

DATE IN 4-25-11	SUSPENSE	ENGINEER DB	LOGGED IN 4.25.11	TYPE NSL	APP NO. 1111544068
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PT&W

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Cimarex 162683
Seldom seen 15 Fed # 3
6318-A

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-38442

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

RECEIVED OGD
 2011 APR 25 A 8:14

[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

4/22/11
 Date

jamesbruc@aol.com
 e-mail Address

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 22, 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 gas well location in the Wolfcamp formation for the following well:

<u>Well:</u>	Seldom Seen 15 Fed. Well No. 3
<u>Surface location:</u>	1850 feet FNL & 370 feet FEL
<u>Penetration point in Wolfcamp:</u>	Same as surface location
<u>Beginning of producing interval:</u>	1848 feet FNL & 661 feet FEL
<u>Bottom hole location:</u>	1780 feet FNL & 660 feet FWL
<u>Well unit:</u>	N½ §15-25S-26E, Eddy County, New Mexico

The well will be directionally drilled to the Wolfcamp formation (East Sage Draw-Wolfcamp Gas Pool), which is spaced on statewide rules, with 320 acre spacing and wells to be located no closer than 660 feet to a quarter section line and 10 feet to a quarter-quarter section line. A Form C-102 is attached hereto as **Exhibit A**. The unorthodox surface location is a result of trying to maximize the producing interval of the wellbore.

Attached as **Exhibit B** is a serial record page from the BLM's records. All of Section 15 and offsetting Section 14 are covered by Federal Lease NM 19423, which has uniform royalty, overriding royalty, and working interest ownership. Therefore, there is no adversely affected interest owner.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co. of Colorado

EA-11-437

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No. NMNM18423
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. SELDOM SEEN 15 FEDERAL 003
9. API Well No. 30-015-38442
10. Field and Pool, or Exploratory BONE SPRING/STRAWN
11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Fracture Treat, New Construction, Plug and Abandon, Plug Back, Water Shut-Off, Well Integrity, Other, etc.

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PLEASE NOTE THIS IS AN AMENDMENT TO THE SUNDRY SUBMITTED 02-08-11...RIG PLAT AND RECLAMATION PLAT HAVE CHANGED.

Due to proximity of pipeline, Cimarex has changed the location of the Seldom Seen 15 Federal No. 3 as shown below:

Permitted Location: SHL 1880 FNL & 400 FEL BHL 1780 FNL & 660 FWL

New Proposed Location: SHL 1850 FNL & 370 FEL

OK J Fast 2-11-11

Eng OK 2/10/11 CRW

14. I hereby certify that the foregoing is true and correct. Electronic Submission #102264 verified by the BLM Well Information System For CIMAREX ENERGY CO. OF COLORADO, sent to the Carlsbad
Name (Printed/Typed) NATALIE E KRUEGER Title REGULATORY
Signature (Electronic Submission) Date 02/09/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By [Signature] Title AFM Date 2/11/11
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBM

EXHIBIT

A

DISTRICT I
1800 N. Frank St., Suite 104, Santa Fe, NM 87505

DISTRICT II
1501 N. Grand Avenue, Santa Fe, NM 87505

DISTRICT III
1600 Rio Grande Rd., Santa Fe, NM 87505

DISTRICT IV
1210 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form O-102
Revised October 16, 2009

Submit one copy to appropriate District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87605

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-37714	Foot Code 96890	Well Name Sage Draw, Wolfcamp East
Property Code 98096	Property State SELDOM SEEN "15" FEDERAL	Well Number 3
Owner No. 162693	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3364'

Surface Location

UL or Tol No.	Section	Township	Range	Col. 1/4	Feet from Obj	North/South Line	Feet from Obj	East/West Line	County
H	15	25 S	26 E		1850	NORTH	370	EAST	EDDY

Bottom Hole Location if Different from Surface

UL or Tol No.	Section	Township	Range	Col. 1/4	Feet from Obj	North/South Line	Feet from Obj	East/West Line	County
E	15	26 S	26 E		1780	NORTH	680	WEST	EDDY

Dedicated Acre 320	State or Fedl	Consolidation Code	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

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and accurate to the best of my knowledge and belief and that the same is a true and correct copy of the original as filed with the Office of the State Engineer and Natural Resources Department, Santa Fe, New Mexico.

Natalie Krueger 2/11/2011
Signature Date

Natalie Krueger
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of original records made by me or under my supervision and that the same is true and correct to the best of my skill.

Gary L. Johns 7977
Certificate No.

Basin surveys

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

Run Time: 11:51 AM

Page 1 of 4

Run Date: 04/22/2011

01 02-25-1920;041STAT0437;30USC181ETSEQ

Total Acres
2,560.000

Serial Number
NMNM-- - 019423

Case Type 311211: O&G LSE SIMO PUBLIC LAND
Commodity 459: OIL & GAS L

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 019423

Name & Address			Int Rel	% Interest
CHEVRON USA	10 DESTA DR # 79705	MIDLAND TX 797054515	OPERATING RIGHTS	0.0000000
CHEVRON USA PROD CO	PO BOX 1635	HOUSTON TX 772511635	OPERATING RIGHTS	0.0000000
CIMAREX ENERGY CO	508 W WALL ST STE 600	MIDLAND TX 797015073	OPERATING RIGHTS	0.0000000
CIMAREX ENERGY CO	600 N MARIENFELD ST STE 600	MIDLAND TX 797014405	OPERATING RIGHTS	0.0000000
ENSERCH EXPL INC	6688 N CENTRAL EXPY	DALLAS TX 752063922	OPERATING RIGHTS	0.0000000
EOG RESOURCES INC	333 CLAY ST #4200	HOUSTON TX 77002	LESSEE	0.0000000
MAGNUM HUNTER PRODUCTION INC	5215 N O'CONNER BLVD #1500	IRVING TX 750393764	OPERATING RIGHTS	0.0000000
MURCHISON OIL & GAS INC	1445 ROSS AVE #5300	DALLAS TX 752022883	LESSEE	0.0000000
PENROC OIL CORP	PO BOX 2769	HOBBS NM 88241	OPERATING RIGHTS	0.0000000
POGO PRODUCING CO LLC	PO BOX 2504	HOUSTON TX 772522504	LESSEE	0.0000000
RICH BILL	2509 WESTERN WAY	CARLSBAD NM 88220	OPERATING RIGHTS	0.0000000
RICH PATSY	5103 OLD CAVERN RD	CARLSBAD NM 88220	OPERATING RIGHTS	0.0000000
RODEN WF	PO BOX 10909	MIDLAND TX 79702	OPERATING RIGHTS	0.0000000

Serial Number: NMNM-- - 019423

Mer Twp	Rng	Sec	S Typ	SNr SUFF	Subdivision	District/Field Office	County	Mgmt Agency
23 0250S	0260E	009	ALIQ		SENE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	010	ALIQ		E2,E2NW,SWNW,SW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	014	ALL		ALL;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	015	ALL		ENTIRE SECTION	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	022	ALIQ		NE;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	023	ALIQ		SW;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT
23 0250S	0260E	034	ALIQ		N2;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 019423

Act Date	Code	Action	Action Remark	Pending Office
08/26/1973	387	CASE ESTABLISHED	SPAR64;	
08/27/1973	888	DRAWING HELD		
10/01/1973	140	ASGN FILED	LACHANCE/CENTRAL SW	
10/01/1973	140	ASGN FILED	LACHANCE/CTL SW	
10/05/1973	237	LEASE ISSUED		
10/24/1973	139	ASGN APPROVED	EFF 11/01/1973;	
11/01/1973	496	FUND CODE	05;145003	
11/01/1973	530	RLTY RATE - 12 1/2%		
11/01/1973	868	EFFECTIVE DATE		
01/25/1974	140	ASGN FILED	CTL SW OIL/CHALFANT	
01/31/1974	140	ASGN FILED	LACHANCE/CTL SW CORR	
03/04/1974	139	ASGN APPROVED	01EFF 02/01/1974;	
03/04/1974	139	ASGN APPROVED	EFF 02/01/1974;	
05/08/1974	140	ASGN FILED	CHALFANT/HNG OIL	
11/18/1974	139	ASGN APPROVED	EFF 06/01/1974;	
08/18/1975	140	ASGN FILED	CTL SW OIL/CHALFANT	
08/21/1975	140	ASGN FILED	CHALFANT/MESA PETRO	
08/25/1975	139	ASGN APPROVED	01EFF 09/01/1975;	
08/25/1975	139	ASGN APPROVED	02EFF 09/01/1975;	
08/26/1975	140	ASGN FILED	CTRL SW/DALCO OIL	

EXHIBIT