMNM-- - 092160

**NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM**

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

April 1, 2009

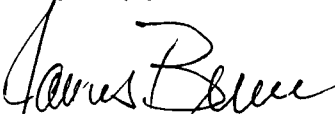
Certified Mail – Return Receipt Requested

To: Interest owners in the NE¼ of Section 27, Township 25 South, Range 26 East,
N.M.P.M., Eddy County, New Mexico

Ladies and gentlemen:

Cimarex Energy Co. of Colorado has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox oil well location in the E½SE¼ of Section 27, Township 25 South, Range 26 East, N.M.P.M., Eddy County, New Mexico. A copy of the application is enclosed. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter later.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co. of Colorado

EXHIBIT **F**

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, April 21, 2009 9:00 AM
To: 'jamesbruc@aol.com'
Subject: Chosa Draw 27 Fed #3; NSL application

Dear Jim

I have reviewed this application and find nothing that tells me the location of the "point of penetration" of the Delaware formation in this proposed horizontal well. I will need that info to write the order.

Sincerely

David

Brooks, David K., EMNRD

From: jamesbruc@aol.com
Sent: Wednesday, April 22, 2009 9:33 AM
To: Brooks, David K., EMNRD
Subject: Re: Chosa Draw 27 Fed #3; NSL application
Attachments: cimarex-Chosa_Draw_27_Fed_3_Plats.pdf

David: The attached plat shows that it is the same as the surface location.

-----Original Message-----

From: Brooks, David K., EMNRD <david.brooks@state.nm.us>
To: jamesbruc@aol.com
Sent: Tue, 21 Apr 2009 8:59 am
Subject: Chosa Draw 27 Fed #3; NSL application

Dear Jim

I have reviewed this application and find nothing that tells me the location of the "point of penetration" of the Delaware formation in this proposed horizontal well. I will need that info to write the order.

Sincerely

David

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager. This message contains confidential information and is intended only for the individual named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail.

Green cleaning products -- do they work as well? [**Find out now!**](#)

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DISTRICT I
1626 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 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised October 12, 2005

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
	96720	Cottonwood Draw; Delaware, North
Property Code	Property Name	Well Number
	CHOSA DRAW "27" FEDERAL	3
OGRID No.	Operator Name	Elevation
162683	CIMAREX ENERGY CO. OF COLORADO	3272'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	27	25 S	26 E		2480	SOUTH	850	EAST	EDDY

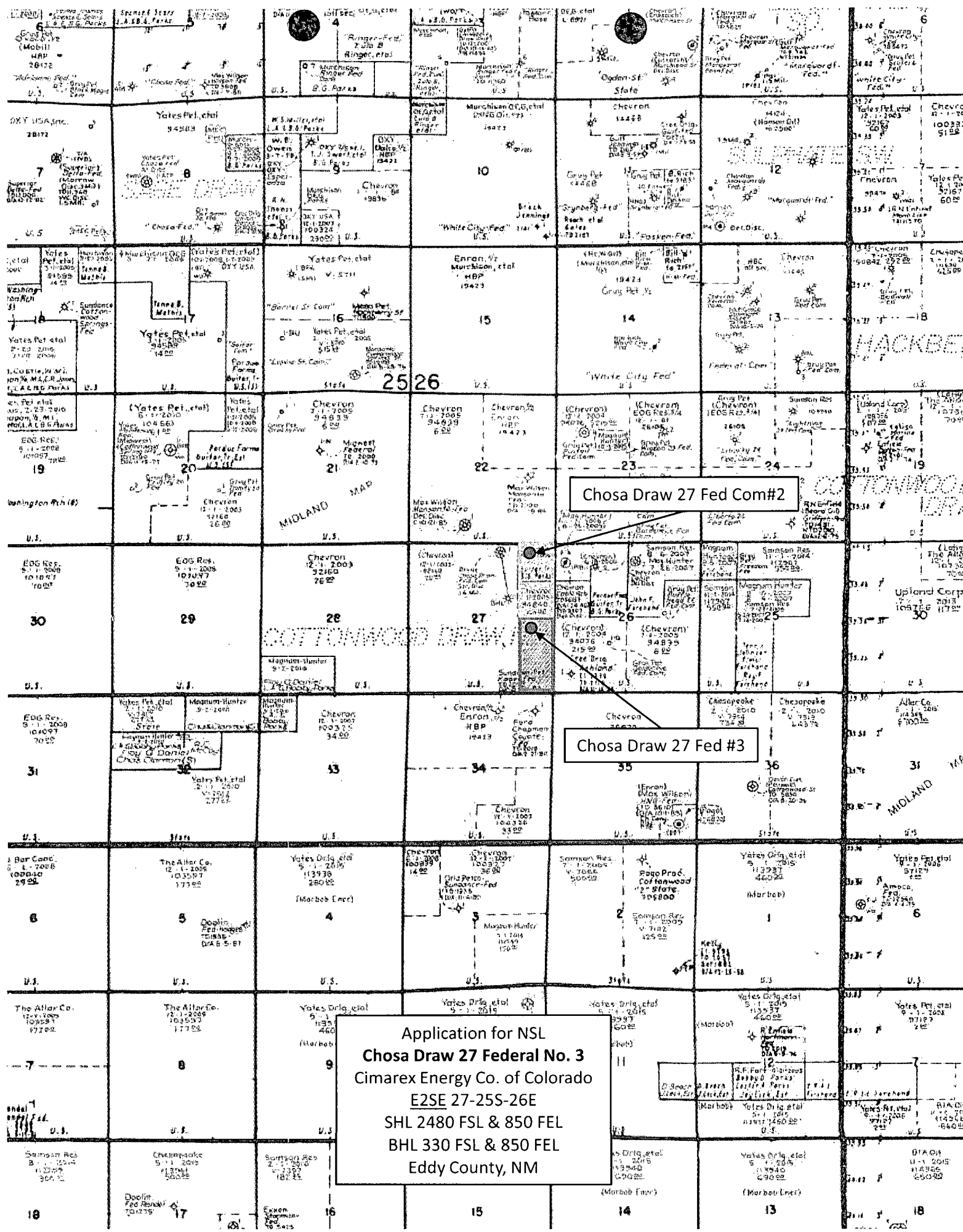
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	25 S	26 E		330	SOUTH	850	EAST	EDDY

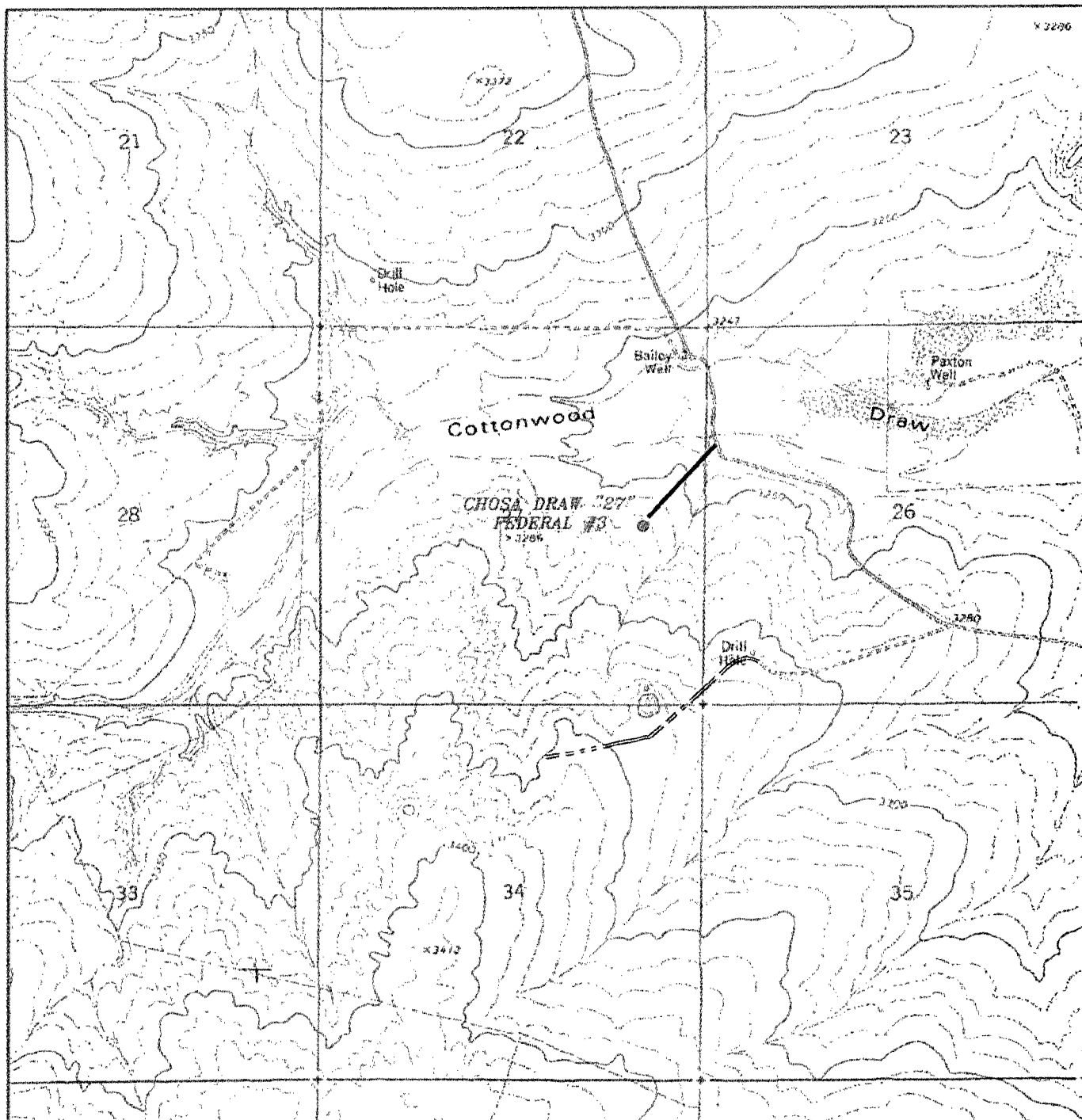
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			NSL Pending

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>Chosa Draw 27 Fed Com 2 SHL 130 FNL & 940 FEL BHL 2295 FNL & 682 FEL</p>	<p>Chosa Draw 27 Fed Com 3 SHL & P. P. 2480 FSL & 850 FEL BHL 330 FSL & 850 FEL</p>	<p>SURFACE LOCATION Lat - N32°06'01.28" Long - W104°16'29.28" NMSPEC - N 400250.6 E 559482.7 (NAD-83)</p> <p>BOTTOM HOLE LOCATION Lat - N32°05'40.01" Long - W104°16'29.54" NMSPEC - N 398101.051 E 559441.162 (NAD-83)</p>	<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, 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>02-24-09 Signature _____ Date Zeno Farris Printed Name</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>JANUARY 8, 2009 Date Surveyed Signature & Seal of Gary L. Jones Professional Surveyor Certificate No. Gary L. Jones 7977</p> <p>Basin Surveys</p>
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Application for NSL
Chosa Draw 27 Federal No. 3
Cimarex Energy Co. of Colorado
E2SE 27-25S-26E
SHL 2480 FSL & 850 FEL
BHL 330 FSL & 850 FEL
Eddy County, NM



CHOSA DRAW "27" FEDERAL #3
 Located 2480' FSL and 850' FEL
 Section 27, Township 25 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

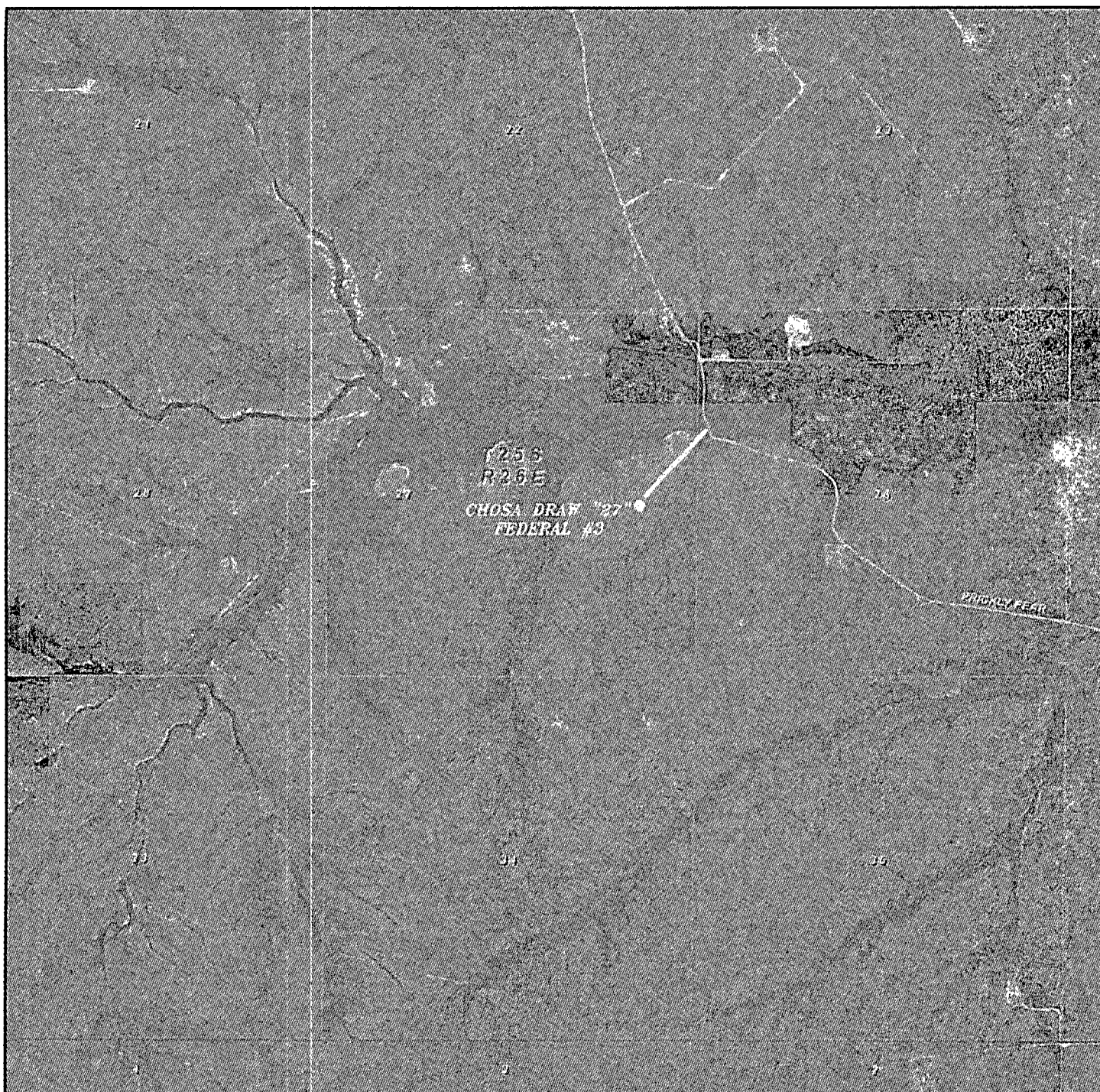
W.O. Number: JMS 21016

Survey Date: 01-09-2009

Scale: 1" = 2000'

Date: 01-09-2009

CIMAREX
ENERGY CO.
OF COLORADO



CHOSA DRAW "27" FEDERAL #3
 Located 2480' FSL and 850' FEL
 Section 27, Township 25 South, Range 26 East,
 N.M.P.M., Eddy County, New Mexico.

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 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
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 basin-surveys.com

W.O. Number: JMS 21016

Scale: 1" = 2000'

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

CIMAREX
ENERGY CO.
OF COLORADO