

4-18-11 DATE IN	SUSPENSE	ENGINEER DB	LOGGED IN 4.18.11	TYPE NSP	PTGW APP NO. 1110838649
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Cimarex
Perre Marquette 18 Fed##
1, 8, 9 & 12

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

[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

4/14/11

RECEIVED OGD
2011 APR 14 P 3:48

1953

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, 2011

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

Dear Ms. Bailey:

Pursuant to Division Rule NMAC 19.15.15.11, Cimarex Energy Co. of Colorado applies for approval of two non-standard oil well locations for the following wells:

1. Well unit: Lot 1 of Section 18, Township 17 South, Range 29 East,
 N.M.P.M., Eddy County, New Mexico (26.69 acres)
 Well name: Pere Marquette 18 Fed. Well Nos. 1 and 8

2. Well unit: Lot 2 of Section 18, Township 17 South, Range 29 East,
 N.M.P.M., Eddy County, New Mexico (26.81 acres)
 Well name: Pere Marquette 18 Fed. Well Nos. 9 and 12

The well is in the Empire Glorieta-Yeso Pool, which is an oil pool. Under Oil Conservation Division regulations, wells in the pool are spaced on 40 acres, with wells to be no closer than 330 feet to a quarter-quarter section line. A Form C-102 for Lot 1 of Section 18 is attached as **Exhibit A**, and a Form C-102 for Lot 2 of Section 18 is attached as **Exhibit B**.

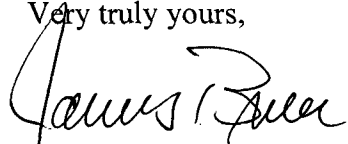
Approval is requested because, due to variations in the government survey, the well units are less than 70% the size of a normal well unit.

Lots 1 and 2 are covered by Federal Lease NM 14847, which has common ownership. No interest owner is being excluded from the well units, so no one has been notified of the application. **NMAC 19.15.4.12.A(3)**.

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

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Cimarex Energy Co. of Colorado

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 86210

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

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

Form C-102
Revised July 18, 2010
Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-38957	Pool Code 96210	Pool Name Empire; Glorieta-Yeso
Property Code	Property Name PERE MARQUETTE 18 FEDERAL	Well Number 1
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3713'

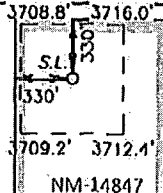
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	18	17 S	29 E		330	NORTH	330	WEST	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 26.69	Joint or Infill	Consolidation Code	Order No. NSP Pending						

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>SURFACE LOCATION Lot - N 32°50'27.324" Long - W 104°07'13.043" NMSPC- N 689727.0 E 606768.7 (HAD-83)</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><i>Zeno Farris</i> 12/4/2011 Signature Date Zeno Farris Printed Name zfarris@climarex.com Email Address</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 28, 2010 Date Surveyed NEW MEXICO</p>
<p>EXHIBIT A</p>	
<p>7977 BASIN SURVEYS 23845</p>	

DISTRICT I
1020 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 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

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

Form C-102
Revised July 10, 2010
Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-39023	Pool Code 96210	Pool Name Empire; Glorieta-Yeso
Property Code	Property Name PERE MARQUETTE 18 FEDERAL	Well Number 8
GRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3707'

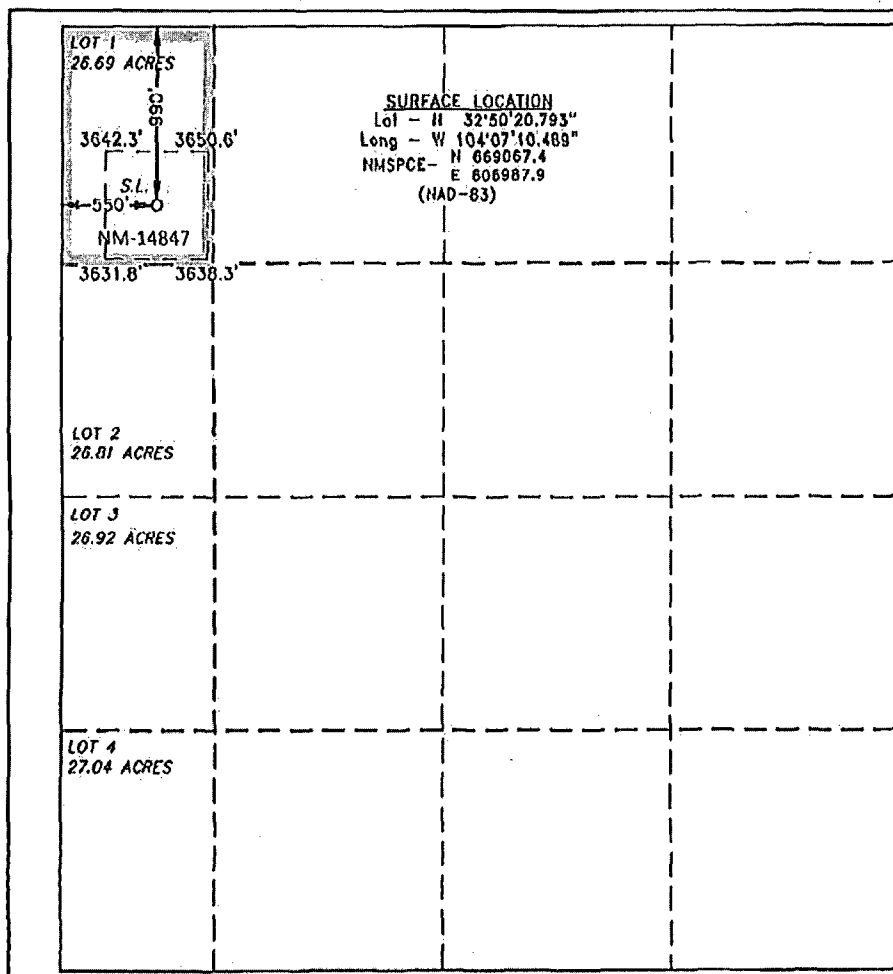
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	18	17 S	29 E		990	NORTH	550	WEST	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 26.69	Joint or Infill	Consolidation Code	Order No. NSP Pending						

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



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 undivided 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.

Zeno Farris 2/4/2011
Signature Date

Zeno Farris
Printed Name
zfarris@cimarex.com
Email Address

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.

DECEMBER 2010
Date Surveyed
Signature & Seal of Professional Surveyor
[Signature]
Professional Surveyor No. 23852

Certificante No. Gary L. Jones 7977
BASIN SURVEYS 23852

DISTRICT I
1025 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 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 July 10, 2010

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 30-019-39055	Pool Code 96210	Pool Name Empire; Glorieta-Yeso
Property Code	Property Name PERE MARQUETTE 18 FEDERAL	Well Number 9
GRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3696'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 2	18	17 S	29 E		2030	NORTH	330	WEST	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
LOT 2	18	17 S	29 E		1650	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
26.81			NSP Pending

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

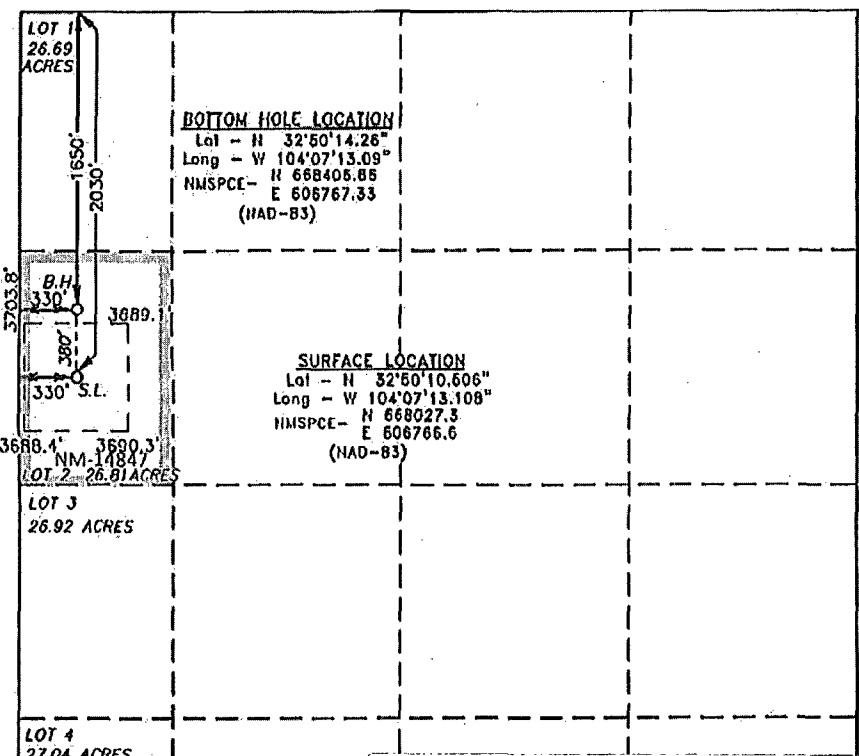
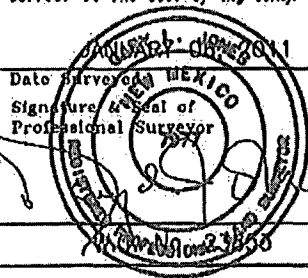
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a 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><i>Zeno Farris</i> 2/4/2011 Signature Date</p> <p>Zeno Farris Printed Name zfarris@cimarex.com Email Address</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></p> <p>Date Surveyed Signature Professional Surveyor</p> <p>Certificate No. Gary L. Jones 7977 BASIN SURVEYS 23853</p>
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EXHIBIT **B**

DISTRICT I

1023 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Drazos 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

Form C-102

Revised July 10, 2010

Submit one copy to appropriate
District Office**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT

API Number 30-015-39059	Pool Code 96210	Pool Name Empire; Glorieta-Yeso
Property Code	Property Name PERE MARQUETTE 18 FEDERAL	Well Number 12
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3690'

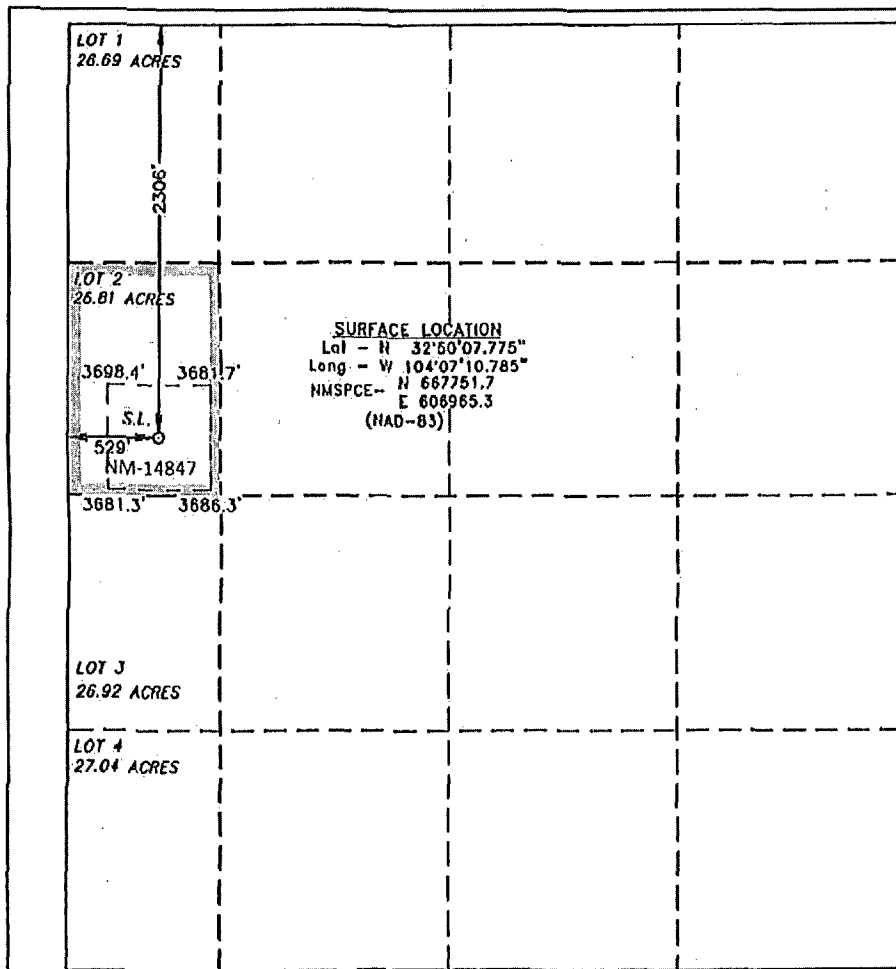
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 2	18	17 S	29 E		2306	NORTH	529	WEST	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 26.81	Joint or Infill	Consolidation Code	Order No. NSP Pending						

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

**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.

Zeno Farris 2/4/2011
Signature Date

Zeno Farris

Printed Name
zfarris@cimarex.com

Email Address

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.

GARY L. JONES
Date Surveyed
Signature & Seal of Professional Surveyor
W.D. 1001000000

Certificate No. **Gary L. Jones 7977**

Basin Surveys 23856

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Tuesday, April 19, 2011 10:51 AM
To: 'jamesbruc@aol.com'
Subject: Cimarex - Pere Marquette ## 1,8,9 & 12 - NSP Applications

Dear Jim

In regard to non-standard proration unit applications that affect well density, my policy is to require notice to affected persons in all offsetting units. In this connection, I respectfully call your attention to the final clause of Rule 19.15.4.12.A(3) which says that notice of NSP applications is required to owners in the subdivision excluded from the proposed unit "and to such other persons as the division requires."

My view is that the effect of granting this application to create two non-standard units comprising 26.69 acres and 26.81 acres, respectively, is to reduce well density from one well per 10 acres to one well per 6.67 acres, a matter I would think would concern offsetting owners. They might prefer that the two lots be combined as a single unit.

Sincerely

David

Brooks, David K., EMNRD

From: jamesbruc@aol.com
Sent: Tuesday, April 19, 2011 11:03 AM
To: Brooks, David K., EMNRD
Subject: Re: Cimarex - Pere Marquette ## 1,8,9 & 12 - NSP Applications

Will send notice.

-----Original Message-----

From: Brooks, David K., EMNRD, EMNRD <david.brooks@state.nm.us>
To: jamesbruc <jamesbruc@aol.com>
Sent: Tue, Apr 19, 2011 10:51 am
Subject: Cimarex - Pere Marquette ## 1,8,9 & 12 - NSP Applications

Dear Jim

In regard to non-standard proration unit applications that affect well density, my policy is to require notice to affected persons in all offsetting units. In this connection, I respectfully call your attention to the final clause of Rule 19.15.4.12.A(3) which says that notice of NSP applications is required to owners in the subdivision excluded from the proposed unit "and to such other persons as the division requires."

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Sincerely

David

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

RECEIVED OCD

2011 APR 25 A 8:15

April 20, 2011

David Brooks
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Cimarex Energy Co. Of Colorado/applications for two non-standard units in
Section 18, Township 17 South, Range 29 East, N.M.P.M.

Dear David:

As you requested, I have notified offset operators. The operators are as follows:

S½SW¼ §7-17S-29E
Mewbourne Oil Company

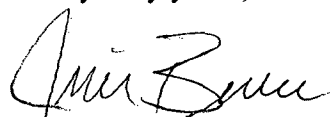
E½E½ and W½SW¼ §18-17S-29E
Cimarex Energy Co. of Colorado (on behalf of sister company Magnum Hunter
Production, Inc., which owns 100% of the working interest)

E½E½ §13-17S-28E
Nadel and Gussman HEYCO, LLC

SE¼SE¼ §12-17S-28E
Nadel and Gussman Permian, L.L.C.

The notice letter is attached.

Very truly yours,


James Bruce

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 20, 2011

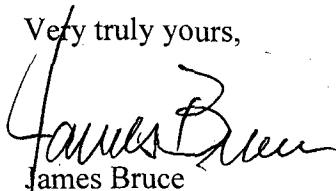
Certified Mail - Return Receipt Requested

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 approval of two non-standard oil units comprised of Lots 1 and 2 of Section 18, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. A copy of the application is enclosed. You offset the non-standard units. 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,

A handwritten signature in dark ink, appearing to read "James Bruce", is written over a horizontal line.

James Bruce

Attorney for Cimarex Energy Co. of Colorado

EXHIBIT A

Mewbourne Oil Company
Suite 1020
500 West Texas
Midland, Texas 79701

Nadel and Gussman Permian, LLC
Suite 508
601 North Marienfeld
Midland, Texas 79701

Nadel and Gussman HEYCO, LLC
P.O. Box 1933
Roswell, New Mexico 88202