



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

December 21, 2006

Mr. James Bruce
P.O. Box 1056
Santa Fe, NM 87504

Mr. C. Gene Samberson
Heidel, Samberson, Newell, Cox & McMahon
P.O. Drawer 1599
Lovington, NM 88260

VIA CERTIFIED MAIL

**Re: Administrative NSL Application
Reference No. pTDS0633532115
Cimarex Energy Co. of Colorado
Aduddle Well No. 1
A-23-15S-36E, Lea County**

Gentlemen:

Pursuant to the protest filed by Mr. Samberson dated December 15, 2006, the referenced application has been set for hearing.

The matter will be heard before a division examiner on Thursday, January 18, 2007 at 8:15 a.m., in Porter Hall, 1st Floor, 1220 South St. Francis Dr., in Santa Fe, New Mexico.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks,
Assistant General Counsel

LAW OFFICES

HEIDEL, SAMBERSON, NEWELL, COX & McMAHON

C. GENE SAMBERSON
MICHAEL T. NEWELL
LEVIS C. COX, III
PATRICK B. McMAHON
MATTHEW T. TUCKER

311 NORTH FIRST STREET
POST OFFICE DRAWER 1599
LOVINGTON, NM 88260
TELEPHONE (505) 396-5303
FAX (505) 396-5305

F.L. HEIDEL
(1913-1985)

December 13, 2006

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mark E. Fesmire
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

**Re: Application of Cimarex Energy Co. of
Colorado for Approval of an
Unorthodox Gas Well Location
for the following well:**
Well Name: Aduddle Well No.1
Well Location: 330' FNL & 897' FEL
Well Unit: N1/2 Section 23 - 15S-36E
Lea County, New Mexico

2006 DEC 15 PM 1 20

Dear Mr. Fesmire:

This firm represents Jerry Dean and Donna Dean Family Trust dated January 17, 2003; Larry Dean; and Debra Dean Noland each of whom own undivided mineral interests in a portion of Section 14-15S-36E, Lea County, New Mexico. Our clients have requested that we notify the Division that each of them object to the captioned Application as well as to its potential approval.

Please cause the objections of our clients to said Application to be properly reflected in the Division's records. In addition, on behalf of our clients, we reserve the right to contest this Application and request notice of all Division hearings or proceedings concerning this Application.

Very Truly Yours,

HEIDEL, SAMBERSON, NEWELL, COX & McMAHON

By: 
C. Gene Samberson

Letter to Mark E. Fesmire

New Mexico Oil Conservation Division

*Re: Application of Cimarex Energy Co./Aduddle Well No.1
Lea County, New Mexico*

December 13, 2006

Page two.

CGS:cd

pc: Jerry Dean and Donna Dean
Family Trust dated January 17, 2003

Larry Dean

Debra Dean Nolan

James Bruce, Esq.

DATE <i>11/30/06</i>	SUSPENSE	ENGINEER <i>BROOKS</i>	LOGGED IN <i>12/1/06</i>	TYPE <i>NSL</i>	APP NO <i>PTDSD-3353-2115</i>
----------------------	----------	------------------------	--------------------------	-----------------	-------------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

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



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]

[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

2006 NOV 30 AM 9 11

[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
 P.O. Box 1056
 Santa Fe, New Mexico 87504

James Bruce Attorney for Applicant 11/29/06
 Signature Title Date
jamesbruc@aol.com
 e-mail Address

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

39 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(05) 982-2043 (Phone)
(05) 660-6612 (Cell)
(05) 982-2151 (Fax)

jamesbruce@aol.com

November 29, 2006

Hand delivered

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Fesmire:

Pursuant to Division Rule 104.F(2), Cimarex Energy Co. of Colorado applies for approval of an unorthodox gas well location for the following well:

<u>Well name:</u>	Aduddle Well No. 1
<u>Well location:</u>	330 feet FNL & 897 feet FEL
<u>Well unit:</u>	N½ §23-15S-36E, Lea County, New Mexico

The well was drilled in 1988 to test the Devonian formation, but was dry and was plugged and abandoned (the well was at an orthodox oil well location when drilled). Applicant plans to re-enter the well, clean it out, and test the Atoka, Morrow, and Mississippian formations, and requests unorthodox location approval in all three zones. The well will be a wildcat test in all formations. As a result, the well spacing is governed by the Division's statewide regulations (320 acre units with wells no closer than 660 feet to a quarter section line.) An APD for the well is attached as Exhibit A.

Re-entering the existing well will reduce costs, and thus prevent waste.

Attached as Exhibit B is a land plat. The well encroaches on Section 14 to the north. Because there is no well in Section 14, applicant is notifying interest owners in the NE¼ and S½ of Section 14, which would include either a standup or laydown 320 acre unit. In addition, because Cimarex Energy Co. owns interests in Section 14, notice has been given to its mineral or royalty owners. The names and addresses of the owners in the offset acreage are set forth below:

Cimarex Energy Co.
P. O. Box 140907
Irving, TX 75014-0907
Attn: Zeno Farris

Kathleen H. Alexander
1009 Blossom R. Way Apt 262
San Jose CA 95123

Motion Picture Associates, Ltd.
223 W. Alameda, Suite 101
Burbank, CA 91502

The Paul and Betsy Ache Family LP
13311 Appletree
Houston, TX 77079

Arlan H. Bishop, SSP
388 W. Indian Creek Dr.
Grand Junction, CO 81501

Buddy Jones, SSP
6383 W. Leawood Dr.
Littleton CO 80123

John Ray & Bobbie J. Bishop
1404 West Ave. H
Lovington, NM 88260

Drue E. & Lela Bishop
624 32 Rd.
Clifton, CO 81520

Jerry Dean and Donna Dean
Family Trust dated 1-17-03
P.O. Box 1285
Lovington, NM 88260

Larry Dean
P.O. Box 1285
Lovington, NM 88260

Debra Dean Nolan, SSP
P. O. Box 1285
Lovington, NM 88260

Carla D. Dean
P. O. Box 1285
Lovington, NM 88260

James L. Dean
P. O. Box 1285
Lovington, NM 88260

Carla Dean Gallipoli, Successor Trustee of
Bobby Lee Dean Revocable Tr. dated 8-16-93
10751 Wilshire, N.E.
Albuquerque, NM 87122

Jean H. Ache Ladner, and
Stephen Ache Ladner
501 Lahoma St.
Norman, OK 73069

Betty Rae Graham, Trustee
4909 Island Dr.
Midland, TX 79707

United States Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220
Attn: Jim Stovall

The notice letter to the offset interest owners is attached as Exhibit C.

Very truly yours,



James Bruce

Attorney for Cimarex Energy Co. of Colorado

District I
1625 N. Lincoln Dr., El Paso, NM 87410
District II
1201 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Pecos Road, Aztec, NM 87410
District IV
1220 S. St. James Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Cimarex Energy Co. PO Box 40907 Irving, TX 75014-0907		OGRID Number 215099
Property Code		API Number 30-015-
Property Name Aduddle		Well No. 001
Proposed Pool 1 Undesignated Morrow Wildcat		Proposed Pool 2 Undesignated Atoka Wildcat

Surface Location

CL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	23	15S	36E		330	North	897	East	Lea

Proposed Bottom Hole Location If Different From Surface

CL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

Work Type Code F	Well Type Code G	Cable/Rotary R	Lease Type Code Fee	Ground Level Elevation 3876' GR
Multiple No	Proposed Depth 13000'	Formation Mississippian	Contractor Unknown	Spud Date When Approved
Depth to Groundwater 67' per USGS information		Distance from nearest fresh water well Greater than 1000' per State Engineer Records		Distance from nearest surface water Greater than 1000'
Pit: Liner Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/>		Drilling Method: Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		
Closed-Loop System <input checked="" type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	352' (already set)	400	Surface
11"	8-5/8"	32#	4915' (already set)	1850	Surface
7-7/8"	5-1/2"	17#	13000'	1620	9600'

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

The Aduddle No. 1 well was plugged and abandoned on 09-02-88. Propose to re-enter and clean out to 13000' new TD.
Set 13000' of 5 1/2" P-110 17# casing and cement to 9600' w 1620 sx of POZ/C + Additives.
Perforate and test Mississippian, Morrow, and Atoka formations, stimulate as required, and complete as a gas well.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .

OIL CONSERVATION DIVISION

Approved by:

Printed name: Zeno Farris

Title:

title: Manager Operations Administration

Approval Date:

Expiration Date:

E-mail Address: zfarris@cimarex.com

Date: November 2, 2006

Phone: 972-443-6489

Conditions of Approval Attached

EXHIBIT

A

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Undesignated Morrow Wildcat
Property Code	Property Name	Well Number
	ADUDDLE	1
OGRID No.	Operator Name	Elevation
215099	Cimarex Energy Co.	3876'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	15 S	36 E		330	NORTH	897	EAST	LEA

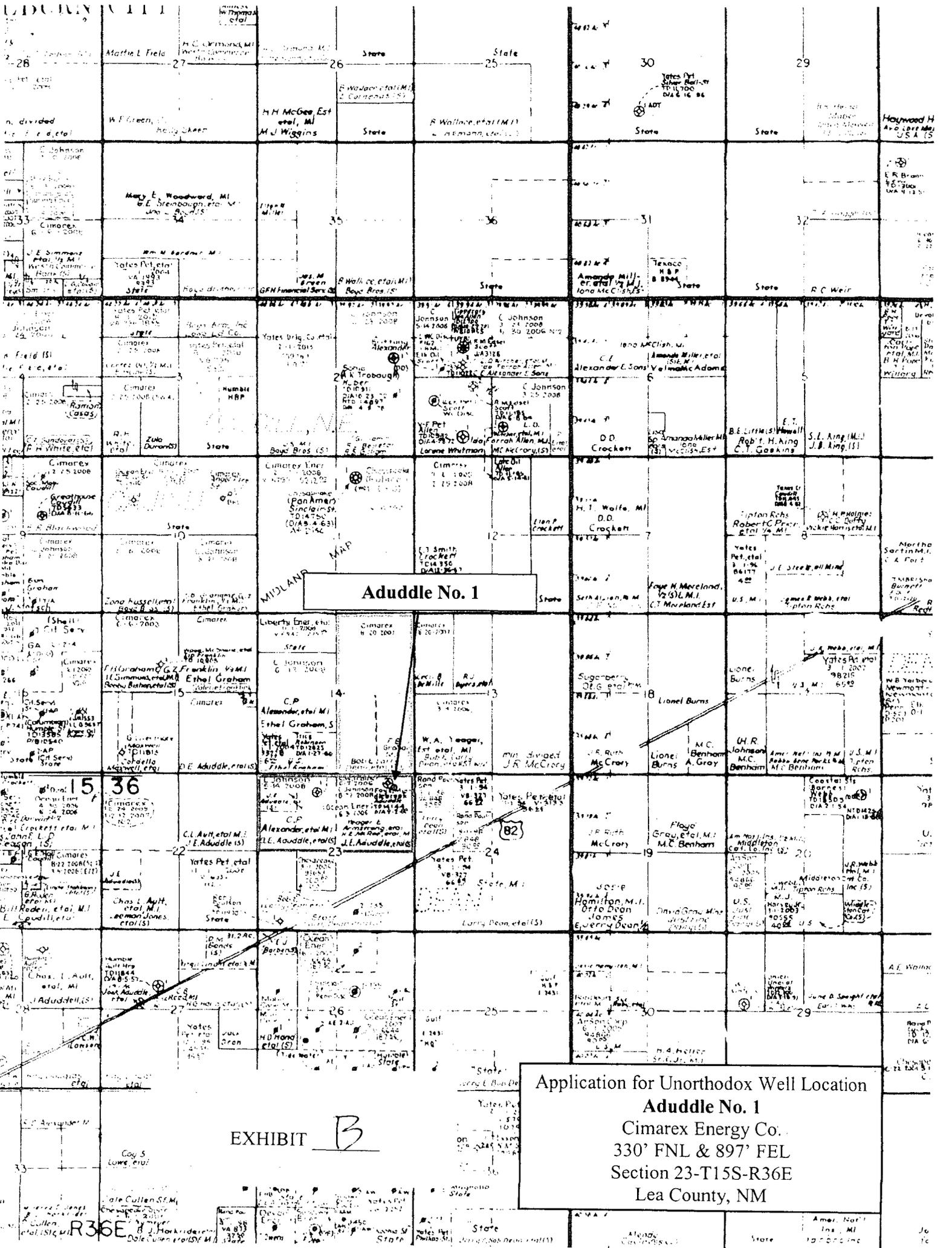
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320	N		NSL Pending

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 style="border: 1px solid black; padding: 5px; margin: 5px;"> <p style="text-align: center;">Aduddle #1</p> </div>	<p>OPERATOR CERTIFICATION</p> <p><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 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></p> <p style="text-align: right;">Zeno Farris 11-02-06</p> <p>Signature _____ Date _____</p> <p style="text-align: center;">Zeno Farris</p> <p>Printed Name _____</p>
	<p>SURVEYOR CERTIFICATION</p> <p><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></p> <p style="text-align: center;">OCTOBER 30, 2006</p> <p>Date Surveyed _____</p> <p>Signature _____</p> <p>Professional Surveyor</p>
	<p>Certificate No. Gary L. Jones 7977</p> <p style="text-align: center;">Basin Surveys</p>



Application for Unorthodox Well Location
Aduddle No. 1
 Cimarex Energy Co.
 330' FNL & 897' FEL
 Section 23-T15S-R36E
 Lea County, NM

EXHIBIT **B**

R36E

Jo

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

November 29, 2006

Certified Mail – Return Receipt Requested

To: Persons listed on Exhibit A

Ladies and gentlemen:

Cimarex Energy Co. of Colorado has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox gas well location in the N½ of Section 23, Township 15 South, Range 36 East, N.M.P.M., Lea County, New Mexico. A copy of the application is enclosed. If you object to the application, you must notify the Division in writing no later than 20 days of the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter at a latter date.

Very truly yours,



James Bruce

Attorney for Cimarex Energy Co. of Colorado

EXHIBIT C

EXHIBIT A

Cimarex Energy Co.
P. O. Box 140907
Irving, TX 75014-0907
Attn: Zeno Farris

Debra Dean Nolan, SSP
P. O. Box 1285
Lovington, NM 88260

Kathleen H. Alexander
1009 Blossom R. Way Apt 262
San Jose CA 95123

Carla D. Dean
P. O. Box 1285
Lovington, NM 88260

Motion Picture Associates, Ltd.
223 W. Alameda, Suite 101
Burbank, CA 91502

James L. Dean
P. O. Box 1285
Lovington, NM 88260

The Paul and Betsy Ache Family LP
13311 Appletree
Houston, TX 77079

Carla Dean Gallipoli, Successor Trustee of
Bobby Lee Dean Revocable Tr. D. 8-16-93
10751 Wilshire N.E.
Albuquerque, NM 87122

Arlan H. Bishop, SSP
388 W. Indian Creek Dr.
Grand Junction, CO 81501

Jean H. Ache Ladner and
Stephen Ache Ladner
501 Lahoma St.
Norman, OK 73069

Buddy Jones, SSP
6383 W. Leawood Dr.
Littleton CO 80123

Betty Rae Graham, Trustee
4909 Island Dr.
Midland, TX 79707

John Ray & Bobbie J. Bishop
1404 West Ave. H
Lovington, NM 88260

United States Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220
Attn: Jim Stovall

Drue E. & Lela Bishop
624 32 Rd.
Clifton, CO 81520

Jerry Dean and Donna Dean
Family Trust dated 1-17-03
P.O. Box 1285
Lovington, NM 88260

Larry Dean
P.O. Box 1285
Lovington, NM 88260