

DATE IN 8/30/11 SUSPENSE ENGINEER DB LOGGED IN 8/30/11 TYPE NSL APP NO. 1124233790

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



Cimarex of Colo  
State PR #8

ADMINISTRATIVE APPLICATION CHECKLIST

30-025-39795

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]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

6480

[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 \_\_\_\_\_

[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

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[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.

James Bruce

Print or Type Name

Signature

Attorney

Title

Date

jamesbruc@aol.com  
e-mail Address

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

August 26, 2011

Jami Bailey, Director  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Ms. Bailey:

Pursuant to Division Rule 104.F(2), Cimarex Energy Co. of Colorado applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	State DR Com. Well No. 8
<u>Surface location:</u>	330 feet FNL & 1630 feet FEL
<u>Bottom hole location:</u>	330 feet FSL & 1980 feet FEL
<u>Well Unit:</u>	E½ §16-19S-32E, Lea County, New Mexico

The well is a horizontal well which will be drilled to a depth sufficient to test the Bone Spring formation (East Lusk-Bone Spring Pool). Under Order No. R-4994, the pool has special rules providing for 160 acre spacing, and wells to be located no closer than 660 feet to a quarter section line nor closer than 330 feet to an interior quarter-quarter section line. A Form C-102 for the well is attached as Exhibit A.

The penetration point in the Bone Spring is the same as the surface location. The surface and bottom hole locations are unorthodox (although they comply with statewide spacing rules) in order to maximize the wellbore's lateral extent. The surface location is closer than 330 feet to a quarter-quarter section line in order to avoid a pipeline. Exhibit B.

A land plat identifying affected offsets is attached as Exhibit C. Notice of this application was mailed to the offsets, as indicated on Exhibit D.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Cimarex Energy Co. of Colorado

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1501 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos 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

Form C-102  
Revised October 15, 2009

Submit one copy to appropriate  
District Office

OIL CONSERVATION DIVISION

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39795	Pool Code 41442	Pool Name Lusk; Bone Spring, E
Property Code 21762	Property Name STATE DR	Well Number 8
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3629'

Surface Location

UL or lot No. B	Section 16	Township 19 S	Range 32 E	Lot Idn	Feet from the 330	North/South line NORTH	Feet from the 1630	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No. O	Section 16	Township 19 S	Range 32 E	Lot Idn	Feet from the 330	North/South line SOUTH	Feet from the 1980	East/West line EAST	County LEA
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Dedicated Acres 320	Joint or Infill	Consolidation Code P	Order No.
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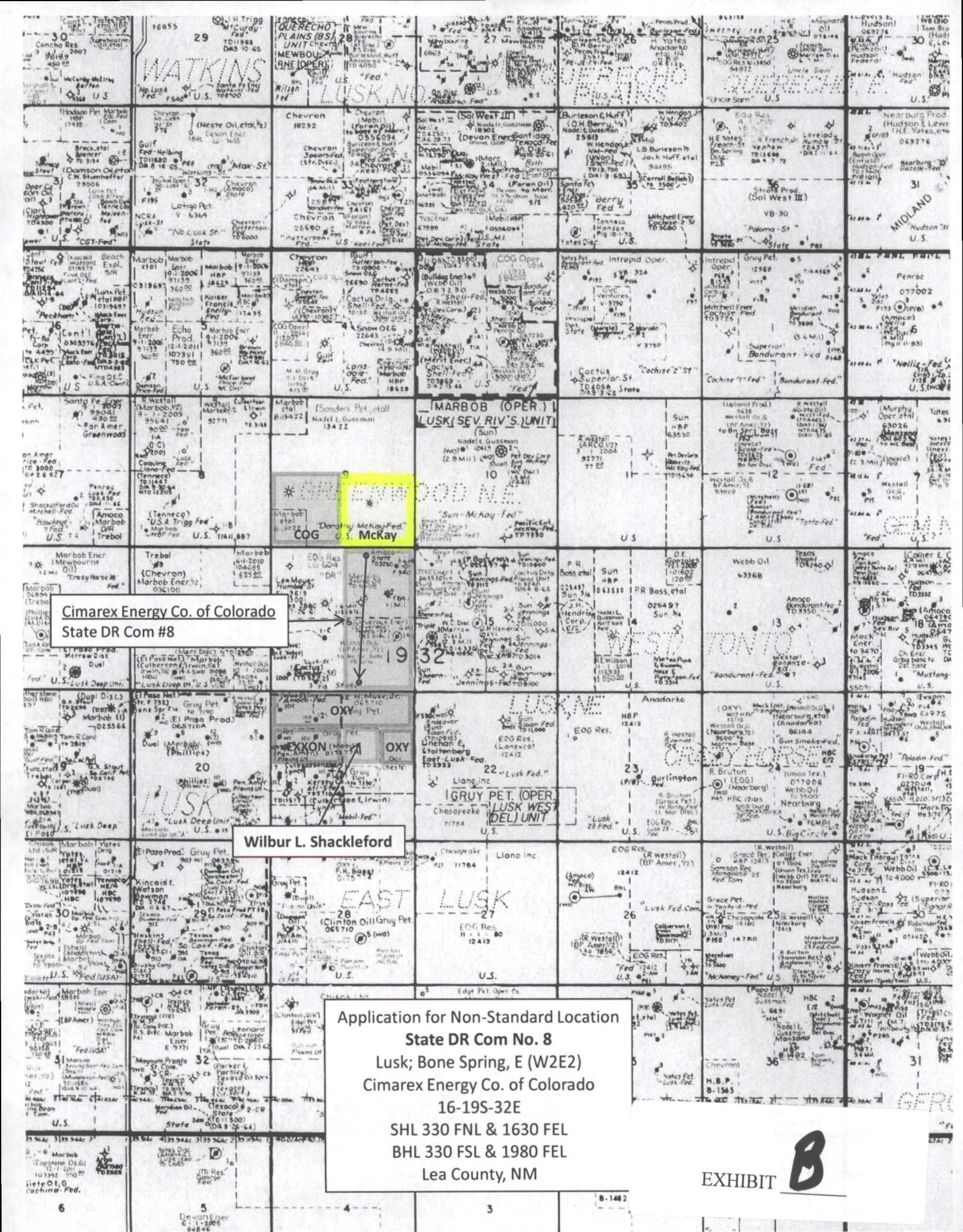
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p><b>SURFACE LOCATION</b> Lat - N 32°40'00.37" Long - W 103°46'04.67" NMSPCE - N 606765.4 E 715316.5 (NAD-83)</p> <p><b>EOC State DR Com 8</b> 514 FNL &amp; 1643 FEL</p> <p><b>EOC State DR Com 9</b> SHL 660 FNL &amp; 1034 FEL Top Perf 1013 FNL &amp; 1034 FEL BHL 670 FSL &amp; 665 FEL</p> <p>LG-0604-0002</p> <p>VB-0176-0000</p> <p><b>PROPOSED BOTTOM HOLE LOCATION</b> Lat - N 32°39'14.65" Long - W 103°46'08.66" NMSPCE - N 602142.76 E 714999.87 (NAD-83)</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>5/12/2011 Signature _____ Date Zeno Farris Printed Name</p> <p><b>SURVEYOR CERTIFICATION</b></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>Date Surveyed _____ Signature &amp; Seal of Professional Surveyor Certificate No. Gary L. Jones 7977</p> <p><b>BASIN SURVEYS</b></p>
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EXHIBIT

A

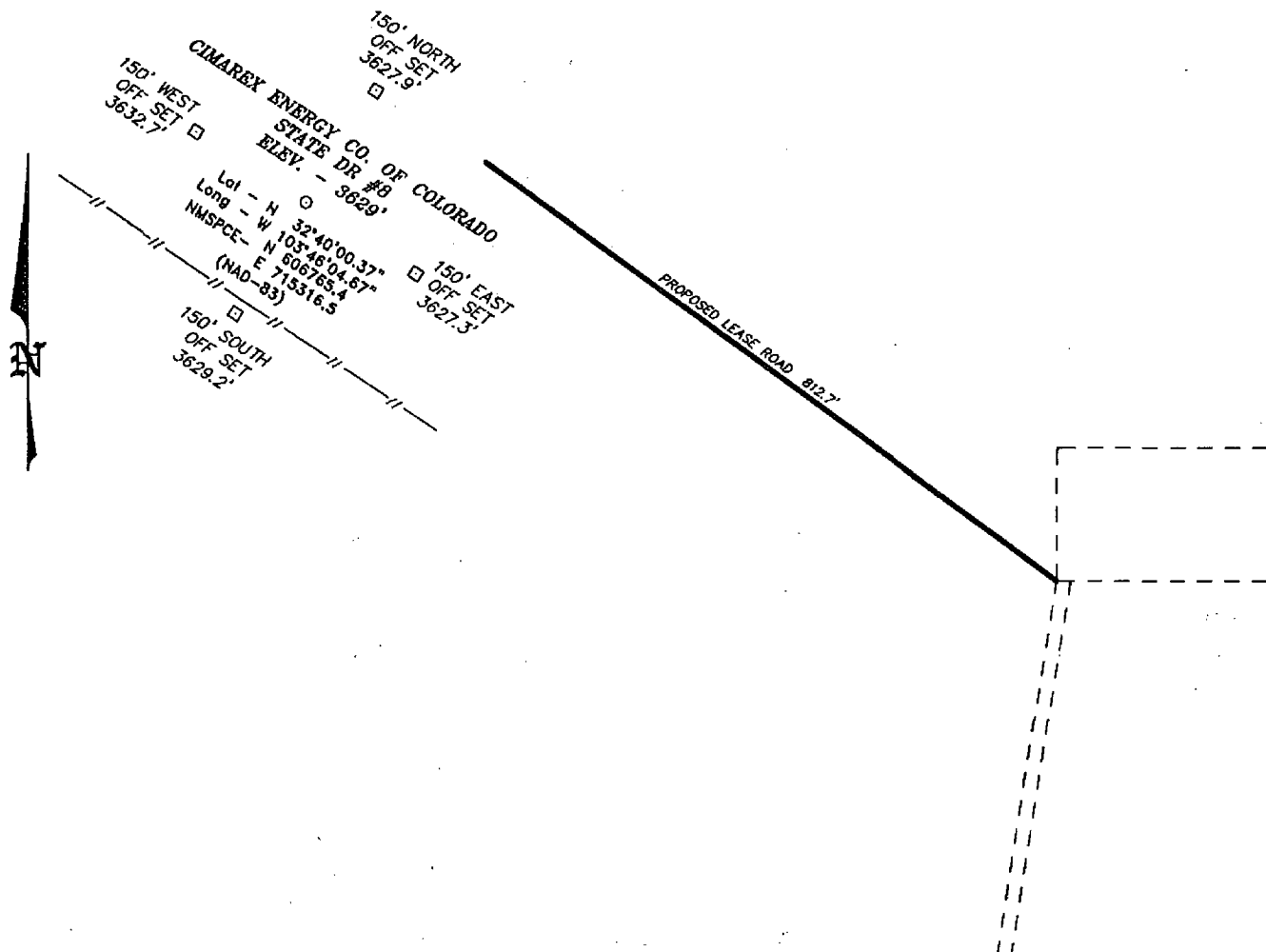






LEA COUNTY.

NEW MEXICO.



C

200                      0                      200                      400 FEET

SCALE: 1" = 200'

FROM THE JUNCTION OF DRY LAKE AND MALJAMAR,  
GO EAST ON LEASE ROAD FOR 1.9 MILES TO LEASE  
ROAD. ON LEASE ROAD GO NORTH 0.6 MILES TO  
WELL PAD AND PROPOSED LEASE ROAD.

**CIMAREX ENERGY CO. OF COLORADO**

REF: STATE DR #8 / WELL PAD TOPO

THE STATE DR #8 LOCATED 330'

FROM THE NORTH LINE AND 1630' FROM THE EAST LINE OF

SECTION 16, TOWNSHIP 19 SOUTH, RANGE 32 EAST,

N.M.P.M., LEA COUNTY, NEW MEXICO.

**BASIN SURVEYS** P.O. BOX 1786--HOBBS, NEW MEXICO

W.O. Number: 22771

Drawn By: J. SMALL

Date: 05-21-2010	Disk: JMS 22771
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Survey Date: 05-15-2010 Sheet 1 of 1 Sheets

**JAMES BRUCE**  
ATTORNEY AT LAW

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[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

August 26, 2011


Certified Mail - Return Receipt Requested

To: Persons On Exhibit 1

Ladies and gentlemen:

Cimarex Energy Co. of Colorado has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox oil well location in the E½ of Section 16, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico. A copy of the application is enclosed. You offset the well. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,

  
James Bruce

Attorney for Cimarex Energy Co. of Colorado

EXHIBIT

**D**

EXHIBIT A

Occidental Petroleum  
P.O. Box 4294  
Houston, Texas 77210

COG Operating LLC  
Suite 100  
550 West Texas Avenue  
Midland, Texas 79701

McKay Petroleum Corp.  
1 McKay Place  
Roswell, New Mexico 88201

Exxon Mobil Corp.  
12450 Greenspoint Drive  
Houston, Texas 77060

Wilbur L. Shackleford  
512 New Mexico Drive  
Roswell, New Mexico 88201