

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



Deana M. Bennett
deana.bennett@modrall.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL - 9010

**Cimarex Energy Co. of Colorado [OGRID 162683]
Laguna Grande 29 28 Federal Com Well No. 16H
API No. 30-015-PENDING**

Reference is made to your application received on June 17th, 2025.

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	1244 FSL & 360 FWL	M	29	23S	29E	Eddy
First Take Point	330 FSL & 100 FWL	M	29	23S	29E	Eddy
Last Take Point/ Terminus	330 FSL & 100 FEL	P	28	23S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
Section 29 Section 28	1280	Purple Sage; Wolfcamp, Gas	98220

You have requested to complete this horizontal well described above in the referenced pool or formation. This well is governed by special rules R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and governs wells to be located at least 330 feet from the unit outer boundary of a spacing unit and no closer than 10 feet to any quarter – quarter section line. The completed intervals of horizontal wells are to be located no closer than 330 feet to the exterior boundary of a standard 320 - acre spacing unit.

Administrative Order NSL - 9010
Cimarex Energy Co. of Colorado
Page 2 of 2

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of First and Last Take Points referenced above within the described Horizontal Spacing Unit.

The well's completed interval is as close as 100 feet to the western and eastern boundary of the horizontal spacing unit. Encroachment will impact the following tract(s).

Section 30, encroachment to the SE/4
Section 27, encroachment to the SW/4

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 towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location to allow for efficient well spacing of horizontal wells within the Wolfcamp formation underlying all of Section 29 and all of Section 28, thereby preventing waste.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



Albert C.S. Chang, PE
Division Director
AC/lrl

Date: 7/25/2025

ID NO. 476080

NSL - 9010

Revised March 23, 2017

RECEIVED: 06/17/25	REVIEWER:	TYPE:	APP NO:
---------------------------	-----------	-------	---------

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & 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

Applicant: <u>Cimarex Energy Co. of Colorado</u>	OGRID Number: <u>162683</u>
Well Name: <u>Laguna Grande 29-28 Fed Com 16H</u>	API: <u>Pending</u>
Pool: <u>Purple Sage; Wolfcamp (Gas)</u>	Pool Code: <u>98220</u>

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **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.

Deana M. Bennett
Print or Type Name

Signature

06/17/2025
Date

505-848-1834
Phone Number

deana.bennett@modrall.com
e-mail Address



MODRALL SPERLING

LAWYERS

June 17, 2025

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA E-FILING

Acting Director Gerasimos Razatos
And
OCD Engineering Bureau
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RE: Application of Cimarex Energy Co. of Colorado for administrative approval of unorthodox well location for its Laguna Grande 29-28 Fed Com 16H well located in a horizontal spacing unit comprised of Sections 28 and 29, Township 23 South, Range 29 East, Eddy County, New Mexico.

Dear Director Razatos/OCD Engineering Bureau:

Pursuant to Division rules 19.15.16.15(C)(6) and 19.15.15.13 NMAC, Cimarex Energy Co. of Colorado (“Cimarex”) (OGRID 162683) seeks administrative approval of an unorthodox well location (“NSL”) for its Laguna Grande 29-28 Fed Com 16H well (API No. pending) (the “Well”). The Well will be located in a 1280-acre, more or less, spacing unit underlying Sections 28 and 29, Township 23 South, Range 29 East, Eddy County, New Mexico,¹ and is in the Purple Sage; Wolfcamp (Gas) pool (Code 98220). A C-102 for the Well is attached as **Exhibit A**.

Approval of the unorthodox location will allow for efficient spacing of horizontal wells in the Wolfcamp formation and thereby prevent waste.

The horizontal spacing unit to which the Well will be dedicated is described as:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
Sections 28 & 29	1280	Purple Sage; Wolfcamp (Gas)	98220

¹ Cimarex filed a non-standard unit application, along with a compulsory pooling application, for the non-standard unit in which the Well is located. That application in case number 25091 was heard by affidavit by the Division during its May 8, 2025 hearing docket.

Modrall Sperlring
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

The Purple Sage; Wolfcamp pool is a gas pool that is subject to special pool rules that establish a 330' setback requirement for the first and last take points of a well from the outer boundary of the spacing unit. The Well's **first and last take points** will be closer than 330' from the outer boundary of the spacing unit, which requires an NSL approval. As shown on Exhibit A, this is a horizontal well that will be drilled as follows:

- Surface Hole Location: 1244' FSL & 360' FWL (Unit M) of Section 29;
- Bottom Hole Location: 330' FSL & 100' FEL (Unit P) of Section 28.

- First Take Point: 330' FSL & 100' FWL (Unit M) of Section 29;
- Last Take Point: 330' FSL & 100' FEL (Unit P) of Section 28.

As discussed above, the Well's **first and last take points** will be closer than 330' from the outer boundary of the spacing unit. *See* Exhibit A (C-102). The unorthodox location for the Well's first take point will encroach towards the NE/4 and the SE/4 of Section 30, Township 23 South, Range 29 East. The unorthodox location for the Well's last take point will encroach towards the NW/4 and the SW/4 of Section 27, Township 23 South, Range 29 East. *See* Exhibit A (C-102). Cimarex provides a map of the area, attached as **Exhibit B**, which shows the tracts upon which the unorthodox location will encroach.

As shown on Exhibit B, Devon Energy is the operator of both the NE/4 of Section 30 and the NW/4 of Section 27. Chevron is also providing notice to the Bureau of Land Management. Proof of mailing, along with a copy of the notice letter sent to affected parties, is attached hereto as **Exhibit C**.

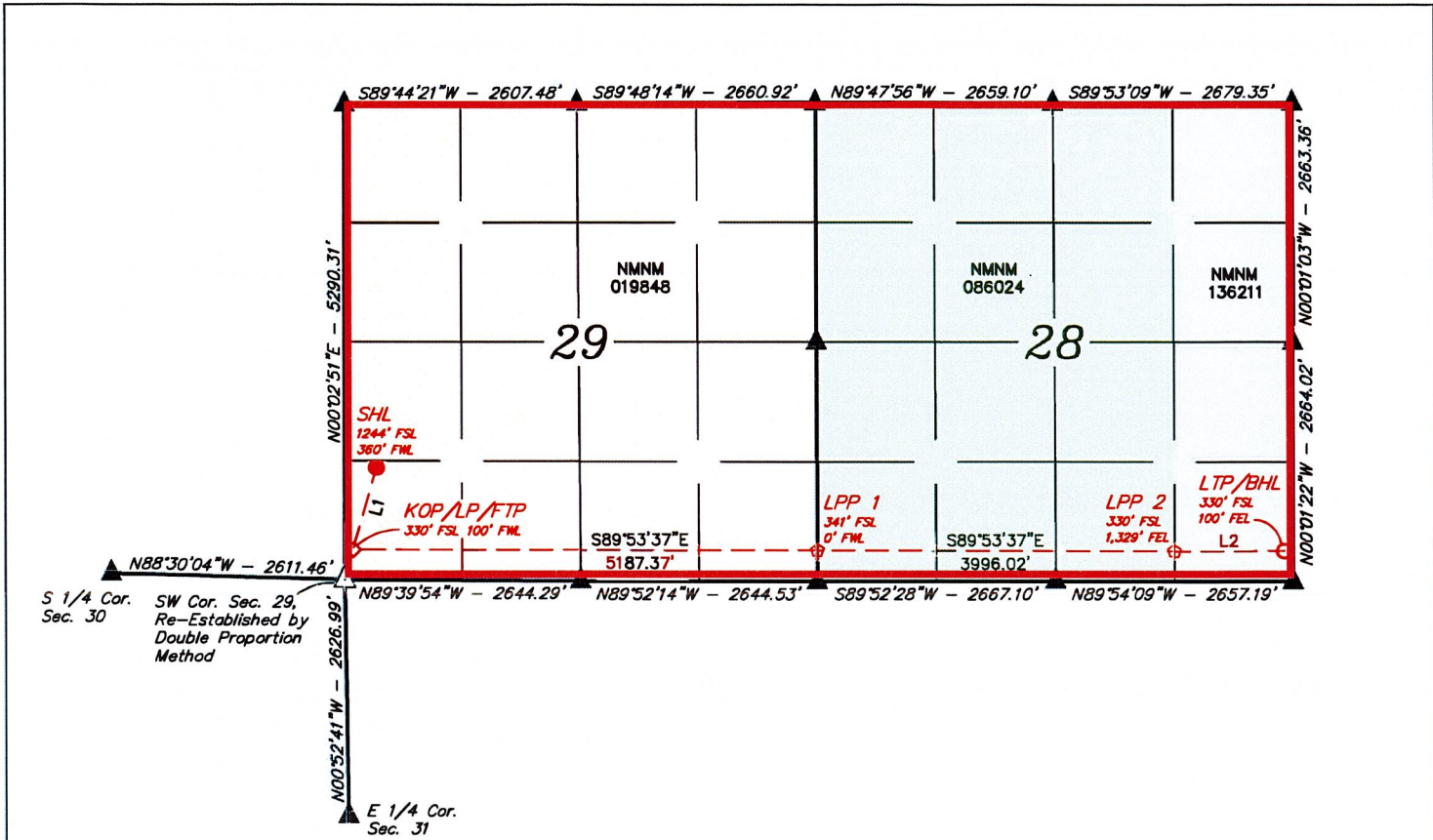
Your attention to this matter is appreciated.

Sincerely,



Deana M. Bennett
*Attorney for Cimarex Energy Co. of
Colorado*

Property Name LAGUNA GRANDE 29-28 FED COM	Well Number 16H	Drawn By L.M.W. 11-25-24	Revised By REV. 3 N.R. 04-29-25 (REMOVE DEDICATED ACREAGE)
--	--------------------	-----------------------------	---



- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LEASE PENETRATION POINT
- ◉ = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED.
(Not Set on Ground.)

NOTE:

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Colored areas within section lines represent Federal oil & gas leases.

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°16'19.31" (32.272031°)
LONGITUDE = -104°00'51.69" (-104.014358°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°16'18.87" (32.271909°)
LONGITUDE = -104°00'49.92" (-104.013867°)
STATE PLANE NAD 83 (N.M. EAST)
N: 462844.31' E: 639923.09'
STATE PLANE NAD 27 (N.M. EAST)
N: 462785.04' E: 598739.77'



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S15°56'31"W	949.37'
L2	S89°53'37"E	1229.28'

NAD 83 (KOP/LP/FTP)
LATITUDE = 32°16'10.28" (32.269521°)
LONGITUDE = -104°00'54.71" (-104.015198°)
NAD 27 (KOP/LP/FTP)
LATITUDE = 32°16'09.84" (32.269399°)
LONGITUDE = -104°00'52.94" (-104.014707°)
STATE PLANE NAD 83 (N.M. EAST)
N: 461930.57' E: 639666.22'
STATE PLANE NAD 27 (N.M. EAST)
N: 461871.32' E: 598482.88'

NAD 83 (LPP 1)
LATITUDE = 32°16'10.24" (32.269511°)
LONGITUDE = -103°59'54.31" (-103.998419°)
NAD 27 (LPP 1)
LATITUDE = 32°16'09.80" (32.269389°)
LONGITUDE = -103°59'52.54" (-103.997928°)
STATE PLANE NAD 83 (N.M. EAST)
N: 461942.67' E: 644852.47'
STATE PLANE NAD 27 (N.M. EAST)
N: 461883.37' E: 603669.05'

NAD 83 (LPP 2)
LATITUDE = 32°16'10.21" (32.269502°)
LONGITUDE = -103°59'07.77" (-103.985493°)
NAD 27 (LPP 2)
LATITUDE = 32°16'09.77" (32.269380°)
LONGITUDE = -103°59'06.01" (-103.985002°)
STATE PLANE NAD 83 (N.M. EAST)
N: 461952.00' E: 648847.63'
STATE PLANE NAD 27 (N.M. EAST)
N: 461892.69' E: 607664.20'

NAD 83 (LTP/BHL)
LATITUDE = 32°16'10.20" (32.269499°)
LONGITUDE = -103°58'53.46" (-103.981516°)
NAD 27 (LTP/BHL)
LATITUDE = 32°16'09.75" (32.269376°)
LONGITUDE = -103°58'51.69" (-103.981026°)
STATE PLANE NAD 83 (N.M. EAST)
N: 461954.87' E: 650076.64'
STATE PLANE NAD 27 (N.M. EAST)
N: 461895.56' E: 608893.21'

Well Name	FTP encroaches on	LTP encroaches on
Laguna Grande 29-28 16H	SE/4 Section 30 (Devon)	SW/4 Section 27 (Devon)

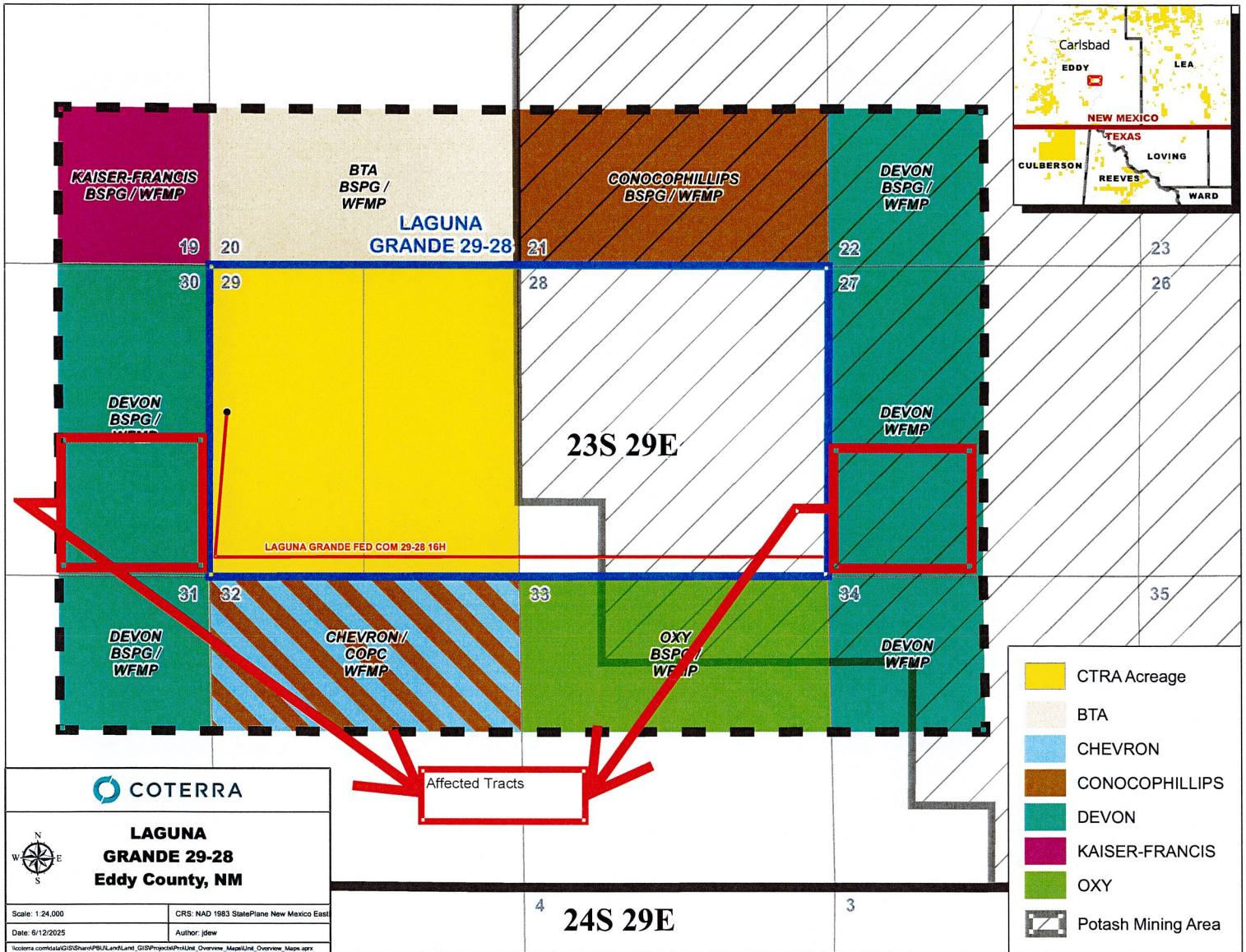


EXHIBIT
B



MODRALL SPERLING

L A W Y E R S

June 17, 2025

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL

TO AFFECTED PARTIES

Re: Application of Cimarex Energy Co. of Colorado for administrative approval of unorthodox well location for its Laguna Grande 29-28 Fed Com 9H, Laguna Grande 29-28 Fed Com 10H, Laguna Grande 29-28 Fed Com 11H, Laguna Grande 29-28 Fed Com 12H, Laguna Grande 29-28 Fed Com 13H, Laguna Grande 29-28 Fed Com 14H, Laguna Grande 29-28 Fed Com 15H, and Laguna Grande 29-28 Fed Com 16H wells located in a horizontal spacing unit comprised of Sections 28 and 29, Township 23 South, Range 29 East, Eddy County, New Mexico.

Dear Sir or Madam:

Enclosed is a copy of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above-referenced applications. If no objection is received within this twenty-day period, the applications may be approved administratively by the Division.

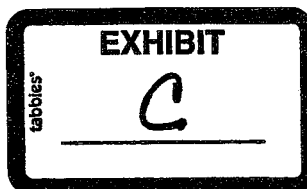
Sincerely,

Deana M. Bennett
*Attorney for Cimarex Energy Co. of
Colorado*

Modrall Sperling
Roehl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com



Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
06/17/2025

Firm Mailing Book ID: 290876

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0136 4003 96	Devon Energy 333 West Sheridan Ave. Oklahoma City OK 73102	\$3.43	\$4.85	\$2.62	\$0.00	11522.0009.NSL Notice
2	9314 8699 0430 0136 4004 02	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$3.43	\$4.85	\$2.62	\$0.00	11522.0009.NSL Notice
Totals:			\$6.86	\$9.70	\$5.24	\$0.00	
						Grand Total:	\$21.80

List Number of Pieces Received at Post Office Total Number of Pieces Received at Post Office Postmaster: Name of receiving employee Dated:

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 476080

CONDITIONS

Operator: CIMAREX ENERGY CO. OF COLORADO 6001 Deauville Blvd Midland, TX 79706	OGRID: 162683
	Action Number: 476080
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	This NSL order was approved with a pending API number well. The owner of the NSL shall update the OCD when an API number is assigned to the pending APD well by sending an e-mail to ocd.engineer@emnrd.nm.gov . TITLED: (Updating NSL-XXX with API number of the Well Name).	7/30/2025