

DATE IN 4/14/10	SUSPENSE	ENGINEER DB	LOGGED IN KFS	TYPE NSL	APP NO PWS 1010548372
--------------------	----------	----------------	------------------	-------------	--------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



Cimarron
Quinn 13 Feb #1
0195

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]
[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 _____

[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

RECEIVED OCD
2010 APR 14 P 1:09

[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
P.O. Box 1056
Santa Fe, New Mexico 87504

Signature

Attorney for Applicant

Title

Date

jamesbruc@aol.com

e-mail Address

4/14/10

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

April 14, 2010

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Fesmire:

Pursuant to Division Rule NMAC 19.15.15.13, Cimarex Energy Co. of Colorado applies for approval of an unorthodox oil well location for the following horizontal well:

<u>Well name:</u>	Irwin "13" Fed. Well No. 1
<u>Surface location:</u>	1300 feet FSL & 330 feet FEL (this is also the penetration point in the Bone Spring formation)
<u>Bottom hole location:</u>	330 feet FNL & 660 feet FEL
<u>Well unit (project area):</u>	E½E½ of Section 13, Township 19 South, Range 30 East, N.M.P.M., Eddy County, New Mexico


The well will test the Bone Spring formation (Undesignated Northwest Hackberry-Bone Spring Pool). Under the Division's statewide rules, spacing is 40 acres, with wells to be at least 330 feet from a quarter-quarter section line. A Form C-102 is attached as **Exhibit A**.

The location is based on both potash and topographical reasons. The well is located in the potash area, and the BLM will only allow surface locations in the SE¼SE¼ of Section 13 due to open mine workings to the north. **Exhibit B**. In addition, there is a large draw to the west and south of the surface location, and the BLM wants Cimarex to locate its wells (Cimarex has several proposed wells in the section) on the ridge where the proposed well is located. **Exhibit C**.

Attached as **Exhibit D** is a lease information from the BLM's records. All of Section 13 is covered by Federal Lease NM 025559. Cimarex has obtained farmout agreements from all working interest owners, and the working, royalty interest, and overriding royalty interests are common in the E½E½ of Section 13. Therefore, notice of this application has not been given to anyone.

Please call me if you have any questions concerning this application.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co. of Colorado

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
1801 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 16, 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 30-015-37715	Pool Code 97020	Pool Name Under Hackberry; Bone Spring, NW
Property Code	Property Name IRWIN "13" FEDERAL	Well Number 1
OGRIID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3408'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	13	19 S	30 E		1300	SOUTH	330	EAST	EDDY

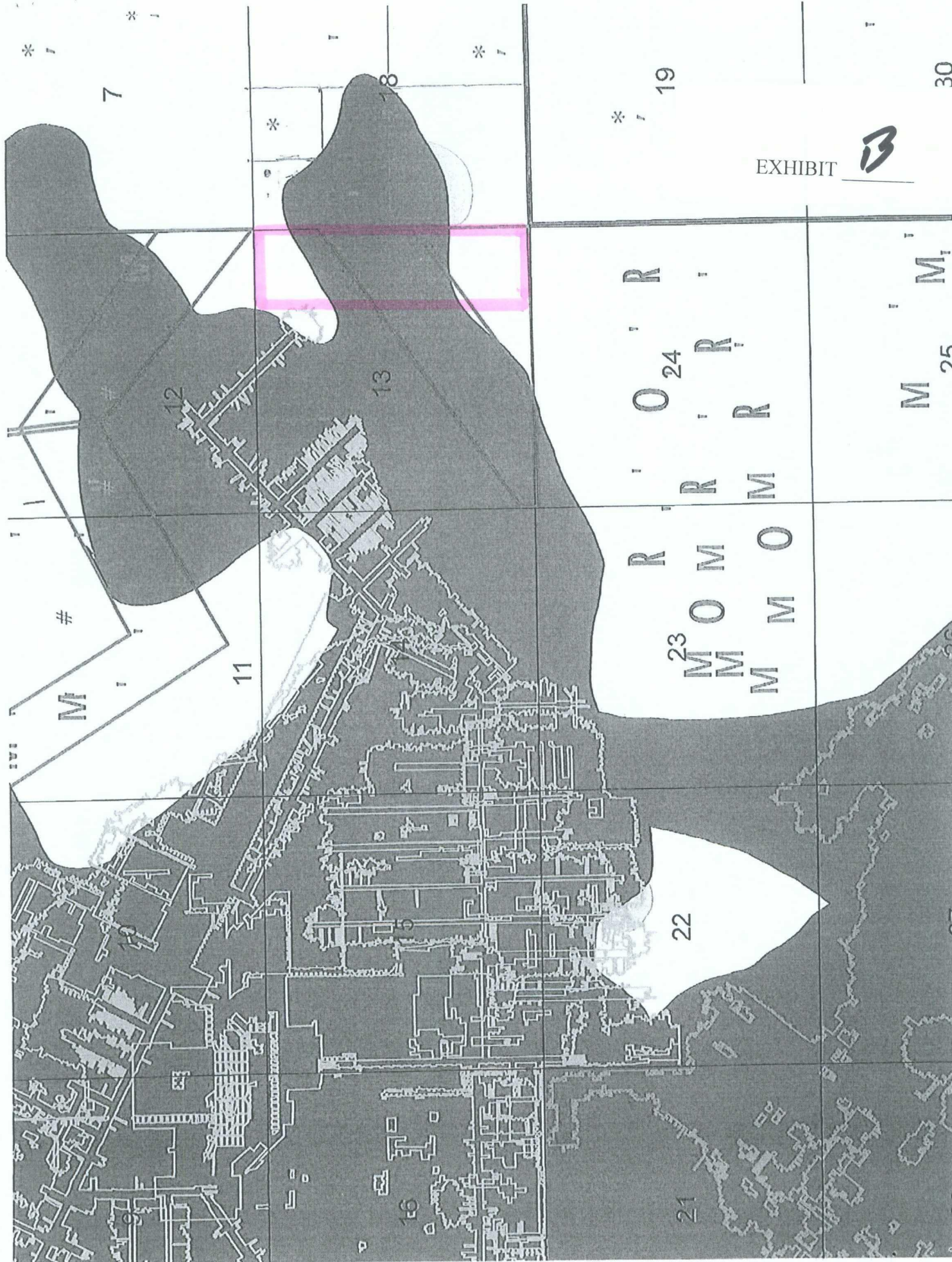
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	19 S	30 E		330	NORTH	660	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160		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>PROPOSED BOTTOM HOLE LOCATION Lot - N 32°40'00.09" Long - W 103°55'08.63" NMSPCE- N 606522.470 E 668818.960 (NAD-83)</p>	<p>PROPOSED PRODUCING INTERVAL</p>	<p>OPERATOR CERTIFICATION 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>2/15/2010 Date Signature Zeno Farris Printed Name</p>	<p>SURVEYOR CERTIFICATION 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>DECEMBER 21 2009 Date Surveyed MENTCO Signature & Seal of Professional Surveyor 21852 Certificate No. Gary L. Jones 7977 BASIN SURVEYS</p>		
				<p>BHL 330 FNL & 660 FEL</p>	<p>EOC 1490 FSL & 333 FEL</p>
				<p>SHL & P.P. Bone Spring 1300 FSL & 330 FEL</p>	<p>SURFACE LOCATION Lot - N 32°39'23.97" Long - W 103°55'04.84" NMSPCE- N 602873.6 E 669136.7 (NAD-83)</p>



EXHIBIT

13

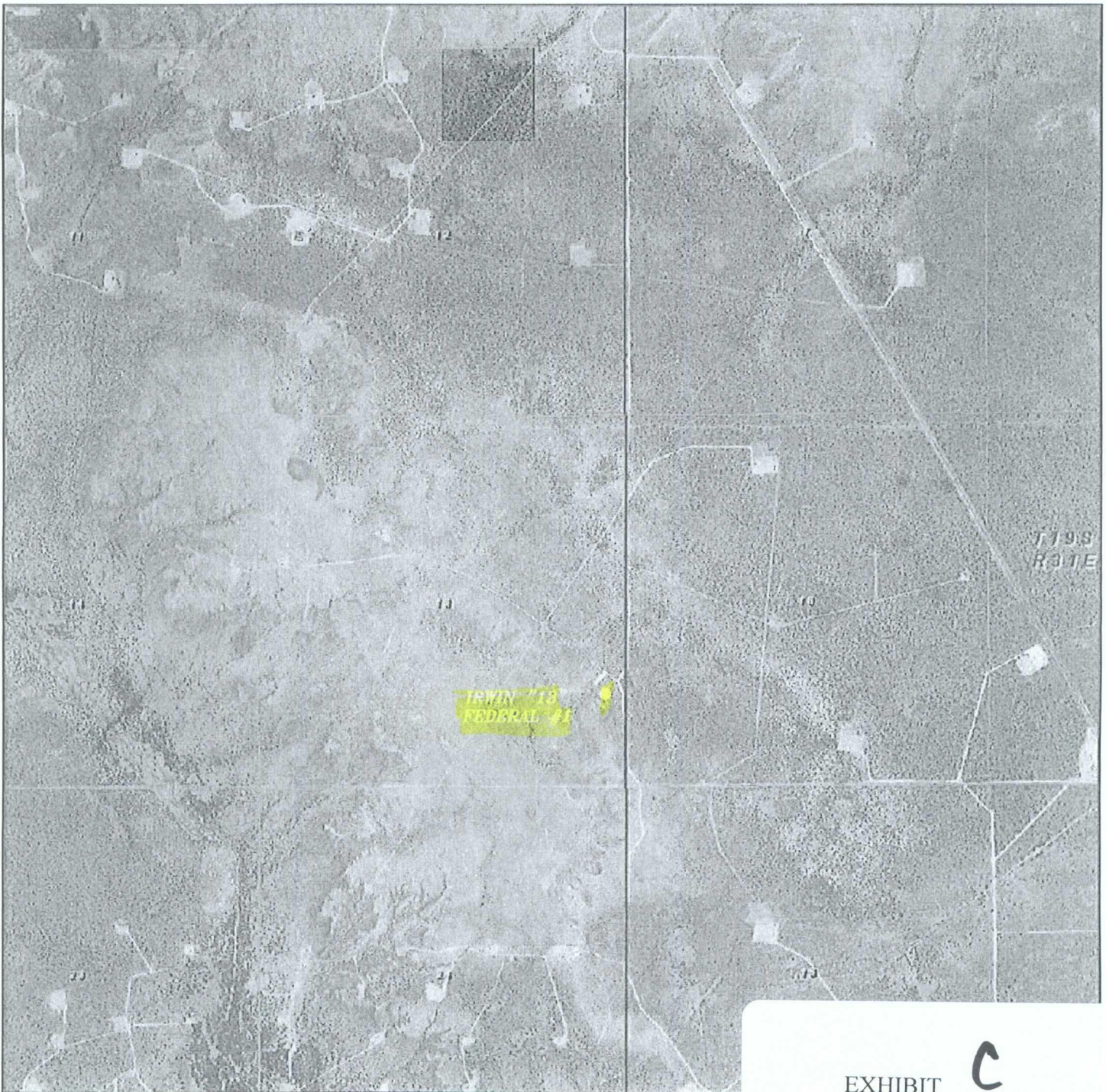


EXHIBIT C

IRWIN "13" FEDERAL #1
 Located 1300' FSL and 330' FEL
 Section 13, Township 19 South, Range 30 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 -- Office
 (575) 392-2206 -- Fax
 basin-surveys.com

W.O. Number: JMS 21952

Scale: 1" = 2000'

YELLOW TINT -- USA LAND
 BLUE TINT -- STATE LAND
 NATURAL COLOR -- FEE LAND

CIMAREX
ENERGY CO.
OF COLORADO

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

RunDate/Time: 04/14/10 10:33 AM

Page 1 of 1

01 02-25-1920;041STAT0437;30USC226
Case Type 311111: O&G LSE NONCOMP PUB LAND
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres
640.000

Serial Number
NMNM-- 0 025559

Name & Address

Serial Number: NMNM-- 0 025559

Int Rel % Interest

CULBERTSON MGT TRUST	1811 HERITAGE BLVD STE 200	MIDLAND TX 797079715	LESSEE	25.000000000
IRWIN DAN W	118 N GRANT ST	HINSDALE IL 60521	LESSEE	12.500000000
SCHUSTER KATHLEEN IRWIN	3213 PEPPERWOOD LN	FORT COLLINS CO 80525	LESSEE	12.500000000
WK LAND CO	911 KIMBARK ST	LONGMONT CO 80501	LESSEE	50.000000000
WK LAND CO	911 KIMBARK ST	LONGMONT CO 80501	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- 0 025559

Mer Twp Rng Sec	STyp SNr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0190S 0300E 013	ALIC	ALL;	CARLSBAD FO	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- 0 025559
Pending Office

Act Date	Code	Action	Action Remarks
08/13/1956	124	APLN RECD	
08/31/1956	237	LEASE ISSUED	
09/01/1956	496	FUND CODE	05;145003
09/01/1956	530	RLTY RATE - 12 1/2%	
09/01/1956	868	EFFECTIVE DATE	DMG
07/06/1960	500	GEOGRAPHIC NAME	UNNAMED FIELD;
07/06/1960	510	KMA CLASSIFIED	
08/18/1960	315	RENTAL RATE DET/ADJ	\$1.00;
12/23/1960	512	KMA EXPANDED	
12/23/1960	650	HELD BY PROD - ACTUAL	BP
08/29/1987	974	AUTOMATED RECORD VERIF	MRR
08/16/1988	963	CASE MICROFILMED	CNUM 103,212
03/01/1991	396	TRF OF INTEREST FILED	CLBRTSN/CLBRTSN TRUST
03/01/1991	974	AUTOMATED RECORD VERIF	GLC/GC
05/23/1994	909	BOND ACCEPTED	EFF 05/06/94;NM2304
06/28/1994	974	AUTOMATED RECORD VERIF	BTM/KRP
01/07/2002	396	TRF OF INTEREST FILED	IRWIN EST/K SCHUSTER
01/07/2002	396	TRF OF INTEREST FILED	W IRWIN EST/DAN IRWIN
01/07/2002	974	AUTOMATED RECORD VERIF	BTM
09/29/2008	140	ASGN FILED	SCOPE INDU/W K LAND;1
09/29/2008	932	TRF OPER RGTS FILED	SCOPE INDU/W K LAND;1
11/07/2008	139	ASGN APPROVED	EFF 10/01/08;
11/07/2008	933	TRF OPER RGTS APPROVED	EFF 10/01/08;
11/07/2008	974	AUTOMATED RECORD VERIF	MV

Line Nr **Remarks**

Serial Number: NMNM-- 0 025559

0001	-
0002	11/07/08 CULBERTSON MGMT TR BONDED LESSEE NM2900/SW

EXHIBIT **D**

NO WARRANTY IS MADE BY BLM
 FOR USE OF THE DATA FOR
 PURPOSES NOT INTENDED BY BLM

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, April 15, 2010 4:59 PM
To: 'jamesbruc@aol.com'
Subject: Irwin 31 Federal #1

Dear Jim

In addition to the encroachment toward the SE/4 SE/4 of Section 13 (which you have accounted for by the discussion in your application), it seems that this location encroaches diagonally toward the SW/4 SW/4 of the adjacent section to the east, presumably Section 18-19S-31E. This is the case because the horizontal distance from the point of penetration of the proposed well to the common corner is less than would be the distance to the common corner from the nearest standard location in the NE/4 SE/4 of Section 13.

Please advise us concerning ownership of the SW/4 SW/4 18-19S-31E, and furnish proof of notice if necessary.

Sincerely

David K. Brooks
Legal Examiner

JAMES BRUCE
Attorney at Law
Post Office Box 1056
Santa Fe, New Mexico 87504
Telephone: (505) 982-2043
Fax: (505) 982-2151
jamesbruc@aol.com

DELIVER TO: David K. Brooks

COMPANY: Oil Conservation Division

CITY: Santa Fe, New Mexico

FAX NUMBER: (505) 476-3462

PAGES: 2 (including cover sheet)

DATE: 4/18/10

MEMO: David: Notice to Devon re: Cimarex enclosed.

CONFIDENTIALITY NOTICE

This transmission contains information which may be confidential or legally privileged. The information is intended only for the named recipient. If you are not the intended recipient, copying or distribution of the information is prohibited. If you have received this transmission in error, please call us and return the document to us. Thank you.

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)

jamesbruce@aol.com

April 16, 2010

Certified Mail - Return Receipt Requested

Devon Energy Production Company, L.P.
P.O. Box 108838
Oklahoma City, Oklahoma 73101

Attention: Ken Gray
Land Department

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 E½E½ of Section 13, Township 19 South, Range 30 East, N.M.P.M., Eddy 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
James Bruce

Attorney for Cimarex Energy Co. of Colorado

U.S. Postal Service			
CERTIFIED MAIL RECEIPT			
(Domestic Mail Only - No Insurance Coverage Provided)			
For delivery information visit our website at www.usps.com			
OKLAHOMA CITY OK 73101			
OFFICIAL USE			
Postage	\$	\$1.05	0500
Postage & Fees		\$2.80	02
Return Receipt Fee		\$2.30	Postmark Here
Restricted Delivery Fee (Endorsement Required)		\$0.00	
Total Postage & Fees	\$	\$6.15	04/16/2010

7000 0500 0001 4594 0793

Devon Energy Production Company, L.P.
P.O. Box 108838
Oklahoma City, Oklahoma 73101

U.S. POSTAGE & FEES PAID