

DATE IN 2-7-11	SUSPENSE	ENGINEER DKB	LOGGED IN 2.7.11	TYPE NSL	APP NO. 1103858381
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PTGW

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Cimarex
Vega 9 Fed #5
6344

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]

Fed

[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

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[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
Print or Type Name

James Bruce
Signature

Attorney
Title

2/7/11
Date

jamesbruc@aol.com
e-mail Address

JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87501

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(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

February 7, 2011

David K. Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Brooks:

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 well:

<u>Well name:</u>	Vega 9 Fed. Well No. 5
<u>Location:</u>	1035 feet FNL & 890 feet FWL
<u>Well unit:</u>	NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 9, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico

The well is in the Loco Hills Glorieta-Yeso Pool, which is an oil pool. Under Oil Conservation Division regulations, wells in the pool are spaced on 40 acres, with wells to be no closer than 330 feet to a quarter-quarter section line. A Form C-102 is attached as **Exhibit A**.

Applicant desired to place the proposed well at an orthodox location in the southeast portion of the well unit, but the location was moved to avoid infrastructure (pipelines, etc.)

Applicant is developing this area with two or more wells in each well unit to adequately drain the reservoir, and placing the wells in the corners of a well unit. Thus, applicant does not want to move the well to the north or west, where there are existing wells.

The well encroaches on the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 9. The W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 9 is covered by Federal Lease LC 060524 (**Exhibit B**), with common ownership, so no one in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ was notified of this application.

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

Very truly yours,

James Bruce

Attorney for Cimarex Energy Co. of Colorado

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 and Natural Resources Department

Form C-102
Revised July 16, 2010

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	Pool Code 96718	Pool Name Loco Hills; Glorieta-Yeso
Property Code 37431	Property Name VEGA "9" FEDERAL	Well Number 5
OCRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3689'

Surface Location

UL or lot No. D	Section 9	Township 17 S	Range 30 E	Lot Idn	Feet from the 1035	North/South line NORTH	Feet from the 890	East/West line WEST	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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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>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>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>Email Address _____</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>Date Surveyed <u>MARCH 11, 2010</u></p> <p>Signature & Seal of Professional Surveyor <u>GARY L. JONES</u></p> <p>Certificate No. <u>7977</u></p> <p>Basin Surveys <u>23085</u></p>
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**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

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Run Date: 02/07/11

01 02-25-1920;041STAT0437;30USC226

Case Type 310771: O&G EXCHANGE LEASE - PD

Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

**Total Acres
240.000**

**Serial Number
NMLC-- 0 060524**

Serial Number: NMLC-- 0 060524

Name & Address			Int Rel	% Interest
CBS PTNRS LTD	PO BOX 2236	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	LESSEE	100.000000000
MAGNUM HUNTER PRODUCTION INC	600 N MARIENFELD ST STE 600	MIDLAND TX 797014405	OPERATING RIGHTS	0.000000000
SEELY OIL CO	815 W 10TH ST	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
SHIFFLETT OPER CO	214 WEST TEXAS #900	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
SOUTHWEST ROYALTIES INC	#6 DESTA DR #2100	MIDLAND TX 79705	OPERATING RIGHTS	0.000000000
SQUARE LAKE PTRNS	BOX 3531	MIDLAND TX 79702	OPERATING RIGHTS	0.000000000
XERIC OIL & GAS CORP	PO BOX 352	MIDLAND TX 797020352	OPERATING RIGHTS	0.000000000

Serial Number: NMLC-- 0 060524

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0170S	0300E	003	ALIQ		SW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S	0300E	009	ALIQ		W2NW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMLC-- 0 060524

23 0170S 0300E 703	FF	SE SEGR;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0170S 0300E 710	FF	SE SEGR;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMLC-- 0 060524

Act Date	Code	Action	Action Remark	Pending Office
09/21/1942	124	APLN RECD		
10/01/1942	237	LEASE ISSUED		
10/01/1942	496	FUND CODE	05;145003	
10/01/1942	533	RLTY STEP 12.5-32%		
10/01/1942	868	EFFECTIVE DATE		
10/07/1952	650	HELD BY PROD - ACTUAL		
10/07/1952	658	MEMO OF 1ST PROD-ACTUAL		
11/19/1956	102	NOTICE SENT-PROD STATUS		
03/05/1959	700	LEASE SEGREGATED	INTO NMNM074937;	
03/06/1959	232	LEASE COMMITTED TO UNIT	SQUARE LAKE DEEP	
01/26/1984	817	MERGER RECOGNIZED	GEN AMER/PHILLIPS OIL	
08/05/1985	932	TRF OPER RGTS FILED		
09/16/1985	817	MERGER RECOGNIZED	PHILLIPS OIL/PETRO	
07/03/1986	932	TRF OPER RGTS FILED		
09/23/1986	933	TRF OPER RGTS APPROVED	EFF 08/01/86;	
09/23/1986	933	TRF OPER RGTS APPROVED	EFF 09/01/85;	
05/01/1987	963	CASE MICROFILMED	CNUM 101,483 DS	
04/01/1988	909	BOND ACCEPTED	EFF 04/01/88;ES0128	
08/31/1988	974	AUTOMATED RECORD VERIF	AT/JR	
08/27/1990	932	TRF OPER RGTS FILED	PHILLIPS/SW RLTYs	
09/27/1990	933	TRF OPER RGTS APPROVED	EFF 09/01/90;	
09/27/1990	974	AUTOMATED RECORD VERIF	GLC/MT	
11/07/1991	909	BOND ACCEPTED	EFF 10/28/91;NM1936	
01/01/1993	621	RLTY RED-STRIPPER WELL	1.3%;/1/	
04/05/1993	625	RLTY REDUCTION APPV	/1/	

EXHIBIT **B**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
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05/19/1993	974	AUTOMATED RECORD VERIF	JS
01/27/1994	974	AUTOMATED RECORD VERIF	VHG
02/10/1994	974	AUTOMATED RECORD VERIF	KRP
10/23/1995	932	TRF OPER RGTS FILED	ANADARKO/XERIC O&G
12/13/1995	933	TRF OPER RGTS APPROVED	EFF 11/01/95;
12/13/1995	974	AUTOMATED RECORD VERIF	ANN
09/23/1996	899	TRF OF ORR FILED	
08/21/1997	932	TRF OPER RGTS FILED	XERIC/SQUARE LAKE
09/10/1997	932	TRF OPER RGTS FILED	EFF 09/01/97;
09/10/1997	974	AUTOMATED RECORD VERIF	ANN
09/14/1998	084	RENTAL RECEIVED BY MMS	\$240.00;21/0000000063
12/10/1998	909	BOND ACCEPTED	EFF 09/28/98;NM2683
12/15/1998	932	TRF OPER RGTS FILED	SW ROY/SHIFFLETT
01/08/1999	933	TRF OPER RGTS APPROVED	EFF 01/01/99;
01/08/1999	974	AUTOMATED RECORD VERIF	ANN
08/23/1999	084	RENTAL RECEIVED BY MMS	\$240.00;21/0000000076
09/28/2000	084	RENTAL RECEIVED BY MMS	\$240.00;21/93
02/08/2001	932	TRF OPER RGTS FILED	RIP OIL/SEELY OIL
03/16/2001	933	TRF OPER RGTS APPROVED	EFF 03/01/01;
03/16/2001	974	AUTOMATED RECORD VERIF	JLV
09/04/2001	084	RENTAL RECEIVED BY MMS	\$240.00;21/107
11/18/2002	932	TRF OPER RGTS FILED	SQUARE LAKE/CBS
01/16/2003	817	MERGER RECOGNIZED	CONOCO/CONOCOPHILLIPS
03/24/2003	932	TRF OPER RGTS FILED	WELLER ENE/CBS PTNRS
05/30/2003	933	TRF OPER RGTS APPROVED	EFF 12/01/02;
05/30/2003	974	AUTOMATED RECORD VERIF	MV
06/06/2003	933	TRF OPER RGTS APPROVED	EFF 04/01/03;
06/06/2003	974	AUTOMATED RECORD VERIF	LR
05/01/2004	621	RLTY RED-STRIPPER WELL	1.3%;/2/
12/01/2004	625	RLTY REDUCTION APPV	/2/
12/10/2004	974	AUTOMATED RECORD VERIF	BCO
07/01/2005	621	RLTY RED-STRIPPER WELL	1.3%;/3/
09/22/2006	625	RLTY REDUCTION APPV	/3/
11/15/2006	974	AUTOMATED RECORD VERIF	ANN
10/01/2009	932	TRF OPER RGTS FILED	CONOCOPHI/MAGNUM HU;1
12/04/2009	932	TRF OPER RGTS FILED	CONOCOPHI/MAGNUM HU;1
01/06/2010	933	TRF OPER RGTS APPROVED	EFF 11/01/09;
01/06/2010	974	AUTOMATED RECORD VERIF	RAYO/RAYO
03/05/2010	933	TRF OPER RGTS APPROVED	EFF 01/01/10;
03/05/2010	974	AUTOMATED RECORD VERIF	JS
12/03/2010	932	TRF OPER RGTS FILED	CONOCOPHI/MAGNUM HU;1

FLUIDS TEAM

Line Nr Remarks Serial Number: NMLC-- 0 060524

0002	05/30/2003 - BONDED LESSEE
0004	PHILLIPS PETROLEUM CO ES0048/NW
0005	BONDED OPERATORS - PER AFMSS
0006	06/06/2003 - GP II ENERGY INC - NM1913 - S/W;
0007	SEELY OIL CO - NM1816 - S/W;
0008	BONDED LESSEE - PER ABSS
0009	06/06/2010 CONOCOPHILLIPS CO - ES0085 - N/W;

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