New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Jon Goldstein Cabinet Secretary

Jim Noel Deputy Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



Administrative Order DHC-4279 Order Date: 5/14/2010 Application Reference Number: pTGW1012442626

CIMAREX ENERGY CO. OF COLORADO 600 N. Marienfeld Street, Suite 600 Midland TX 79701

Attention: Zeno Ferris

CYPHER 36 STATE COM Well No. 001 API No: 30-015-37508 Unit A, Section 36, Township 25 South, Range 25 East, NMPM Eddy County, New Mexico Pool: UNDES. COTTONWOOD SPRING;UPPER PENN (GAS) Gas 75330 Names: UNDES. WHITE CITY;WOLFCAMP, SOUTH (GAS) Gas 97592

Reference is made to your recent application for an exception to Rule 12.9A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 12.11A., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 12.11A.(6), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

The production allocation percentages of oil and gas between these pools shall be supplied to the Division's Santa Fe office within 60 days following completion of this workover.

REMARKS: The operator shall notify the Division's district office upon implementation of commingling operations.

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Pursuant to Rule 12.11B., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

MARK E. FESMIRE, P.E. Acting Director

MEF/wvjj

cc: Oil Conservation Division – Artesia State Land Office - Oil, Gas, and Minerals Division