

DATE IN <u>8.20.10</u>	SUSPENSE	ENGINEER <u>WJ.</u>	LOGGED IN <u>8.20.10</u>	TYPE <u>DHC</u>	APP NO. <u>PTG-44 1023244388</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
JM Gates NCT-1
Fed #3

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-34030

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]

4313

[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.

<u>Zeno Farris</u>	<u>Zeno Farris</u>	<u>Mgr Operations Admin</u>	<u>08-12-10</u>
Print or Type Name	Signature	Title	Date
		<u>zfarris@cimarex.com</u>	
		e-mail Address	

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

Cimarex Energy Co. of Colorado

August 19, 2010

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

RE: JM Gates NCT-1 Federal No. 3
30-25S-26E
30-015-34030
C-107-A – Wolfcamp and Cisco-Canyon

Dear Mr. Jones,

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

Cimarex proposes perf and acidize the Cisco 9903-10177'. Perf and acidize the Wolfcamp 9005-9613'. Allocation percentages for each zone will be based on production log and furnished after production and cleanup.

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, 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

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 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-34030	² Pool Code 87280	³ Pool Name White City; Penn (Gas)
⁴ Property Code 303006	⁵ Property Name JM Gates NCT-1 Federal	⁶ Well Number 003
⁷ OGRID No. 162683	⁸ Operator Name Cimarex Energy Co. of Colorado	⁹ Elevation 3465' GR

¹⁰ 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	30	24S	26E		1350	South	2050	West	Eddy

¹¹ 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
K	30	24S	26E		1378	South	1782	West	Eddy

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<div><p>16</p></div>

District I
1625 N. French Dr., Hobbs, NM 88240
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⁴ Property Code 303006	⁵ Property Name JM Gates NCT-1 Federal	⁶ Well Number 003
⁷ OGRID No. 162683	⁸ Operator Name Cimarex Energy Co. of Colorado	⁹ Elevation 3465' GR

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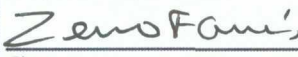
UL or lot no. K	Section 30	Township 24S	Range 26E	Lot Idn	Feet from the 1350	North/South line South	Feet from the 2050	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. K	Section 30	Township 24S	Range 26E	Lot Idn	Feet from the 1378	North/South line South	Feet from the 1782	East/West line West	County Eddy
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¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL Pending
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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.

16				¹⁷ OPERATOR CERTIFICATION <i>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.</i>  Signature 08-12-10 Date Zeno Farris Printed Name
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor
				Certificate Number

JM Gates NCT-1 Fed 3
SHL & PP Wolfcamp 1350 FSL & 2050 FWL
BHL @ PBD 1378 FSL & 2318 FWL

LC-065457

All (White City; Penn (Gas)) and S2 (Wolfcamp Wildcat) 30-25S-26E
JM Gates NCT-1 Federal No. 3
30-015-34030
1350 FSL & 2050 FWL
Eddy County, New Mexico



RE: Notification of Application to Downhole Commingle Wolfcamp and Cisco in the JM Gates NCT-1 Fed #3

Federally Owned Lands
Bureau of Land Management
620 E Greene Street
Carlsbad, NM 88220

Package ID: 9171082133393796296959
Destination ZIP: 88220
Customer Reference: 35644897

Confirmation Services	Package ID: 9171082133393796296959	E-CERTIFIED
	Destination ZIP Code: 88220	1ST CLASS LETTER
	Customer Reference: _____	PBP Account #: 35644897
	Recipient: _____	Serial #: 3132785
	Address: _____	AUG 19 2010 3:50P