

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 27, 2007

Cimarex Energy Co. of Colorado 5215 N. O'Connor Blvd, Suite 1500 Irving, TX 75039

Dear Operator:

Pursuant to 19.15.9.705.C (1) NMAC [Rule 705.C (1)], the Oil Conservation Division (OCD) has terminated the injection authority for the well indicated below:

API WELL #	Well Name	Well#
30-015-22326-00-00	PENNZOIL 10 FEDERAL	002

Rule 705.C (1) provides, "Whenever there is a continuous one year period of non-injection into any injection project, storage project, salt water disposal well, or special purpose well, such project or well shall be considered abandoned, and the authority for injection shall automatically terminate *ipso facto*." The well indicated above is a salt water disposal well or special purpose wells that are not part of an injection or storage project; no injection has been reported for these wells for a continuous period of at least one year.

If you intend to inject into this well you must obtain a new injection permit. The procedure for obtaining an injection permit is set out in 19.15.9.701 NMAC [Rule 701]. Please note that the OCD may grant a permit for injection only to an operator who is in compliance with 19.15.1.40 NMAC [Rule 40].

Sincerely,

Gerry Guye

Deputy Field Inspector

District II - Artesia

Cc: Bureau of Land Management

Carlsbad Office