State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Melanie Kenderdine Cabinet Secretary

Dylan M. Fuge Deputy Secretary **Dylan M. Fuge**, Division Director (Acting) **Oil Conservation Division**



Ms. Deana Bennett deana.bennett@modrall.com

Administrative Order NSP – 2204

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

Cimarex Energy Company [OGRID 215099]

Cascade 28 Federal Com Well No. 29H [API No. 30-025-50783] Cascade 28 Federal Com Well No. 30H [API No. 30-025-50104] Cascade 28 Federal Com Well No. 31H [API No. 30-025-50105] Cascade 28 Federal Com Well No. 403H [API No. 30-025-PENDING] Cascade 28 Federal Com Well No. 404H [API No. 30-025-PENDING] Cascade 28 Federal Com Well No. 412H [API No. 30-025-PENDING] Cascade 28 Federal Com Well No. 412H [API No. 30-025-PENDING] Cascade 28 Federal Com Well No. 413H [API No. 30-025-PENDING] Cascade 28 Federal Com Well No. 413H [API No. 30-025-PENDING] Cascade 28 Federal Com Well No. 413H [API No. 30-025-PENDING]

Reference is made to your application received on April 19th, 2024.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
Section 28	640	Bobcat; Upper Wolfcamp	98094

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a nonstandard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

NSP - 2204 Cimarex Energy Company Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are to be being included.

It is understood that a non-standard horizontal spacing unit is needed in order to development the communitized acreage, efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and to promote effective well spacing reserves from the Wolfcamp formation. Thereby, preventing waste underlying Section 28.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the abovedescribed **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following email address: <u>ocd.engineer@emnrd.nm.gov</u> of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

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

Date: 5/30/24

DYLAN M. FUGE DIRECTOR (ACTING) DMF/lrl

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CONDITIONS

Operator:	OGRID:
CIMAREX ENERGY CO.	215099
6001 Deauville Blvd	Action Number:
Midland, TX 79706	350526
	Action Type:
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By		Condition Date
llowe	None	6/3/2024

Page 3 of 3

Action 350526