

ABOVE THIS LINE FOR DIVISION USE ONLY

What is basis for

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] DHL-475K
[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 _____

Cimarex Energy Co of Colorado- 162683
Well: Trinity 20 Federal Com 1H
API # 30-015-34521 EAST
Pool: Sage Draw, Wolfcamp^L 96890 &
Cottonwood draw, upper Pen - 97354

[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

[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.

Aricka Easterling

Aricka Easterling

Regulatory Analyst

4/15/15

Print or Type Name

Signature

Title

Date

aeasterling@cimarex.com
e-mail Address

Cimarex Energy Co.

202 S Cheyenne Ave

Suite 1000

Tulsa, Oklahoma 74103-4346

Phone 918.585.1100

Fax 918.749.8059



April 15, 2015

New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

RE: Trinity 20 Federal Com 1H
20-25S-26E
30-015-34521
C-107-A Sage Draw/Wolfcamp and Cottonwood Draw/Upper Penn

Sir or Madam,

Enclosed is an original form C-107A (Application for Downhole Commingling) for the well mentioned above.

Currently the well is a multi-completed well in the Cottonwood draw/Upper Penn and the Sage Draw/Wolfcamp. Cimarex proposes to down hole commingle the well by opening the sliding sleeve in order to produce from both zones.

Royalty, overriding, and working interest owner are the same in each zone.

If you have any questions or need further information, please contact me at 918-506-7060

Sincerely,

A handwritten signature in black ink that reads "Aricka Easterling". The signature is written in a cursive, flowing style.

Aricka Easterling
Regulatory Analyst

Cimarex Energy Co.

600 N. Marienfeld St.

Suite 600

Midland, TX 79701

MAIN 432.571.7800



April 1, 2015

Mr. Michael A. McMillan
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Ownership Verification
Trinity 20 Federal Com 1
API No. 30-015-34521
1980' FSL x 1580 FEL
Sec. 20-T25S-R26E
Eddy County, New Mexico

Dear Mr. McMillan:

Per the review of our records, it has been determined that there is common ownership for the Cisco Canyon and Wolfcamp zones. Please feel free to contact me if there are any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Nash Dowdle".

Nash J. Dowdle, Jr.

Petroleum Landman

Tel. 432-571-7857 – Off.

Tel. 432 – 571-7840 - FAX

ndowdle@cimarex.com

NM OIL CONSERVATION
ARTESIA DISTRICT

MAR 23 2015

DISTRICT I

1625 N. PIERCE DR., SHERBORN, NM 86240

DISTRICT II

1901 W. GRAND AVENUE, ARTESIA, NM 86800

DISTRICT III

1000 Rio Grande 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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

RECEIVED

Form C-102
Revised JUNE 10, 2003
Submit to appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-34521	Pool Code 96890	Pool Name Sagedraw; Wolfcamp
Property Code 35326	Property Name TRINITY 20 FEDERAL COM	Well Number 1
OCRID No. 162683	Operator Name Cimarex Energy Co. of Colorado	Elevation 3430'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	20	25-S	26-E		1980	SOUTH	1580	EAST	EDDY

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	Y	P	

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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=405016.9 N X=506927.7 E</p> <p>LAT.=32°06'48.62" N LONG.=104°18'39.45" W</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Paula Brunson</i> Signature Paula Brunson Printed Name Regulatory Analyst Title January 12, 2015 Date</p>
<p>Trinity 20 Fed Com #2</p> <p>660'</p> <p>1980'</p> <p>NM-104661</p>	<p>3440.7'</p> <p>600'</p> <p>3434.9'</p> <p>1580'</p> <p>3422.0'</p> <p>3421.1'</p> <p>1980'</p> <p>NM-92160</p> <p>Trinity 20 Fed Com #1</p>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>NOVEMBER 09, 2005</p> <p>Date Surveyed Signature & Seal of Professional Surveyor <i>Ronald J. Edson</i> 105.111757 Certificate No. CARY EDSON 12641 RONALD J. EDSON 3239</p>

NM OIL CONSERVATION
ARTESIA DISTRICT

MAR 23 2015

DISTRICT I
1625 W. FRENCH DR., BOHNS, NM 86240

DISTRICT II
1501 E. GRAND AVENUE, ARTESIA, NM 86210

DISTRICT III
1000 Rio Grande 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

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

RECEIVED

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-34521	Pool Code 97354	Pool Name Cottonwood Draw, Upper Penn (Gas)
Property Code 35326	Property Name TRINITY 20 FEDERAL COM	Well Number 1
OCRID No. 162683	Operator Name Cimarex Energy Co. of Colorado	Elevation 3430'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	20	25-S	26-E		1980	SOUTH	1580	EAST	EDDY

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 320	Joint or Infill Y	Consolidation Code P	Order No.						

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

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=405016.9 N X=506927.7 E</p> <p>LAT.=32°06'48.62" N LONG.=104°18'39.45" W</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Paula Brunson</i> Signature Paula Brunson Printed Name Regulatory Analyst Title January 12, 2015 Date</p>	
<p>Trinity 20 Fed Com #2</p> <p>660'</p> <p>1980'</p> <p>NM-104661</p>		<p>3440.7' 3434.9'</p> <p>600'</p> <p>3422.0' 3421.1'</p> <p>1580'</p> <p>NM-92160</p> <p>Trinity 20 Fed Com #1</p>	
		<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>NOVEMBER 09, 2005</p> <p>Date Surveyed: JR</p> <p>Signature: <i>Ronald E. Johnson</i> Professional Surveyor 65.11.1757</p> <p>Certificate No. GARY J. JOHNSON 12041 RONALD E. JOHNSON 3239</p>	

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 S. First St., Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-107A
Revised August 1, 2011

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Cimarex Energy Co. 600 N. Marienfeld St., Suite 600, Midland, TX 79701
Operator Address

Trinity 20 Federal Com 1 1980' FSL & 1580' FEL (Unit J) Sec. 20, T-25-S, R-26-E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 162683 Property Code 35326 API No. 30-015-34521 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Sage Draw, Wolfcamp		Cottonwood Draw, Upper Penn (Gas)
Pool Code	96890		97354
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9114'-9938' (Perforated)		10124'-10387' (Perforated)
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Gas BTU/cuft.-1112(dry)/1093(wet) Gas gravity - 0.6241		Gas BTU/cuft.-1147(dry)/1127(wet) Gas gravity - 0.6476
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 3/29/2015 Rates: 17 BOPD/2254MCFD/22 BWPD	Date: Rates:	Date: 3/5/2015 Rates: 0 BOPD/139 MCFPD/31 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 100 % 94 %	Oil Gas % %	Oil Gas 0 % 6 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Aricka Easterling TITLE _____ Regulatory Analyst _____ DATE 4/2/15
TYPE OR PRINT NAME Aricka Easterling TELEPHONE NO. (918) 560-7060
E-MAIL ADDRESS aeasterling@cimarex.com

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X☐ Agent☐ AddresseeB. Received by (*Printed Name*)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail®☐ Priority Mail Express™☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ Collect on Delivery4. Restricted Delivery? (*Extra Fee*)☐ Yes

2. Article Number

(Transfer from service label)

7014 2120 0004 2741 4052

PS Form 3811, July 2013

Domestic Return Receipt

McMillan, Michael, EMNRD

From: Aricka Easterling <AEasterling@cimarex.com>
Sent: Thursday, April 16, 2015 2:35 PM
To: McMillan, Michael, EMNRD
Subject: RE: Trinity 20 Federal Com Well No. 1H DHC

Mr. McMillian,

The oil is produced into common tanks and tested monthly. The gas has individual sales meters for each zone.

Thank you

Aricka

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Thursday, April 16, 2015 3:14 PM
To: Aricka Easterling
Subject: RE: Trinity 20 Federal Com Well No. 1H DHC

Ms. Easterling:

How did you get 94/6 gas % for the Wolfcamp and Upper Penn? Same for the oil

From: Aricka Easterling [<mailto:AEasterling@cimarex.com>]
Sent: Thursday, April 16, 2015 2:12 PM
To: McMillan, Michael, EMNRD
Subject: RE: Trinity 20 Federal Com Well No. 1H DHC

It's a dual completion.

From: McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]
Sent: Thursday, April 16, 2015 3:08 PM
To: Aricka Easterling
Subject: Trinity 20 Federal Com Well No. 1H DHC

Ms. Easterling:

I received your DHC application for the Trinity 20 Federal Com Well No. 1H today.

Can you tell me how you got the percentages for the two zones in the well?

Is it based on well testing? Individual production?

Thank You

Michael A. McMillan

Engineering and Geological Services Bureau, Oil Conservation Division

1220 South St. Francis Dr., Santa Fe NM 87505

O: 505.476.3448 F. 505.476.3462

Michael.mcmillan@state.nm.us