

DATE IN <u>6-25-10</u>	SUSPENSE	ENGINEER <u>WJ</u>	LOGGED IN <u>WJ</u>	TYPE <u>DHC</u>	APP NO. <u>1017649669</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Cimarex

Scarlet 34" Fed #1

ADMINISTRATIVE APPLICATION CHECKLIST

30-015-37817

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.

Zeno Farris
Print or Type Name

Zeno Farris
Signature

Mgr Operations Admin
Title

6/24/10
Date

zfarris@cimarex.com
e-mail Address

Form C-107A
Revised June 10, 2003

APPLICATION TYPE

 X Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

E-MAIL ADDRESS zfarris@cimarex.com

DISTRICT I
1623 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

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-37817	Pool Code	Pool Name Wolfcamp Wildcat
Property Code 38149	Property Name SCARLET "34" FEDERAL	Well Number 1
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3648'

Surface Location

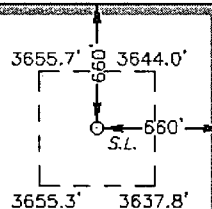
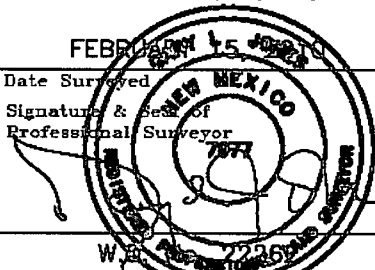
UL or lot No. A	Section 34	Township 25 S	Range 25 E	Lot Idn.	Feet from the 660	North/South line NORTH	Feet from the 660	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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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

		SURFACE LOCATION Lat - N 32°05'30.05" Long - W 104°22'38.14" NMSPCE- N 397093.2 E 527733.7 (NAD-83)		OPERATOR CERTIFICATION <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 or has a right to drill this well as this 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><u>Zeno Farris</u> 6/24/2010 Signature Date</p> <p>Zeno Farris Printed Name</p>
		NM-104664	SURVEYOR CERTIFICATION <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 15 2010 Date Surveyed</p> <p> Signature & Seal of Professional Surveyor</p> <p>W.B. Jones Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>	

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

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State of New Mexico
Energy, Minerals and Natural Resources Department

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1220 South St. Francis Dr.
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OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3648'

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		<p>SURFACE LOCATION Lat - N 32°05'30.05" Long - W 104°22'38.14" NMSPCE- N 397093.2 E 527733.7 (NAD-83)</p>	<p>3655.7' 3644.0' S.L. 3655.3' 3637.8'</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 or has a right to drill this well at this 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><u>Zeno Farris</u>, 6/24/2010 Signature Date</p> <p>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>FEBRUARY 15 2010 Date Surveyed</p> <p><u>[Signature]</u> Signature & Seal of Professional Surveyor</p> <p>7977 Certificate No. Gary L. Jones</p> <p>BASIN SURVEYS</p>

Confirmation Services	Package ID: 9171082133393796296768	E-CERTIFIED
	Destination ZIP Code: 88220	1ST CLASS LETTER
	Customer Reference:	
	Re: Bureau of Land Management	PBP Account #: 35644897
	Ad: 620 E. Greene St. Carlsbad, NM 88220	Serial #: 3132785 JUN 24 2010 3:43P

600 N. Marienfeld St
Suite 600
Midland, TX 79701
432-620-1938 (phone)
432-620-1938 (fax)

Cimarex Energy Co. of Colorado

June 24, 2010

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

RE: Scarlet 34 Federal No. 1
30-015-37817
C-107-A – Wolfcamp and Cisco-Canyon

RECEIVED OGD
2010 JUN 25 P 1:30

Dear Mr. Jones,

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

Cimarex proposes to perf and acidize the Cisco 9874-10213'. Perf and acidize the Wolfcamp 8507-9425'. Allocation percentages for each zone will be based on production log.

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

Royalty, overriding royalty, and working interest owners are the same in each zone.

If you have any questions or need further information, please call me at 432-620-1938.

Sincerely,



Zeno Farris
Mgr Operations Administration

zfarris@cimarex.com