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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 13861 Order No. R-12715

APPLICATION OF CIMAREX ENERGY COMPANY OF COLORADO FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on February 15, 2007, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 20th day of February, 2007, the Division Director, having considered the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) On November 30, 2006, Cimarex Energy Company of Colorado ("Cimarex") filed an administrative application with the Division (application reference No. pTDS0633532115) for an unorthodox gas well location for its existing Aduddle Well No. 1 (API No. 30-025-30407) located 330 feet from the North line and 897 feet from the East line (Unit A) of Section 23, Township 15 South, Range 36 East, NMPM, Lea County, New Mexico, to test the Atoka, Morrow and Mississippian formations. The N/2 of Section 23 is to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for these intervals.

(3) By letter dated December 13, 2006, which was received by the Division on December 15, 2006, Jerry Dean and Donna Dean Family Trust objected to the administrative application filed by Cimarex. The application was subsequently set for hearing before a Division examiner (Case No. 13861). (4) By letter dated February 12, 2007, legal counsel for Cimarex conveyed to the Division a letter from Jerry Dean and Donna Dean Family Trust withdrawing their objection to the Cimarex application.

(5) The applicant requests that this case be dismissed, and that the subject application be reviewed and processed administratively by the Division.

(6) The applicant's request should be granted.

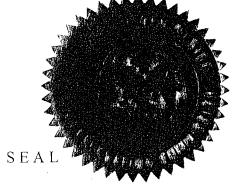
IT IS THEREFORE ORDERED THAT:

(1) The application of Cimarex Energy Company of Colorado for an unorthodox gas well location for its existing Aduddle Well No. 1 located 330 feet from the North line and 897 feet from the East line (Unit A) of Section 23, Township 15 South, Range 36 East, NMPM, Lea County, New Mexico, to test the Atoka, Morrow and Mississippian formations is hereby <u>dismissed</u>.

(2) The subject application is hereby remanded back to the Division for administrative review and processing.

(3) Jurisdiction of this case is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, PE Director