

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

**APPLICATION OF CIMAREX  
ENERGY CO. FOR COMPULSORY  
POOLING, LEA COUNTY,  
NEW MEXICO.**

CASE NO. 20656

**Examiner Docket: August 8, 2019**

**CIMAREX'S EXHIBITS**



**Mescalero Ridge 21 Fed Com 2H**

Earl E. DeBrine, Jr.  
Lance D. Hough



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**CIMAREX'S EXHIBITS**

- Exhibit A      Affidavit of Riley Morris
1. Application
  2. C-102s
  3. Working Interest Breakdown
  4. Proposal
  5. Authorization for Expenditure
- Exhibit B      Affidavit of Staci Miller
1. Structure Map
  2. Net Porosity
  3. Reference Map
  4. Cross Section
  5. Development
- Exhibit C      Affidavit of Lance D. Hough and  
Proof of Mailing and Publication

Earl E. DeBrine, Jr.  
Lance D. Hough

 **MODRALL SPERLING**

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**STATE OF NEW MEXICO  
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**APPLICATION OF CIMAREX  
ENERGY CO. FOR COMPULSORY  
POOLING, LEA COUNTY,  
NEW MEXICO**

**CASE NO. 20656**

**AFFIDAVIT OF RILEY MORRIS**

STATE OF TEXAS            )  
                                  ) ss.  
COUNTY OF MIDLAND    )

Riley Morris, being duly sworn, deposes and states:

1. I am a landman for Cimarex Energy Co. ("Cimarex"), over the age of 18 and have personal knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division as an expert in petroleum land matters.

2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced compulsory pooling applications filed by Cimarex.

3. This case involves a request for an order from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring horizontal spacing unit described below, and in the well to be drilled in the horizontal spacing unit.

4. Prior to filing it application, Cimarex made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well. Cimarex identified all of the working interest and overriding royalty interest owners from a title opinion. To locate owners, Cimarex conducted a diligent search of the public records in the county where the well will be located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification. I mailed all working interest owners well proposals, including an Authorization for Expenditure and a form of Operating Agreement.



5. No opposition is expected. Prior to filing its applications Cimarex contacted the working interest owners being pooled regarding the proposed well; the pooled working interest owners have failed or refused to voluntarily commit their interests in the well. Cimarex provided all of the working interest owners, any unleased mineral owners, and overriding royalty owners with notice of this application and none have entered an appearance in opposition to Cimarex's application.

6. In its Application, Cimarex seeks an order from the Division pooling all uncommitted mineral interests within a Bone spring horizontal spacing unit underlying the W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Mescalero Ridge 21 Fed Com 2H** well, to be horizontally drilled. The Application is attached hereto as **Exhibit A.1**.

7. Attached as **Exhibit A.2** is a well location plat showing the proposed well location, including the first and last take points. The well will develop the Quail Ridge, Bone Spring Pool (Pool ID: 50460). The first and last take points will be no closer than 100' from the proposed unit boundary, and the completed lateral will be 660' from the proposed unit boundary. The producing interval for the wells will be orthodox and will comply with the Division's set back requirements.

8. A lease tract map outlining the unit to be pooled is attached hereto as **Exhibit A.3**. The working interest owners being pooled and the percent of their interests is also included as part of **Exhibit A.3**. Cimarex owns a 33.45% interest in the proposed unit and has a right to drill a well thereon.

9. There are no depth severances within the proposed spacing unit.

10. **Exhibit A.4** is a sample well proposal letter sent to each of the interest owners seeking their voluntary participation in the well.

11. **Exhibit A.5** is the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein of \$10,871,219 is fair and reasonable, and is comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

12. Cimarex requests overhead and administrative rates of \$8,000/month during drilling and \$800/month while producing. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico and consistent with the rates awarded by the Division in recent compulsory pooling orders. Cimarex requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

13. Cimarex requests the maximum cost plus 200% risk charge be assessed against non-consenting pooled working interest owners.

14. Cimarex requests that it be designated operator of the well.

15. Cimarex requests that it be allowed a period of one (1) year between when the wells are drilled and when the first well is completed under the order.

16. The parties Cimarex is seeking to pool were notified of this hearing.

17. Cimarex requests that overriding royalty interest owners be pooled.

18. Based upon my knowledge of the land matters involved in this case, education and training, it is my expert opinion that the granting of Cimarex's applications in this case is in the interests of conservation and the prevention of waste.

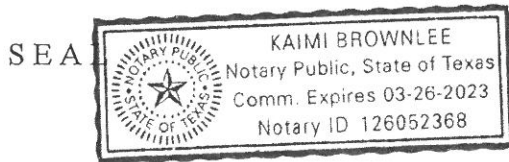
19. The attachments to my Affidavit were prepared by me or compiled from company business records.

20. I attest that the information provided herein is true, correct and complete to the best of my knowledge and belief.

Riley Morris  
Riley Morris

SUBSCRIBED AND SWORN to before me this 6<sup>th</sup> day of August 2019 by Riley Morris.

Kaimi Brownlee  
Notary Public  
My commission expires: 3/26/2023



W3443522.DOCX

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

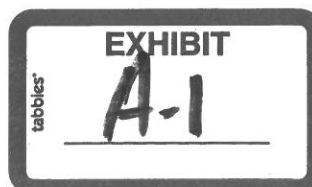
**APPLICATION OF CIMAREX  
ENERGY CO. FOR COMPULSORY  
POOLING, LEA COUNTY,  
NEW MEXICO**

CASE NO. \_\_\_\_\_

**APPLICATION**

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Cimarex states as follows:

1. Cimarex is an interest owner in the subject lands and has a right to drill a well thereon.
2. Cimarex seeks to dedicate the W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico to form a 320-acre, more or less, spacing unit.
3. Cimarex plans to drill the **Mescalero Ridge 21 Fed Com 2H** well to a depth sufficient to test the Bone Spring formation. This well is a horizontal well with an intended surface hole location of 544' FNL and 2020' FEL of Section 21, Township 19 South, Range 34 East, Lea County, and an intended bottom hole location of 100' FSL and 1980' FEL of Section 28, Township 19 South, Range 34 East, Lea County.
4. This well is proposed to be drilled vertically to a depth of approximately 10,810' to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location.



5. This well will be located within the Quail Ridge, Bone Spring Pool (Pool ID: 50460) and will comply with the Division's setback requirements.

6. Cimarex sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

7. The creation of a horizontal spacing unit and the pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Cimarex requests this application be set for hearing before an Examiner of the Oil Conservation Division on August 8, 2019, and after notice and hearing as required by law, the Division enter its order:

A. Creating a horizontal spacing unit in the Bone Spring formation comprised of W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico;

C. Designating Cimarex as operator of this unit and the well to be drilled thereon;

D. Authorizing Cimarex to recover its costs of drilling, equipping and completing this well;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;



F. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: 

Earl E. DeBrine, Jr.  
Lance D. Hough  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
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*Attorneys for Applicant*

W3453828.DOCX

**CASE NO. \_\_\_\_: Application of Cimarex Energy Co. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Mescalero Ridge 21 Fed Com 2H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles west of Hobbs, New Mexico.

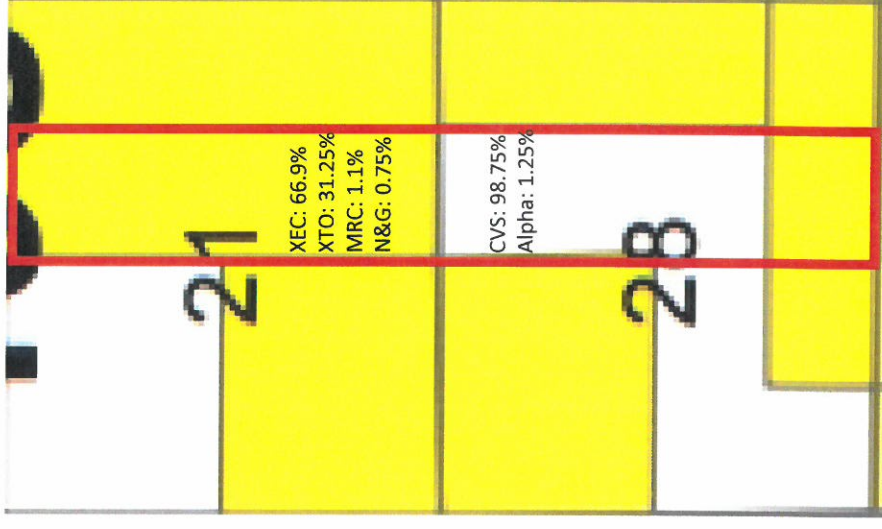
# Mescalero Ridge 21 Fed 2H



EXHIBIT  
*A2*

# Mescalero Ridge 21 Fed Com 2H Working Interest Breakdown

- Proposed JOA Covers W/2 W/2 of Sections 21 and 28 (Red Outline)
  - WI Ownership – Leasehold Basis
    - Across the W/2 W/2 of Sections 21 and 28:
      - XEC: 33.45%
      - Chevron: 49.375%
      - XTO: 15.625%
      - Alpha Energy: 0.625
      - MRC Delaware: 0.55%
      - Nadel & Gussman: 0.375%
  - Parties that have signed the JOA or elected to participate:
    - Chevron
    - XTO
    - MRC Delaware
    - Nadel & Gussman





May 21, 2019

Matador Resources Company  
One Lincoln Center  
5400 LBJ Freeway, Suite 1500  
Dallas, Texas 75240  
Attention: Chris Carleton

**Re: Proposal to drill  
Mescalero Ridge 21 Federal 2H  
Section 21, Township 19 South, Range 34 East  
Lea County, New Mexico**

Dear Working Interest Owner,

Cimarex Energy Co. hereby proposes to drill the Mescalero Ridge 21 Federal 2H well at a legal location in Section 21, Township 19 South, Range 34 East, NMPM, Lea Co., NM.

The intended surface hole location for the well is 544' FNL and 2020' FEL of Section 21, Township 19 South, Range 34 East, and the intended bottom hole location is 100' FSL and 1980' FEL of Section 28, Township 19 South, Range 34 East. The well is proposed to be drilled vertically to a depth of approximately 10,810' to the Bone Spring formation and laterally in a southerly direction within the formation to the referenced bottom hole location. Total measured depth of the well is proposed to be approximately 19,810' feet from surface to terminus.

It should be understood that compliance with topography or cultural or environmental concerns, among others, might require modification of Cimarex's intended procedure. Cimarex will advise you of any such modifications.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Mescalero Ridge 21 Federal 2H well. If you intend to participate, please approve and return one (1) original of the enclosed AFE, one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please call the undersigned with any questions or comments.

Respectfully,

A handwritten signature in blue ink, appearing to read "Riley C. Morris".

Riley C. Morris, RPL  
rmorris@cimarex.com  
432.620.1966



**ELECTION TO PARTICIPATE  
Mescalero Ridge 21 Federal 2H**

\_\_\_\_\_ Matador Resources Company elects **TO** participate in the proposed Mescalero Ridge 21 Federal 2H

\_\_\_\_\_ Matador Resources Company elects **NOT** to participate in the proposed Mescalero Ridge 21 Federal 2H

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

If your election above is TO participate in the proposed Mescalero Ridge 21 Federal 2H well, then:

\_\_\_\_\_ Matador Resources Company elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

\_\_\_\_\_ Matador Resources Company elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations or be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.





## Authorization For Expenditure Drilling

AFE # 26719033

Company Entity

Date Prepared  
5/21/2019

Exploration Region Permian Basin	Well Name MESCALERO RIDGE 21 FEDERAL 2H	Prospect New Mexico Bone Spring Pros (Lea)	Property Number 301471-436.01	AFE 26719033
County, State Lea, NM	Location W/2 E/2 of Section 21, T19S, R34E, Lea County, NM		Estimated Spud 2/4/2020	Estimated Completion
X New Supplement Revision	Formation Bone Spring 3 /Sd/	Well Type DEV	Tbl Measured Depth 15,310	Tbl Vertical Depth 10,810

Purpose Drill and complete well

## Description

Drilling Drill and complete a horizontal test. Drill to 1300 set surface casing. Drill to Drill to 4900' set intermediate casing. Drill to 11223' (KOP). Drill curve at 12"/100' initial build rate to +/- 90 degrees and 11700' TVD and drill a +/- 9420' long lateral in the bone spring formation. Run and cement production liner. Stage frac in 49 stages. Drill out plugs.

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,794,000		\$2,794,000
Completion Costs		\$6,647,719	\$6,647,719
<b>Total Intangible Cost</b>	<b>\$2,794,000</b>	<b>\$6,647,719</b>	<b>\$9,441,719</b>
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$213,000	\$737,000	\$950,000
Lease Equipment		\$479,500	\$479,500
<b>Total Tangible Cost</b>	<b>\$213,000</b>	<b>\$1,216,500</b>	<b>\$1,429,500</b>
<b>Total Well Cost</b>	<b>\$3,007,000</b>	<b>\$7,864,219</b>	<b>\$10,871,219</b>

## Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

## Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

**I elect to purchase my own well control insurance policy.**

## Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

**I elect to take my gas in kind.**

**I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.**

## Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

## Nonoperator Approval

Company	Approved By (Print Name)	Approved By (Signature)	Date
---------	--------------------------	-------------------------	------

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

5/21/2019





Authorization For Expenditure - Mescalero Ridge 21 Federal  
2H

AFE # 26719033

Description	BCP - Drilling		ACP - Drilling		Comp/Stim		Production Equip		Post Completion		Total	Cost
	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount		
Roads & Location	DIDC 100	50,000			STIM 100	5,000	CON 100	16,000	PCOM 100	30,000	101,000	
Damages	DIDC 105	10,000					CON 105	1,500			11,500	
Mud/Fluids Disposal	DIDC 255	250,000			STIM 255	53,000			PCOM 255	98,469	401,469	
Day Rate	DIDC 115	606,000	DICC 120	110,000							716,000	
Misc Preparation	DIDC 120	45,000									45,000	
Bits	DIDC 125	100,000	DICC 125	0	STIM 125	0			PCOM 125	0	100,000	
Fuel	DIDC 135	106,000	DICC 130	0					PCOM 130	0	106,000	
Water for Drilling Rig (Not Frac Water)	DIDC 140	5,000	DICC 135	0	STIM 135	24,000			PCOM 135	0	29,000	
Mud & Additives	DIDC 145	275,000									275,000	
Surface Rentals	DIDC 150	113,000	DICC 140	0	STIM 140	213,000	CON 150	14,000	PCOM 140	78,000	418,000	
Downhole Rentals	DIDC 155	128,000			STIM 145	0			PCOM 145	0	128,000	
Flowback Labor					STIM 141	0			PCOM 141	57,000	57,000	
Automation Labor							CON 150	45,000	PCOM 150	0	45,000	
Formation Evaluation (DST, Coring, etc.)	DIDC 160	0			STIM 150	0					0	
Mud Logging	DIDC 170	29,000									29,000	
Open Hole Logging	DIDC 180	0									0	
Cementing & Float Equipment	DIDC 185	105,000	DICC 155	175,000							280,000	
Tubular Inspections	DIDC 190	40,000	DICC 160	5,000	STIM 160	2,000			PCOM 160	0	47,000	
Casing Crews	DIDC 195	15,000	DICC 165	20,000	STIM 165	0					35,000	
Mechanical Labor	DIDC 200	15,000	DICC 170	5,000	STIM 170	0	CON 170	208,000	PCOM 170	20,000	248,000	
Trucking/Transportation	DIDC 205	20,000	DICC 175	15,000	STIM 175	7,000	CON 175	25,000	PCOM 175	0	67,000	
Supervision	DIDC 210	113,000	DICC 180	16,000	STIM 180	85,000	CON 180	19,500	PCOM 180	0	233,500	
Trailer House/Camp/Catering	DIDC 280	48,000	DICC 255	6,000	STIM 280	60,000					114,000	
Other Misc Expenses	DIDC 220	3,000	DICC 190	0	STIM 190	52,000	CON 190	40,000	PCOM 190	0	95,000	
Overhead	DIDC 225	10,000	DICC 195	5,000							15,000	
Remedial Cementing	DIDC 231	0			STIM 215	0			PCOM 215	0	0	
MOB/DEMOB	DIDC 240	150,000									150,000	
Directional Drilling Services	DIDC 245	211,000									211,000	
Solids Control	DIDC 260	105,000									105,000	
Well Control Equip (Snubbing Services)	DIDC 265	92,000	DICC 240	0	STIM 240	96,000			PCOM 240	0	188,000	
Fishing & Sidetrack Services	DIDC 270	0	DICC 245	0	STIM 245	0			PCOM 245	0	0	
Completion Rig					STIM 115	21,000			PCOM 115	0	21,000	
Coil Tubing Services					STIM 260	344,000			PCOM 260	0	344,000	
Completion Logging/Perforating/Wireline					STIM 200	425,000			PCOM 200	0	425,000	
Composite Plugs					STIM 390	82,000			PCOM 390	0	82,000	
Stimulation Pumping/Chemicals/Additives/Sand					STIM 210	2,942,000			PCOM 210	0	2,942,000	
Stimulation Water/Water Transfer/Water Storage					STIM 395	553,000					553,000	
Cimarex Owned Frac/Rental Equipment					STIM 305	42,000			PCOM 305	0	42,000	
Legal/Regulatory/Curative	DIDC 300	10,000					CON 300	0			10,000	
Well Control Insurance	DIDC 285	7,000									7,000	
Major Construction Overhead							CON 305	33,000			33,000	
Real Time Operations Center	DIDC 560	0			STIM 560	0					0	
FL/GL - Labor							CON 500	156,000			156,000	
FL/GL - Supervision							CON 505	34,500			34,500	
Survey							CON 515	5,500			5,500	
SWD/Other - Labor							CON 600	0			0	
SWD/OTHER - SUPERVISION							CON 605	0			0	
Contingency	DIDC 435	133,000	DICC 220	18,000	STIM 220	250,000	CON 220	83,500	PCOM 220	27,750	512,250	
Contingency							CON 221	24,000			24,000	
P&A Costs	DIDC 295	0	DICC 275	0							0	
Total Intangible Cost		2,794,000		375,000		5,256,000		705,500		311,219	9,441,719	
Drive Pipe	DWEB 150	0									0	
Conductor Pipe	DWEB 130	0									0	
Water String	DWEB 135	0									0	
Surface Casing	DWEB 140	46,000									46,000	
Intermediate Casing 1	DWEB 145	147,000									147,000	
Intermediate Casing 2	DWEB 155	0									0	
Drilling Liner	DWEB 160	0									0	
Production Casing or Liner			DWEA 100	518,000							518,000	
Production Tie-Back			DWEA 165	0	STIM 101	0					0	
Tubing					STIM 105	79,000			PCOM 105	0	79,000	
Wellhead, Tree, Chokes	DWEB 115	20,000	DWEA 120	20,000	STIM 120	25,000			PCOM 120	0	65,000	
Liner Hanger, Isolation Packer	DWEB 100	0	DWEA 125	0							0	
Packer, Nipples					STIM 400	15,000			PCOM 400	0	15,000	
Pumping Unit, Engine					STIM 405	0			PCOM 405	0	0	
Downhole Lift Equipment					STIM 410	80,000			PCOM 410	0	80,000	
Surface Equipment									PCOM 420	0	0	
Well Automation Materials									PCOM 455	0	0	
Total Tangible - Well Equipment Cost		213,000		538,000		199,000				0	950,000	
N/C Lease Equipment							CON 400	164,000			164,000	
Tanks, Tanks Steps, Stairs							CON 405	0			0	
Battery Equipment							CON 410	52,500			52,500	
Secondary Containments							CON 415	11,500			11,500	
Overhead Power Distribution							CON 420	120,000			120,000	
Facility Electrical							CON 425	25,000			25,000	
Telecommunication Equipment							CON 426	0			0	
Meters and Metering Equipment							CON 445	9,000			9,000	
Facility Line Pipe							CON 450	22,500			22,500	
Lease Automation Materials							CON 455	31,500			31,500	
FL/GL - Materials							CON 550	18,000			18,000	
FL/GL - Line Pipe							CON 555	25,500			25,500	
SWD/Other - Materials							CON 650	0			0	
SWD/OTHER - LINE PIPE							CON 655	0			0	
Total Tangible - Lease Equipment Cost								479,500			479,500	
Total Estimated Cost		3,007,000		913,000		5,455,000		1,185,000		311,219	10,871,219	





Authorization For Expenditure - MESCALERO RIDGE 21  
FEDERAL 2H

AFE # 26719033

Description	BCP - Drilling			ACP - Drilling			Comp/Stim	
	Code	Amount	Code	Amount	Code	Amount		
Roads & Location	DIDC 100	50,000			STIM 100			5,000
Damages	DIDC 105	10,000						
Mud/Fluids Disposal	DIDC 255	250,000			STIM 255			53,000
Day Rate	DIDC 115 22 days at \$26,000/day	606,000	DIDC 120 4 days at \$26,000/day	110,000				
Misc Preparation	DIDC 120	45,000						
Bits	DIDC 125	100,000	DIDC 125	0	STIM 125			0
Fuel	DIDC 135 1,300 gal/day at \$3.00/gal	106,000	DIDC 130	0				
Water for Drilling Rig (Not Frac Water)	DIDC 140	5,000	DIDC 135	0	STIM 135			24,000
Mud & Additives	DIDC 145	275,000						
Surface Rentals	DIDC 150 Per Day (BCP)/day	113,000	DIDC 140	0	STIM 140			213,000
Downhole Rentals	DIDC 155	128,000			STIM 145			0
Flowback Labor					STIM 141			0
Automation Labor								
Formation Evaluation (DST, Coring, etc.)	DIDC 160	0			STIM 150			0
Mud Logging	DIDC 170 20 days at \$1,200/day	29,000						
Open Hole Logging	DIDC 180	0						
Cementing & Float Equipment	DIDC 185	105,000	DIDC 155	175,000				
Tubular Inspections	DIDC 190	40,000	DIDC 160	5,000	STIM 160			2,000
Casing Crews	DIDC 195	15,000	DIDC 165	20,000	STIM 165			0
Mechanical Labor	DIDC 200	15,000	DIDC 170	5,000	STIM 170			0
Trucking/Transportation	DIDC 205	20,000	DIDC 175	15,000	STIM 175			7,000
Supervision	DIDC 210	113,000	DIDC 180	16,000	STIM 180			85,000
Trailer House/Camp/Catering	DIDC 280	48,000	DIDC 255	6,000	STIM 280			60,000
Other Misc. Expenses	DIDC 220	3,000	DIDC 190	0	STIM 190			52,000
Overhead	DIDC 225	10,000	DIDC 195	5,000				
Remedial Cementing	DIDC 231	0			STIM 215			0
MOB/DEMOS	DIDC 240	150,000						
Directional Drilling Services	DIDC 245	211,000						
Solids Control	DIDC 260	105,000						
Well Control Equip. (Snubbing Services)	DIDC 265	92,000	DIDC 240	0	STIM 240			96,000
Fishing & Sidetrack Services	DIDC 270	0	DIDC 245	0	STIM 245			0
Completion Rig					STIM 115			21,000
Coil Tubing Services					STIM 260			344,000
Completion Logging/Perforating/Wireline					STIM 200			425,000
Composite Plugs					STIM 390			82,000
Stimulation					STIM 210			2,942,000
Stimulation Water/Water Transfer/Water					STIM 395			553,000
Cimarex Owned Frac/Rental Equipment					STIM 305			42,000
Legal/Regulatory/Curative	DIDC 300	10,000						
Well Control Insurance	DIDC 285 \$0.35/ft	7,000						
Major Construction Overhead								
Real Time Operations Center	DIDC 560	0			STIM 560			0
FL/GI - Labor								
FL/GI - Supervision								
Survey								
SWD/Other - Labor								
SWD/OTHER - SUPERVISION								
Contingency	DIDC 435 500 % of Drilling Intangibles	133,000	DIDC 220	18,000	STIM 220			250,000
Contingency								
P&A Costs	DIDC 295	0	DIDC 275	0				
Total Intangible Cost		2,794,000		375,000				5,256,000
Drive Pipe	DWEB 150	0						
Conductor Pipe	DWEB 130	0						
Water String	DWEB 135	0						
Surface Casing	DWEB 140 13 3/8" - 1,300ft at \$35.00/ft	46,000						
Intermediate Casing 1	DWEB 145 9 5/8" - 4,900ft at \$30.00/ft	147,000						
Intermediate Casing 2	DWEB 155	0						
Drilling Liner	DWEB 160	0						
Production Casing or Liner			DWEA 100 7 x 5 1/2" - 21,350ft at	518,000				
Production Tie-Back			DWEA 165	0	STPAT 101			0
Tubing					STPAT 105 2 7/8" - 11,320ft at \$7.00/ft			79,000
Wellhead Tree Chokes	DWEB 115	20,000	DWEA 120	20,000	STPAT 120			25,000
Liner Hanger Isolation Packer	DWEB 100	0	DWEA 125	0				
Packer Nipples					STPAT 400			15,000
Pumping Unit Engine					STPAT 405			0
Downhole Lift Equipment					STPAT 410			80,000
Surface Equipment								
Well Automation Materials								
Total Tangible - Well Equipment Cost		213,000		538,000				199,000
N/C Lease Equipment								
Tanks, Tanks Steps, Stairs								
Battery Equipment								
Secondary Containments								
Overhead Power Distribution								
Facility Electrical								
Telecommunication Equipment								
Meters and Metering Equipment								
Facility Line Pipe								
Lease Automation Materials								
FL/GI - Materials								
FL/GI - Line Pipe								
SWD/Other - Materials								
SWD/OTHER - LINE PIPE								
Total Tangible - Lease Equipment Cost								
<b>Total Estimated Cost</b>		<b>3,007,000</b>		<b>913,000</b>				<b>5,455,000</b>



Authorization For Expenditure - Mescalero Ridge 21  
FEDERAL 2H

AFE # 26719033

Description	Code	Production Equip		Post Completion		Total	
		Amount	Costs	Amount	Cost	Amount	Cost
Roads & Location	CON 100	16,000	PCOM 100	Road repair and restoration		30,000	101,000
Damages	CON 105	1,500					11,500
Mud/Fluids Disposal			PCOM 235	60 days 2605 BWPD @ \$0.63/EHL		98,469	401,469
Day Rate							716,000
Misc Preparation							45,000
Bits			PCOM 125			0	100,000
Fuel			PCOM 130			0	106,000
Water for Drilling Rig (Not Frac Water)			PCOM 135			0	29,000
Mud & Additives							275,000
Surface Rentals	CON 140	14,000	PCOM 140	60 days flowback iron @ \$1,300/day		78,000	418,000
Downhole Rentals			PCOM 145			0	128,000
Flowback Labor			PCOM 141	30 days flowback hand @ \$1,900/day		57,000	57,000
Automation Labor	CON 150	45,000	PCOM 150			0	45,000
Formation Evaluation (DST, Coning, etc.)							0
Mud Logging							29,000
Open Hole Logging							0
Cementing & Float Equipment							280,000
Tubular Inspections			PCOM 160			0	47,000
Casing Crews							35,000
Mechanical Labor	CON 170	208,000	PCOM 170	Miscellaneous repairs		20,000	248,000
Trucking/Transportation	CON 175	25,000	PCOM 175			0	67,000
Supervision	CON 180	19,500	PCOM 180			0	233,500
Trailer House/Camp/Catering							114,000
Other Misc Expenses	CON 190	40,000	PCOM 190			0	95,000
Overhead							15,000
Remedial Cementing			PCOM 215			0	0
MOB/DEMOS							150,000
Directional Drilling Services							211,000
Solids Control							105,000
Well Control Equip (Snubbing Services)			PCOM 240			0	188,000
Fishing & Sidetrack Services			PCOM 245			0	0
Completion Rig			PCOM 115			0	21,000
Coil Tubing Services			PCOM 260			0	344,000
Completion Logging/Perforating/Wireline			PCOM 200			0	425,000
Composite Plugs			PCOM 390			0	82,000
Stimulation Pumping/Chemicals/Additives/Sand			PCOM 210			0	2,942,000
Stimulation Water/Water Transfer/Water							553,000
Cimarex Owned Frac/Rental Equipment			PCOM 305			0	42,000
Legal/Regulatory/Curative	CON 300	0					10,000
Well Control Insurance							7,000
Major Construction Overhead	CON 305	33,000					33,000
Real Time Operations Center							0
FL/GL - Labor	CON 500	156,000					156,000
FL/GL - Supervision	CON 505	34,500					34,500
Survey	CON 515	5,500					5,500
SWD/Other - Labor	CON 600	0					0
SWD/OTHER - SUPERVISION	CON 605	0					0
Contingency	CON 220	83,500	PCOM 220	15%		27,750	512,250
Contingency	CON 221	24,000					24,000
P&A Costs							0
Total Intangible Cost		705,500				311,219	9,441,719
Drive Pipe							0
Conductor Pipe							0
Water String							0
Surface Casing							46,000
Intermediate Casing 1							147,000
Intermediate Casing 2							0
Drilling Liner							0
Production Casing or Liner							518,000
Production Tie-Back							0
Tubing			PCOMT 105			0	79,000
Wellhead, Tree, Chokes			PCOMT 120			0	65,000
Liner Hanger, Isolation Packer							0
Packer, Nipples			PCOMT 400			0	15,000
Pumping Unit, Engine			PCOMT 405			0	0
Downhole Lift Equipment			PCOMT 410			0	80,000
Surface Equipment			PCOMT 420			0	0
Well Automation Materials			PCOMT 435			0	0
Total Tangible - Well Equipment Cost						0	950,000
N/C Lease Equipment	CONT 400	164,000					164,000
Tanks, Tanks Steps, Stairs	CONT 405	0					0
Battery Equipment	CONT 410	52,500					52,500
Secondary Containments	CONT 415	11,500					11,500
Overhead Power Distribution	CONT 420	120,000					120,000
Facility Electrical	CONT 425	25,000					25,000
Telecommunication Equipment	CONT 426	0					0
Meters and Metering Equipment	CONT 445	9,000					9,000
Facility Line Pipe	CONT 450	22,500					22,500
Lease Automation Materials	CONT 455	31,500					31,500
FL/GL - Materials	CONT 550	18,000					18,000
FL/GL - Line Pipe	CONT 555	25,500					25,500
SWD/Other - Materials	CONT 650	0					0
SWD/OTHER - LINE PIPE	CONT 655	0					0
Total Tangible - Lease Equipment Cost		479,500					479,500
Total Estimated Cost		1,185,000				311,219	10,871,219

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX  
ENERGY CO. FOR COMPULSORY  
POOLING, LEA COUNTY,  
NEW MEXICO

CASE NO. 20656

AFFIDAVIT OF STACI MUELLER

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF MIDLAND            )

Staci Mueller, being duly sworn, deposes and states:

1. I am over the age of 18, I am a geophysicist for Cimarex Energy Co. ("Cimarex"), and have personal knowledge of the matters stated herein. I have been qualified by the Oil Conservation Division ("Division") as an expert in petroleum geology matters.

2. I conducted a geological study of the area that encompasses the horizontal spacing unit that is the subject of Cimarex's application in this case and am familiar with the geological matters involved in this case.

3. As part of my study, I have prepared the following geological exhibits with respect to the horizontal spacing unit that are attached hereto:

- a. **Exhibit B.1** is a Structure Map on the base of the 3<sup>rd</sup> Bone Spring Sand formation. It identifies the proposed unit with a red line and the proposed well with a black line. It also shows that the structure is relatively consistent across the proposed unit and dips slightly to the south and southeast in the area.
- b. **Exhibit B.2** is a Net Porosity Map for the 3<sup>rd</sup> Bone Spring Sand formation. It shows that the formation is relatively uniform across the proposed well unit, as the closest



log control suggests a range of net porosity between 65ft to ~80ft, with the regional net porosity trend increasing toward the east. This map also identifies the proposed unit and well.

- c. **Exhibit B.3** is a Reference Map for the Stratigraphic Cross Section. It identifies the cross-section wells in proximity to the proposed wells with a gray line running from A to A', and with the cross-section well names.
- d. **Exhibit B.4** is a Stratigraphic Cross Section hung on the top of the Wolfcamp formation. The well logs on the cross-section give a representative sample of the 3<sup>rd</sup> Bone Spring formation in the area, which is the target zone for the proposed wells. The wells logs also show the formation is relatively consistent across the area. The target zone is identified with an arrow and outlined in red.
- e. **Exhibit B.5** is the Mescalero Ridge 21 Fed Development Plan, which includes a wine rack diagram. The diagram identifies the proposed 2-mile well in the W/2 E/2 of Sections 21 and 28 and an existing 1-mile well in the E/2 E/2 of Section 21. The existing well is limited to 1-mile due to a prior producing 1-mile well. The proposed unit is identified with red shading.

4. Based upon my study as illustrated in these exhibits, knowledge of the geology in this area, and education and training, it is my expert opinion that:

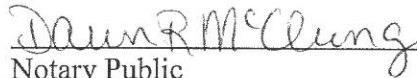
- a. The horizontal spacing unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter quarter section in the unit will contribute more or less equally to production.

5. The preferred well orientation in this area is north to south. This is due to the fact that regional max horizontal stress orientation in this area runs approximately east to west.

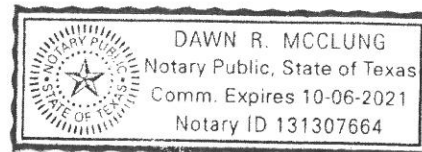
6. The producing interval for each of these wells will be orthodox and will comply with the Division's set back requirements.

  
\_\_\_\_\_  
Staci Mueller

SUBSCRIBED AND SWORN to before me this 6<sup>th</sup> day of August 2019 by Staci Mueller, on behalf of Cimarex Energy Co.

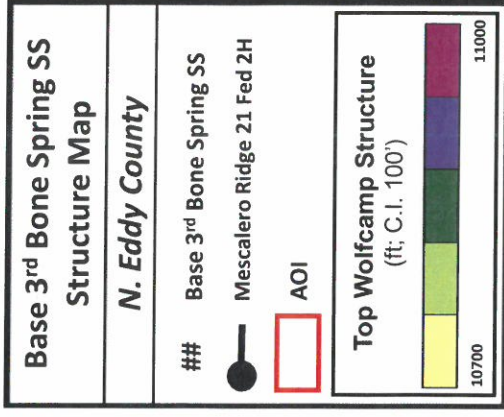
  
\_\_\_\_\_  
Notary Public

My commission expires: 10-6-21





# Structure Map





# 3rd Bone Spring Sand Net Porosity

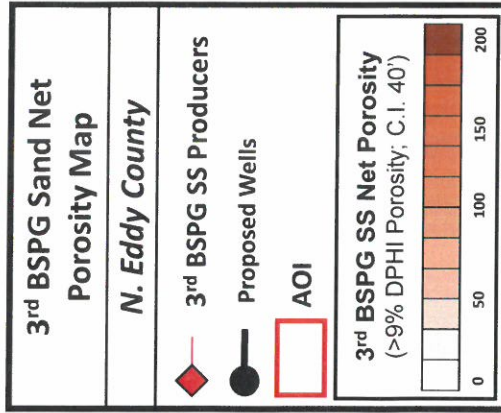
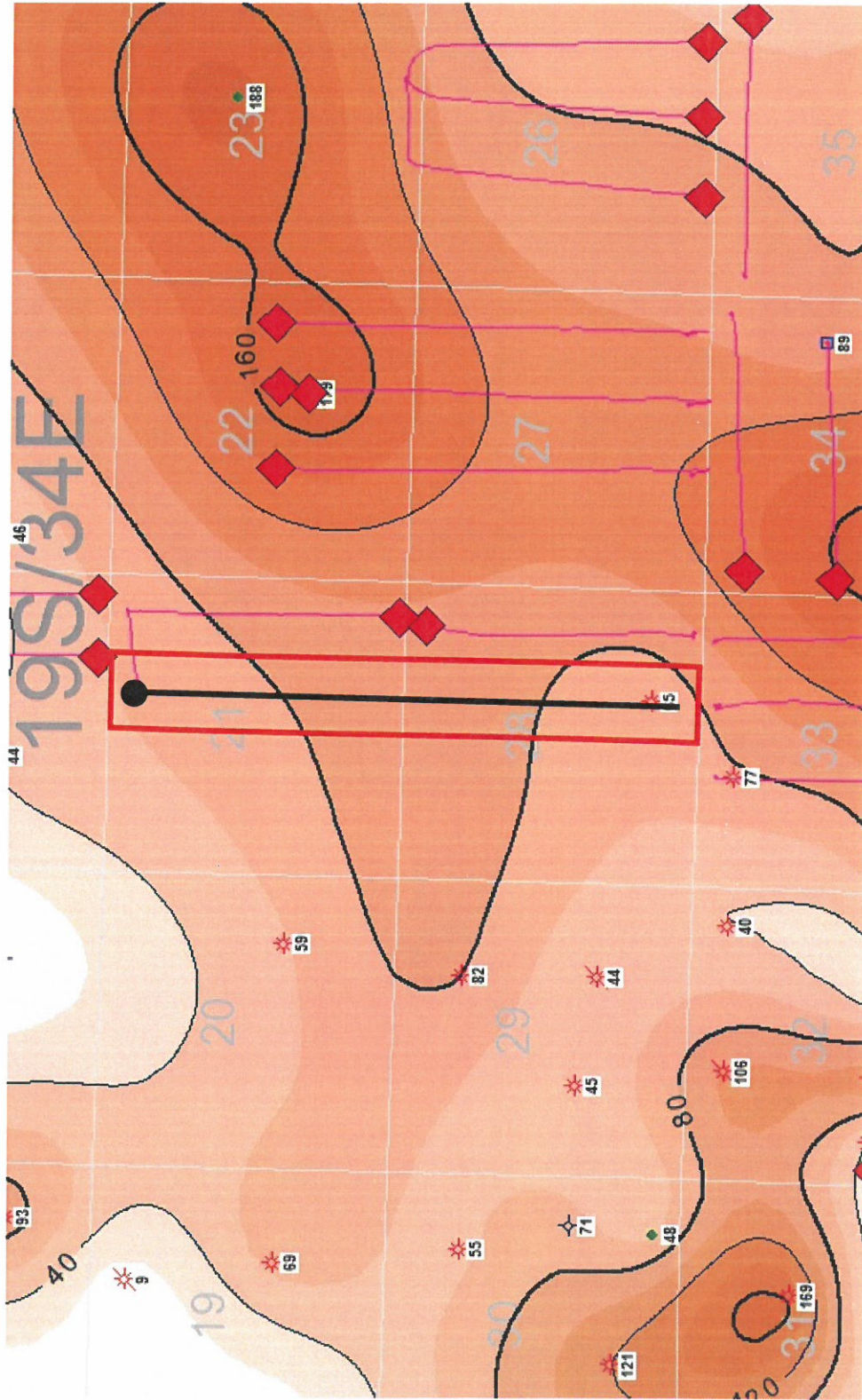


EXHIBIT  
B.2

# Reference Map

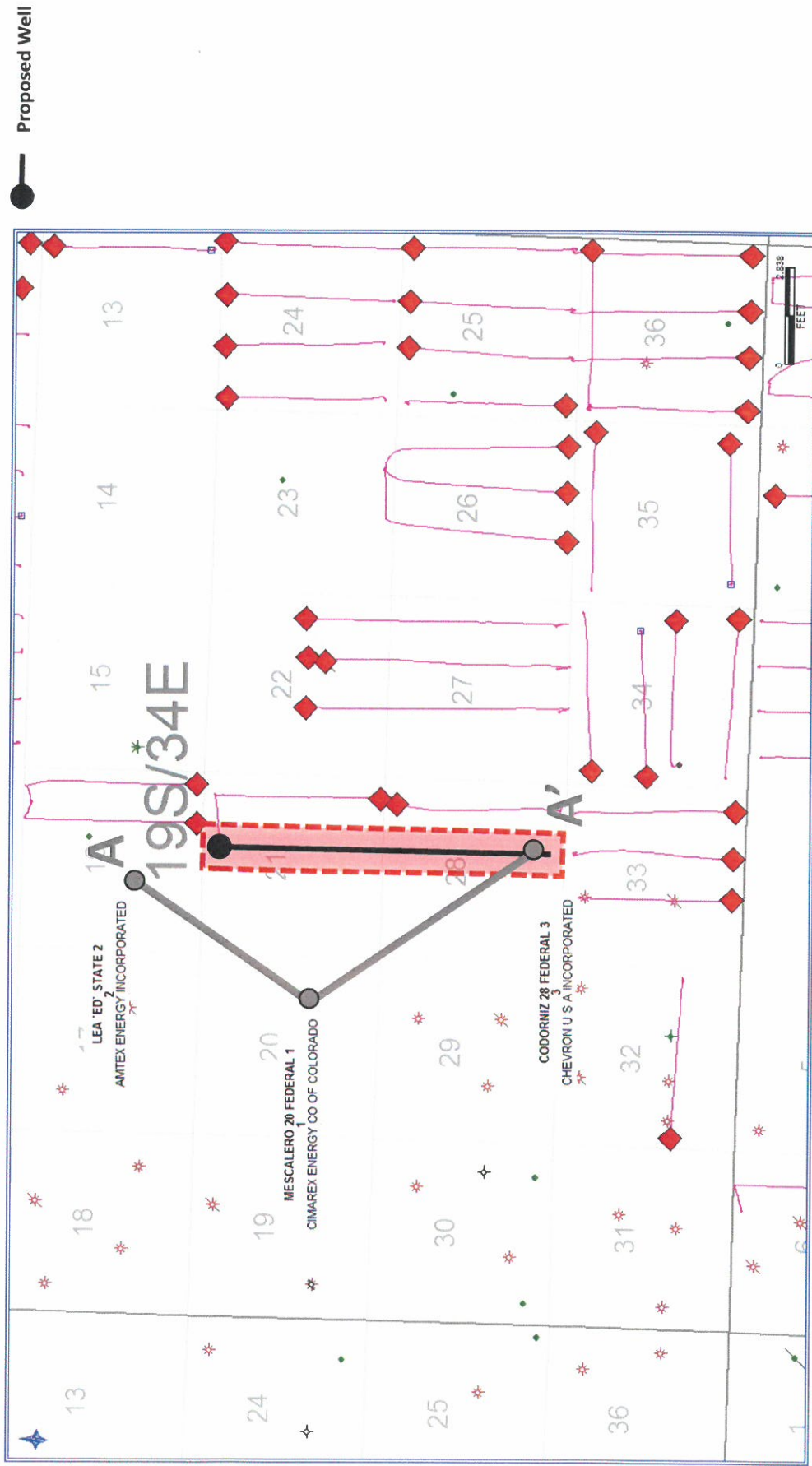


EXHIBIT  
B-3



# Cross Section

A

LEA 'ED' STATE 2  
AMTEX ENERGY INCORPORATED  
\*  
◀ 1.17 MI ▶

MESCALERO 20 FEDERAL 1  
CIMAREX ENERGY CO OF COLORADO  
\*  
◀ 1.48 MI ▶

CODORNIZ 28 FEDERAL 3  
CHEVRON U S A INCORPORATED  
\*

A'

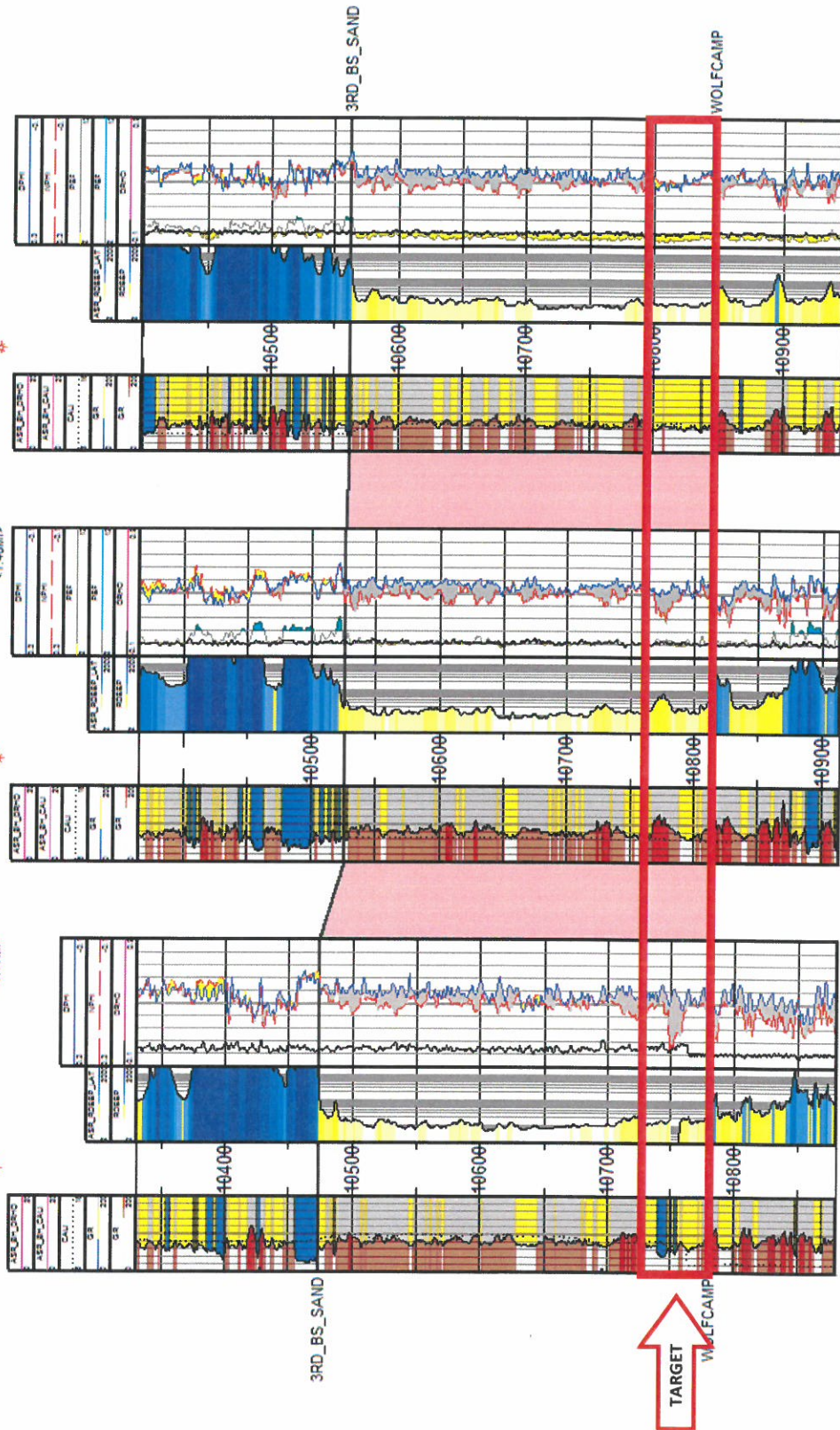


EXHIBIT  
B4  
tables

# Mescalero Ridge 21 Fed Development

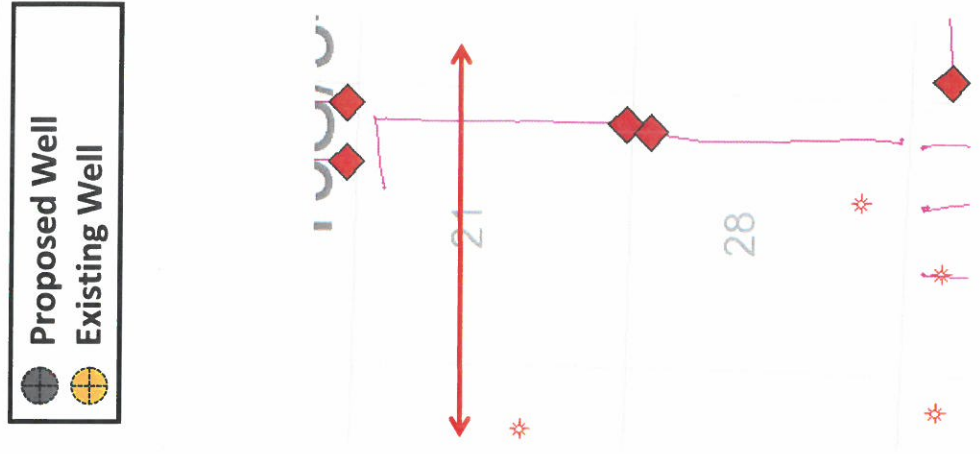
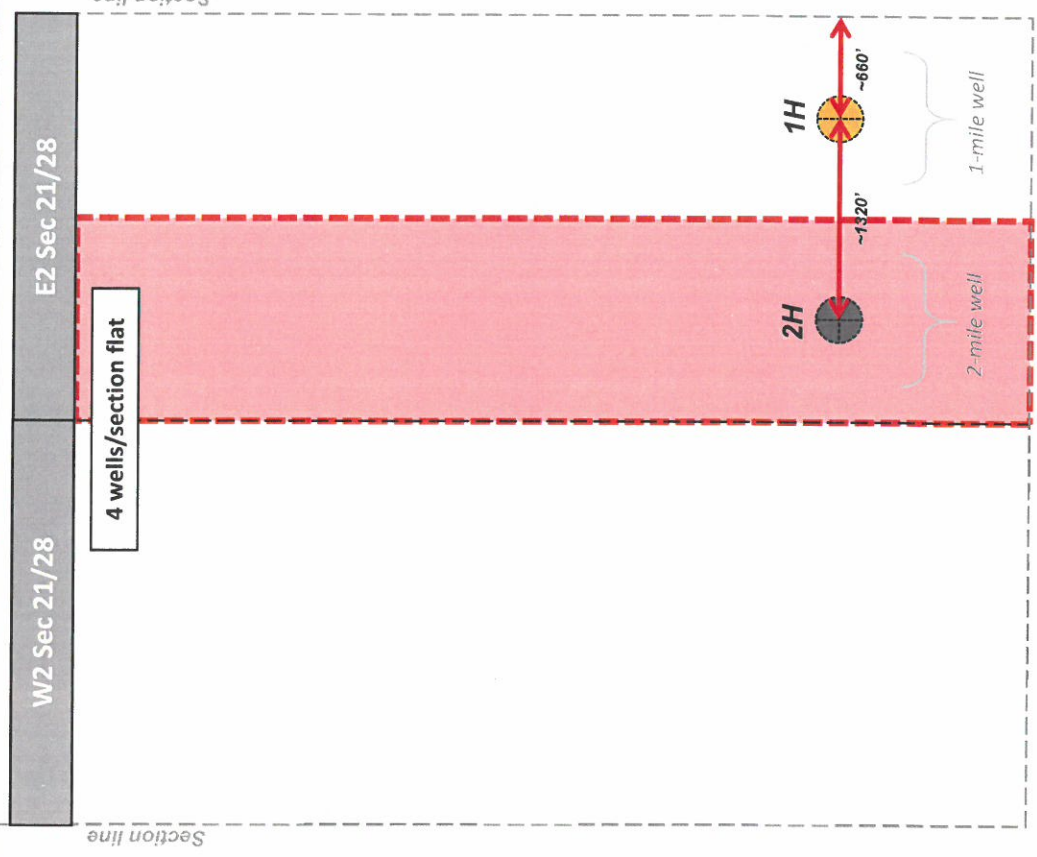
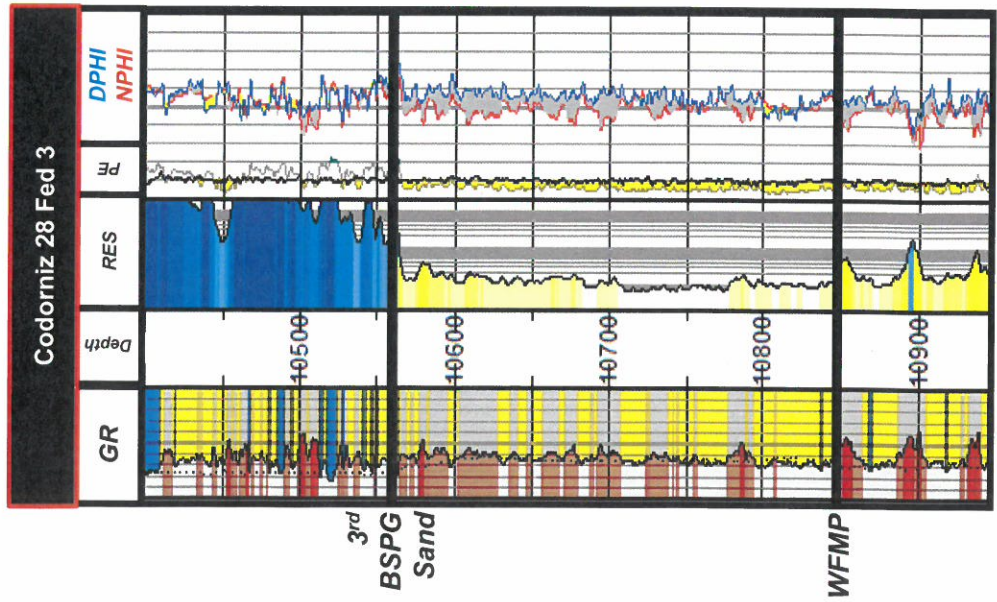


EXHIBIT  
**B5**  
tabbles'



**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

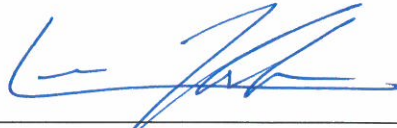
**APPLICATION OF CIMAREX  
ENERGY CO. FOR COMPULSORY  
POOLING, LEA COUNTY,  
NEW MEXICO**

**CASE NO. 20656**

**AFFIDAVIT**

STATE OF NEW MEXICO            )  
  )ss.  
COUNTY OF BERNALILLO        )

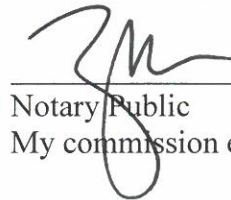
Lance D. Hough, attorney in fact and authorized representative of Cimarex Energy Co., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application was provided under the notice letters, and that proof of mailing, receipts of mailings, and publication are attached hereto. Cimarex Energy Co. has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the application filed herein, and provide notice to each at their last known address.



\_\_\_\_\_  
Lance D. Hough

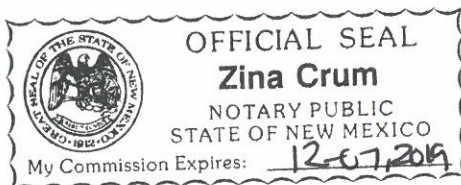
SUBSCRIBED AND SWORN to before me this 6 day of August 2019 by Lance D. Hough.

S E A L



\_\_\_\_\_  
Notary Public

My commission expires: Dec 07, 2019



Zina Crum  
Modrall Sperlberg  
500 4th Street NW  
Suite 1000  
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
07/18/2019



Firm Mailing Book ID: 171091

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0061 3144 30	Magnum Hunter Production, Inc. c/o Cimarex Energy Co. 600 N. Marientfeld St., Ste 600 Midland TX 79701	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
2	9314 8699 0430 0061 3144 47	XTO Holdings, LLC 810 Houston St. Fort Worth TX 76102	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
3	9314 8699 0430 0061 3144 54	MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas TX 75240	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
4	9314 8699 0430 0061 3144 61	Nadel and Gussman Capitan, LLC 15 East 5th St., Suite 3300 Tulsa OK 74103	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
5	9314 8699 0430 0061 3144 78	USA/BLM 301 Dinosaur Trail Santa Fe NM 87508	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
6	9314 8699 0430 0061 3144 85	Green Family Trust dated April 3, 1992 Linda Gass 8101 South Juniper Avenue Midland TX 79705	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
7	9314 8699 0430 0061 3144 92	Billy Wayne Gorman Family Investment	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
8	9314 8699 0430 0061 3145 08	Michael Gorman Billy Wayne Gorman Family Investment	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
9	9314 8699 0430 0061 3145 15	Mark Gorman Richard H. Coats 3006 Racquet Club Drive Midland TX 79705	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
10	9314 8699 0430 0061 3145 22	Richard H. Coats P.O. Box 2412 Midland TX 79702	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
11	9314 8699 0430 0061 3145 39	Robert W. and Katherine D. Gillespie Revocable Trust of 3/11/92, Trustees 186 Sierra View Road Pasadena CA 91105	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
12	9314 8699 0430 0061 3145 46	Robert W. and Katherine D. Gillespie Revocable Trust of 3/11/92, Trustees 6645 Del Playa Drive Goleta CA 93117	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
13	9314 8699 0430 0061 3145 53	Van P. Welch, Jr. 2601 Sunrise Road Walsenburg CO 81089	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice



Zina Crum  
Modrall Sperling  
500 4th Street NW  
Suite 1000  
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
07/18/2019



Firm Mailing Book ID: 171091

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
14	9314 8699 0430 0061 3145 60	Van P. Welch, Jr. 21797 Carlisle Road Apple Valley CA 92307	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
15	9314 8699 0430 0061 3145 77	Van P. Welch, Jr. 2259 Via Puerta, Unit C Laguna Woods CA 92637	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
16	9314 8699 0430 0061 3145 84	Margie Nell Weisner Revocable Trust Margie Nell Weisner, Trustee 2395-3D Via Mariposa Laguna Woods CA 92637	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
17	9314 8699 0430 0061 3145 91	Margie Nell Weisner Revocable Trust Margie Nell Weisner, Trustee 43 Camino Place Palm Desert CA 92260	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
18	9314 8699 0430 0061 3146 07	Selma E. Andrews Trust for Peggy Barrett Brenda S. Olsen, Senior VP P.O. Box 830308 Dallas TX 75283	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
19	9314 8699 0430 0061 3146 14	Selma E. Andrews Trust for Selma E. Andrews Attn: Brenda S. Olsen, Senior VP P.O. Box 830308 Dallas TX 75283	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
20	9314 8699 0430 0061 3146 21	Braille Institute of America, Inc. Attn: Brenda S. Olsen, Senior VP P.O. Box 830308 Dallas TX 75283	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
21	9314 8699 0430 0061 3146 38	Marshall & Winston, Inc. P.O. Box 50880 Midland TX 79710	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
22	9314 8699 0430 0061 3146 45	Wells Fargo Bank, Morrell of 8/5/71 201 Main Street, Suite 400 Fort Worth TX 76102	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
23	9314 8699 0430 0061 3146 52	Edna E. Morrell Living Trust Wells Fargo Bank, N.A., Trustee 201 Main Street, Suite 400 Fort Worth TX 76102	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
24	9314 8699 0430 0061 3146 69	Robert P. and Anna D. Earnest Trust Kathleen E. Rios & Robert E. Rios 1753 Rancho Cajon Place El Cajon CA 92019	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
25	9314 8699 0430 0061 3146 76	Wallace H. Scott Unified Credit Trust Dorothy Cecile Scott, Trustee 2500 Barton Creek Blvd #2209 Austin TX 78735	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice





Zina Crum  
Modrall Sperlberg  
500 4th Street NW  
Suite 1000  
Albuquerque NM 87102

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07/18/2019



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Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
26	9314 8699 0430 0061 3146 83	Wallace H. Scott Unified Credit Trust Dorothy Cecile Scott, Trustee FM 150 Driftwood TX 78619	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
27	9314 8699 0430 0061 3146 90	Chevron USA Inc. 1400 Smith Street Houston TX 77002	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
28	9314 8699 0430 0061 3147 06	FOKL, LLC 800 Research Parkway, Suite 100 Oklahoma City OK 73104	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
29	9314 8699 0430 0061 3147 13	FOKL, LLC 116 East Sheridan Avenue Oklahoma City OK 73104	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
30	9314 8699 0430 0061 3147 20	Jerry Barnes P.O. Box 768 Cillicothe MO 64601	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
31	9314 8699 0430 0061 3147 37	Dennis Eimers P.O. Box 50637 Midland TX 79710	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
32	9314 8699 0430 0061 3147 44	Wayne Newkumet P.O. Box 11330 Midland TX 79702	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
33	9314 8699 0430 0061 3147 51	Steven R. Garrity Julia Garrity 4821 Eastman Drive Oklahoma City OK 73122	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
34	9314 8699 0430 0061 3147 68	TLW Investments, LLC 1001 Fannin, Ste. 2020 Houston TX 77002	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
35	9314 8699 0430 0061 3147 75	Celia Stivason 9500 Harritt Road #97 Lakeside CA 92040	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
36	9314 8699 0430 0061 3147 82	Celia Stivason 32066 Hwy 94 Campo CA 91906	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
37	9314 8699 0430 0061 3147 99	Shannon Titzel 1800 Rogers Park Court Anchorage AK 99508	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
38	9314 8699 0430 0061 3148 05	Lenox Mineral Title Holdings, Inc. c/o Lenox Minerals, LLC 1707 1/2 Poast Oak Blvd. No. 171 Houston TX 77056	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
39	9314 8699 0430 0061 3148 12	Shogoi and Gas Co., II, LLC P.O. Box 209 Hay Springs NE 69347	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice



Zina Crum  
Modrall Sperling  
500 4th Street NW  
Suite 1000  
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
07/18/2019



Firm Mailing Book ID: 171091

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest. Del. Fee	Reference Contents
40	9314 8699 0430 0061 3148 29	Cargoil and Gas Co., LLC P.O. Box 29450 Santa Fe NM 87592	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
41	9314 8699 0430 0061 3148 36	Jack V. Walker Rev. Trust dated May 21, 1981 Valorie F. Walker, Trustee 2341 Scarborough Drive Anchorage AK 99504	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
42	9314 8699 0430 0061 3148 43	Jack V. Walker Rev. Trust dated May 21, 1981 Valorie F. Walker, Trustee P.O. Box 102256 Anchorage AK 99510	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
43	9314 8699 0430 0061 3148 50	Balog Family Trust dated August 15, 2002 Peter Balog, Trustee P.O. Box 111890 Anchorage AK 99511	\$1.15	\$3.50	\$1.60	\$0.00	82762-0163 Notice
<b>Totals:</b>			<b>\$49.45</b>	<b>\$150.50</b>	<b>\$68.80</b>	<b>\$0.00</b>	
<b>Grand Total:</b>						<b>\$268.75</b>	

List Number of Pieces  
Listed by Sender

Total Number of Pieces  
Received at Post Office

Postmaster:  
Name of receiving employee

Dated:



## Transaction Report Details - CertifiedPro.net

Firm Mail Book ID- 171091

Generated: 8/7/2019 4:52:22 PM

USPS Article Number	Date Created	Name 1	Name 2	Address	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300061314850	2019-07-18 7:54 AM	Balog Family Trust dated August 15, 2002	Peter Balog, Trustee	P.O. Box 111890	Anchorage	AK	99511	Delivered	Return Receipt - Electronic, Certified Mail	07-29-2019
9314869904300061314843	2019-07-18 7:54 AM	Jack V. Walker Rev Trust dated May 21, 1981	Valerie F. Walker, Trustee	P.O. Box 102256	Anchorage	AK	99510	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314836	2019-07-18 7:54 AM	Jack V. Walker Rev Trust dated May 21, 1981	Valerie F. Walker, Trustee	2341 Scarborough Drive	Anchorage	AK	99504	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314829	2019-07-18 7:54 AM	Cargill and Gas Co., LLC		P.O. Box 29450	Santa Fe	NM	87592	Delivered	Return Receipt - Electronic, Certified Mail	07-30-2019
9314869904300061314812	2019-07-18 7:54 AM	Shogol and Gas Co., II, LLC		P.O. Box 209	Hay Springs	NE	69347	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314805	2019-07-18 7:54 AM	Lenox Mineral Title Holdings, Inc.	c/o Lenox Minerals, LLC	1707 1/2 Poast Oak Blvd, No. 171	Houston	TX	77056	Undelivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314799	2019-07-18 7:54 AM	Shannon Titcel		1800 Rogers Park Court	Anchorage	AK	99508	Delivered	Return Receipt - Electronic, Certified Mail	07-25-2019
9314869904300061314782	2019-07-18 7:54 AM	Cella Stivason		32066 Hwy 94	Campe	CA	91906	To be Returned	Return Receipt - Electronic, Certified Mail	07-24-2019
9314869904300061314775	2019-07-18 7:54 AM	TLW Investments, LLC		9500 Harrit Road #97	Lakeside	CA	92040	Delivered	Return Receipt - Electronic, Certified Mail	07-24-2019
9314869904300061314768	2019-07-18 7:54 AM	Steven R. Garrity		1001 Famin, Ste. 2020	Houston	TX	77002	Delivered	Return Receipt - Electronic, Certified Mail	07-24-2019
9314869904300061314751	2019-07-18 7:54 AM	Wayne Newkumet		4821 Eastman Drive	Oklahoma City	OK	73122	Delivered	Return Receipt - Electronic, Certified Mail	07-24-2019
9314869904300061314744	2019-07-18 7:54 AM	Dennis Eimers		P.O. Box 11330	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314737	2019-07-18 7:54 AM	Jerry Barnes		P.O. Box 50637	Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314730	2019-07-18 7:54 AM	FOKL, LLC		P.O. Box 768	Cillicothe	MO	64601	Returned to Sender	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314713	2019-07-18 7:54 AM	Chevron USA Inc.		116 East Sheridan Avenue	Oklahoma City	OK	73104	Returned to Sender	Return Receipt - Electronic, Certified Mail	08-05-2019
9314869904300061314706	2019-07-18 7:54 AM	Wells Fargo Bank,		800 Research Parkway, Suite 100	Oklahoma City	OK	73104	Delivered	Return Receipt - Electronic, Certified Mail	07-31-2019
9314869904300061314690	2019-07-18 7:54 AM	Wallace H. Scott Unified Credit Trust	Dorothy Cecile Scott, Trustee	1400 Smith Street	Houston	TX	77002	Delivered	Return Receipt - Electronic, Certified Mail	07-24-2019
9314869904300061314683	2019-07-18 7:54 AM	Wallace H. Scott Unified Credit Trust	Dorothy Cecile Scott, Trustee	FM 150	Driftwood	TX	78619	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300061314676	2019-07-18 7:54 AM	Robert P. and Anna D. Earnest Trust	Kathleen E. Rios & Robert E. Rios	2500 Barton Creek Blvd #2209	Austin	TX	78735	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300061314669	2019-07-18 7:54 AM	Wells Fargo Bank,	Wells Fargo Bank, N.A., Trustee	1753 Rancho Cajon Place	El Cajon	CA	92019	Undelivered	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314652	2019-07-18 7:54 AM	Marshall & Winston, Inc.	Morrell of 8/5/71	201 Main Street, Suite 400	Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314638	2019-07-18 7:54 AM	Braille Institute of America, Inc.	Attn: Brenda S. Olsen, Senior VP	P.O. Box 50880	Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	07-25-2019
9314869904300061314621	2019-07-18 7:54 AM	Selma E. Andrews Trust for Selma E. Andrews	Attn: Brenda S. Olsen, Senior VP	P.O. Box 830308	Dallas	TX	75283	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314607	2019-07-18 7:54 AM	Margie Nell Weisner Revocable Trust	Brenda S. Olsen, Senior VP	P.O. Box 830308	Dallas	TX	75283	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314591	2019-07-18 7:54 AM	Margie Nell Weisner Revocable Trust	Margie Nell Weisner, Trustee	43 Camino Place	Palm Desert	CA	92060	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314584	2019-07-18 7:54 AM	Van P. Welch, Jr.	Margie Nell Weisner, Trustee	2395-3D Via Mariposa	Laguna Woods	CA	92637	Delivered	Return Receipt - Electronic, Certified Mail	07-26-2019
9314869904300061314577	2019-07-18 7:54 AM	Robert W. and Katherine D. Gillespie	Revoicable Trust of 3/11/92, Trustees	2259 Via Puerta, Unit C	Laguna Woods	CA	92637	Returned to Sender	Return Receipt - Electronic, Certified Mail	08-06-2019
9314869904300061314560	2019-07-18 7:54 AM	Richard H. Coats	Revoicable Trust of 3/11/92, Trustees	21797 Carlisle Road	Apple Valley	CA	92307	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300061314553	2019-07-18 7:54 AM	Billy Wayne Gorman Family Investment	Mark Gorman	2601 Sunrise Road	Walenberg	CO	81089	Delivered	Return Receipt - Electronic, Certified Mail	08-05-2019
9314869904300061314546	2019-07-18 7:54 AM	Billy Wayne Gorman Family Investment	Michael Gorman	6645 Del Playa Drive	Goleta	CA	93117	Delivered	Return Receipt - Electronic, Certified Mail	08-01-2019
9314869904300061314522	2019-07-18 7:54 AM	USA/BLM	Linda Gass	186 Sierra View Road	Pasadena	CA	91105	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314515	2019-07-18 7:54 AM	USA/BLM	Linda Gass	P.O. Box 2412	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314508	2019-07-18 7:54 AM	USA/BLM	Linda Gass	3006 Racquet Club Drive	Midland	TX	79705	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300061314492	2019-07-18 7:54 AM	USA/BLM	Linda Gass	513 NW 17th St.	Oklahoma City	OK	73103	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314485	2019-07-18 7:54 AM	USA/BLM	Linda Gass	2112 Tall Oaks Trail	Edmond	OK	73025	Delivered	Return Receipt - Electronic, Certified Mail	07-23-2019
9314869904300061314478	2019-07-18 7:54 AM	USA/BLM	Linda Gass	8101 South Juniper Avenue	Broken Arrow	OK	74011	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300061314461	2019-07-18 7:54 AM	USA/BLM	Linda Gass	301 Dinosaur Trail	Santa Fe	NM	87508	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300061314454	2019-07-18 7:54 AM	USA/BLM	Linda Gass	15 East 5th St, Suite 3300	Tulsa	OK	74103	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314447	2019-07-18 7:54 AM	USA/BLM	Linda Gass	5400 LB Freeway, Suite 1500	Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314430	2019-07-18 7:54 AM	USA/BLM	Linda Gass	810 Louisa St.	Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019
9314869904300061314430	2019-07-18 7:54 AM	USA/BLM	Linda Gass	600 N. Marlenfeld St., Site 600	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	07-22-2019




# Affidavit of Publication


STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
July 25, 2019  
and ending with the issue dated  
July 25, 2019.

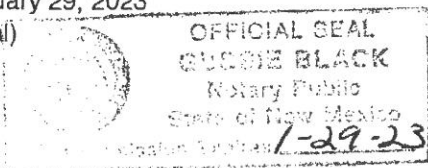
  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
25th day of July 2019.

  
\_\_\_\_\_  
Business Manager

My commission expires  
January 29, 2023

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE  
JULY 25, 2019

CASE NO. 20658: Notice to all affected parties, as well as the heirs and devisees of, XTO HOLDINGS, LLC, MRC DELAWARE RESOURCES, LLC, NADEL AND GUSSMAN CAPITAN, LLC, USA/BUREAU OF LAND MANAGEMENT, GREEN FAMILY TRUST, BILLY WAYNE GORMAN FAMILY INVESTMENT LIMITED PARTNERSHIP, RICHARD H. COATS, ROBERT WELCH GILLESPIE AND KATHERINE DEUEL GILLESPIE, VAN P. WELCH, JR., MARGIE NELL WEISNER REVOCABLE TRUST, SELMA E. ANDREWS TRUST FOR BENEFIT OF PEGGY BARRETT, SELMA E. ANDREWS TRUST FOR BENEFIT OF SELMA E. ANDREWS, BRAILLE INSTITUTE OF AMERICA, INC., MARSHALL & WINSTON, INC., WELLS FARGO BANK, N.A., TRUSTEE UNDER THE LAST WILL AND EDNA E. MORRELL LIVING TRUST, ROBERT P. EARNEST AND ANNA DOKUS EARNEST TRUST, WALLACE H. SCOTT UNIFIED CREDIT TRUST, CHEVRON USA INC., FOKL, LLC, JERRY BARNES, DENNIS EIMERS, WAYNE NEWKUMET, STEVEN R. GARRITY, TLW INVESTMENTS, LLC, CELIA STIVASON, SHANNON TITZEL, LENOX MINERAL TITLE HOLDINGS, INC., SHOGOIL AND GAS CO., II, LLC, CARGOIL AND GAS CO., LLC, JACK V. WALKER REVOCABLE TRUST, AND BALOG FAMILY TRUST, of Cimarex Energy Co.'s application for compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on August 8, 2019. Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Mescalero Ridge 21 Fed Com 2H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles west of Hobbs, New Mexico.  
#34494

01104570

00231242

DOLORES SERNA  
MODRALL, SPERLING, ROEHL, HARRIS &  
P. O. BOX 2168  
ALBUQUERQUE, NM 87103-2168