

4-25-11 DATE IN	SUSPENSE	ENGINEER DB	LOGGED IN 4.25.11	TYPE NSL	APP NO. 1111543507
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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 162683
Earl Lusk 15 Fed #1
6374

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]

Fed

[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)

jamesbruce@aol.com

April 25, 2011

Hand delivered

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>	East Lusk 15 Fed. Com. Well No. 1
<u>Surface location:</u>	660 feet FSL & 330 feet FEL
<u>Bottom hole location:</u>	660 feet FSL & 330 feet FWL
<u>Well Unit:</u>	S½ §15-19S-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). The pool is has special rules providing for 160 acre spacing and wells to be located no closer than 660 feet to a 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 directional drilling plan is attached as Exhibit B. The surface and bottom hole locations are unorthodox in order to maximize the wellbore's lateral extent.

A land p-lat and list of affected offsets is attached as Exhibit C. Notice of this application was mailed to the offsets, as indicated on Exhibit D.

Very truly yours,
James Bruce
James Bruce

Attorney for Cimarex Energy Co. of Colorado

*Adopted by Order
R-4994 on 4-1-75
Made permanent
R-4994-B
on 5-18-76*

*and 1320 from
nearest well
capable of
producing
from pool*

DISTRICT I
1625 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 October 15, 2009

Submit one copy to appropriate
District Office

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40134	Pool Code 41442	Pool Name Lusk; Bone Spring, East
Property Code	Property Name EAST LUSK "15" FEDERAL COM	Well Number 1
OGRID No. 162683	Operator Name CIMAREX ENERGY CO. OF COLORADO	Elevation 3618'

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	15	19 S	32 E		660	SOUTH	330	EAST	LEA

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
M	15	19 S	32 E		660	SOUTH	330	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320		P	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED

PROPOSED BOTTOM HOLE LOCATION
Lat - N 32°39'17.84"
Long - W 103°45'41.65"
NMSPCE- N 602477.76
E 717306.98
(NAD-83)

SURFACE LOCATION
Lot - N 32°39'17.82"
Long - W 103°44'47.46"
NMSPCE- N 602500.3
E 721939.7
(NAD-83)

John H. Hendrix Corp.
Jennings A Fed 4
1650 FSL & 1980 FEL

330' 4633.8' 3617.7' 362' 330' 3612.8' 3617.0'

NM-063530 NM-025497

EXHIBIT A

I, the undersigned, being duly qualified, do 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.

4/7/2011
Date

Signature _____
Printed Name **Zeno Farris**

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.

Date Surveyed _____
Signature & Seal of Professional Surveyor _____
Certificate No. Gary L. Jones 7977

BASIN SURVEYS



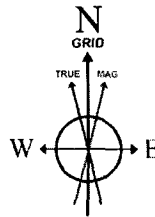
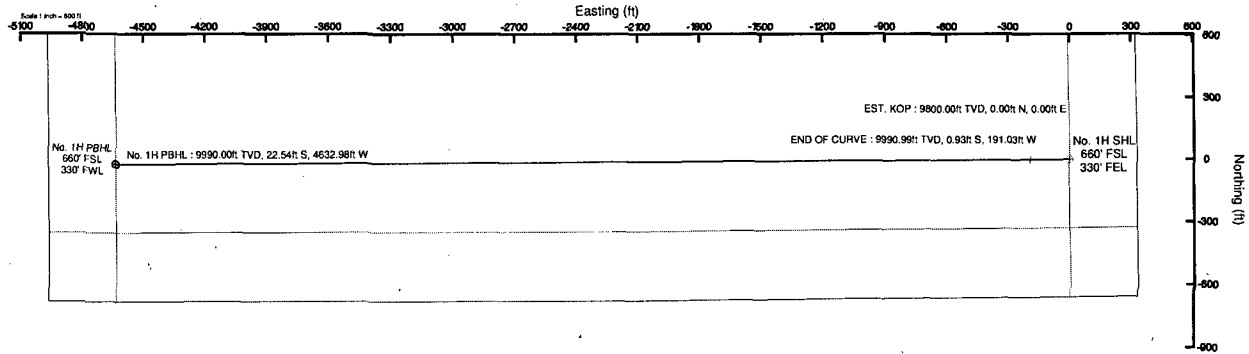
Cimarex Energy Co.

Location: Lea County, NM
Field: (East 15) Sec 15, T19S, R32E
Facility: East Lusk 15 Fed Com No. 1H

Slot: No. 1H SHL
Well: No. 1H
Wellbore: No. 1H PWB



Well Profile Data								
Design Comment	MD (ft)	Inc (°)	Az (°)	TVD (ft)	Local N (ft)	Local E (ft)	DLS (°/100ft)	VS (ft)
Tie On	0.00	0.000	269.721	0.00	0.00	0.00	0.00	0.00
EST. KOP	9800.00	0.000	269.721	9800.00	0.00	0.00	0.00	0.00
END OF CURVE	10100.04	90.013	269.721	9990.99	-0.93	-191.03	30.00	191.03
No. 1H PBHL	14542.05	90.013	269.721	9990.00	-22.54	-4632.98	0.00	4633.03



BGGM (1945.0 to 2011.0) Dip: 60.60° Field: 49025.9 nT
Magnetic North is 7.86 degrees East of True North (at 6/1/2010)
Grid North is 0.32 degrees East of True North
To correct azimuth from True to Grid subtract 0.32 degrees
To correct azimuth from Magnetic to Grid add 7.55 degrees
For example: if the Magnetic North Azimuth = 90 degs, then the Grid North Azimuth = 90 + 7.55 = 97.55

Plot reference wellpath is Prelim_1	
True vertical depths are referenced to Rig on No. 1H SHL (GL)	Grid System: NAD83 / TM New Mexico State Planes, Eastern Zone (3001), US feet
Measured depths are referenced to Rig on No. 1H SHL (GL)	North Reference: Grid north
Rig on No. 1H SHL (GL) to Mean Sea Level: 3618 feet	Scale: True distance
Mean Sea Level to Mud line (Facility: East Lusk 15 Fed Com No. 1H): -3618 feet	Depths are in feet
Coordinates are in feet referenced to SL	Created by: Victor Hernandez on 6/1/2010

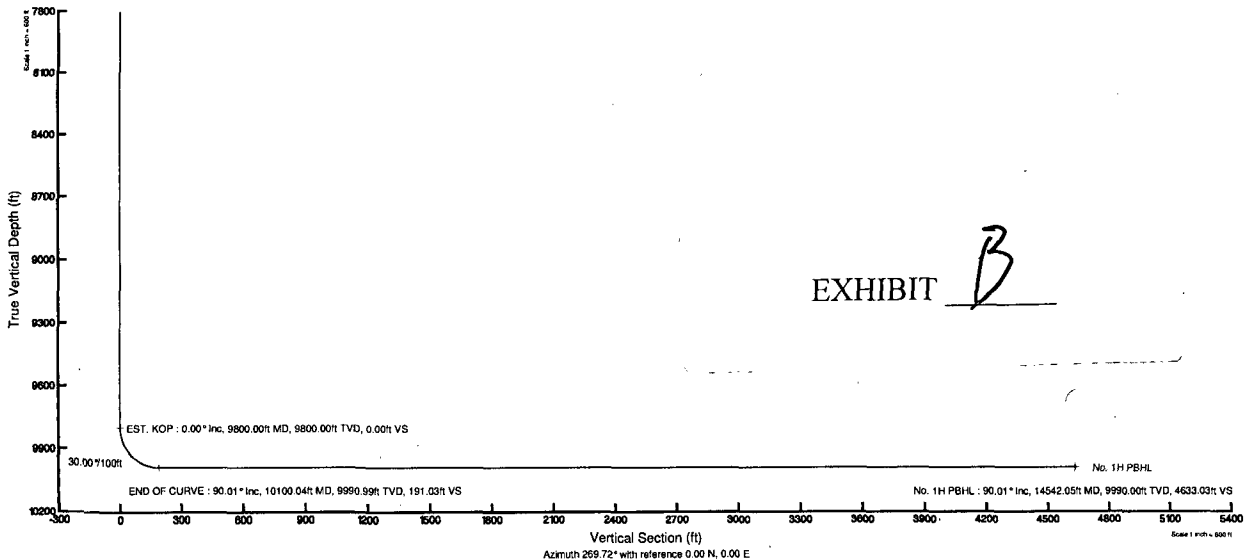


EXHIBIT B

Cimarex Energy Co. of Colorado
State DR Com 9
SHL 660 FNL & 990 FEL
BHL 670 FSL & 665 FEL

No Bone Spring Wells

NM-025497

VB-0176-0000

LG-0604-0002

East Lusk 15 Fed Com 1

NM-063530

NM-025497

NM-063530

NM-112933

NM-12412

NM-0175774

NM-065710

Application for Nonstandard Location
East Lusk 15 Federal Com No. 1
Cimarex Energy Co. of Colorado
Lusk; Bone Spring, East
15-19S-32E
SHL 660 FSL & 330 FEL
BHL 660 FSL & 330 FWL
Lea County, NM

EXHIBIT C

East Lusk 15 Federal Com No. 1
Cimarex Energy Co. of Colorado
Lusk; Bone Spring, East
15-19S-32E
SHL 660 FSL & 330 FEL
BHL 660 FSL & 330 FWL
Lea County, NM



RE: Application for Nonstandard Location – Notification of Non-Common Owners

Leasehold Owners SW4 14-19S-32E		
Richard K Barr 500 West Texas, Suite 1220 Midland, TX 79701	Scott E Wilson 500 West Texas, Suite 1220 Midland, TX 79701	Modano Oil & Gas LP 301 Commerce St, Suite 1830 Fort Worth, TX 76102
RCWI, LP 1901 N Central Expressway, Suite 300 Richardson, TX 75080		

Leasehold Owners SE4 15-19S-32E		
John H. Hendrix Corporation P.O. Box 3040 Midland, TX 79702-3040		

Leasehold Owners E2 16-19S-32E		
Cimarex Energy Co. 600 N. Marienfeld St., Ste. 600 Midland, TX 79701	State Land Office 311 Old Santa Fe Trail Santa Fe, NM 87501	

Leasehold Owners NE4 21-19S-32E		
Occidental Petroleum PO Box 4294 Houston, TX 77210		

Leasehold Owners NW4 23-19S-32E		
EOG Resources 4000 N Big Spring Ste 500 Midland, TX 79705		

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
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(505) 982-2151 (Fax)

jamesbruc@aol.com

April 25, 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 S½ of Section 15, 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

East Lusk 15 Federal Com No. 1
Cimarex Energy Co. of Colorado
Lusk; Bone Spring, East
15-19S-32E
SHL 660 FSL & 330 FEL
BHL 660 FSL & 330 FWL
Lea County, NM



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Leasehold Owners NE4 21-19S-32E		
Occidental Petroleum PO Box 4294 Houston, TX 77210		

Leasehold Owners NW4 23-19S-32E		
EOG Resources 4000 N Big Spring Ste 500 Midland, TX 79705		

EXHIBIT 1