

Before the Oil Conservation Division
Examiner Hearing October 18, 2018

Case No. 16291

Bradley 14-11 Fed Com 1H



STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX
ENERGY CO. OF COLORADO
FOR A NON-STANDARD SPACING
AND PRORATION UNIT AND
COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 16291

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Caitlin Pierce, being duly sworn, deposes and states:

1. I am over the age of 18, I am a landman for Cimarex Energy Co. of Colorado ("Cimarex"), and have personal knowledge of the matters stated herein. I have been qualified by the Division as an expert petroleum landman.

2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced compulsory pooling application:

- a. The purpose of this application is to create a non-standard spacing and proration unit and to force pool working interest owners into the horizontal spacing unit described below, and in the well to be drilled in the unit.
- b. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests in the well.



- c. Cimarex seeks an order creating a spacing and proration unit in the Wolfcamp formation comprised of the W/2 of Sections 11 and 14, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico.
- d. Cimarex also seeks an order pooling all mineral interests in the Wolfcamp formation underlying this spacing and proration unit. The unit will be dedicated to the Bradley 14-11 Federal Com 1H well, which is a horizontal well with a surface location 380 feet from the South line and 700 feet from the West line of Section 14, and a bottom hole location 330 feet from the North line and 380 feet from the West line of Section 11. The total vertical depth of the well is approximately 8591’.
- e. There are no depth severances within the Wolfcamp formation.
- f. A plat outlining the unit being pooled is attached hereto as **Exhibit A**. This exhibit identifies the ownership of each separate tract in the proposed unit, the parties being pooled and the percent of their interests. Also attached as Exhibit A is a list of the parties’ last known address.
- g. Attached as **Exhibit B** is a proposed C-102 for the well. The well will develop the Purple Sage Wolfcamp Pool (Pool Code 98220), which is designated as a gas pool.
- h. The producing interval for the well will be orthodox and will comply with the Division’s set back requirements.
- i. I have conducted a diligent search of the public records in the county where the well is located, searched phone directories and conducted computer searched to locate contact information for parties entitled to notification.
- j. There are no un-locatable interest owners.

- k. **Exhibit C** contains a summary of contact or attempted contacts with the interest owners, together with copies of the proposal letters sent to interest owners.
 - l. Cimarex has made a good faith effort to obtain voluntary joinder of the work interest owners in the proposed well.
 - m. **Exhibits D and E** are an example proposal letter and the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.
 - n. Cimarex requests overhead and administrative rates of \$7000/month for a drilling well and \$700/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Cimarex requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
 - o. Cimarex requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
 - p. Cimarex requests that it be designated operator of the well.
 - q. The offset owners have been sent notification of this hearing.
 - r. There are overriding royalty interest owners and Cimarex has the right to pool the overriding royalty interest owners in the well.
3. The attachments to this affidavit were prepared by me, or compiled from company business records.
4. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

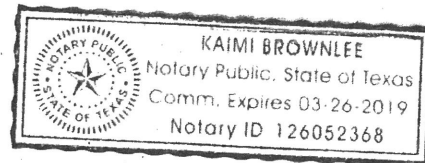
5. The granting of this application is in the interests of conservation and the prevention of waste.

Caitlin Pierce
Caitlin Pierce

SUBSCRIBED AND SWORN to before me this 16th day of October, 2018 by Caitlin Pierce on behalf of Cimarex Energy Co. of Colorado.

Kimi Brownlee
Notary Public

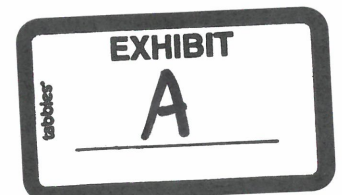
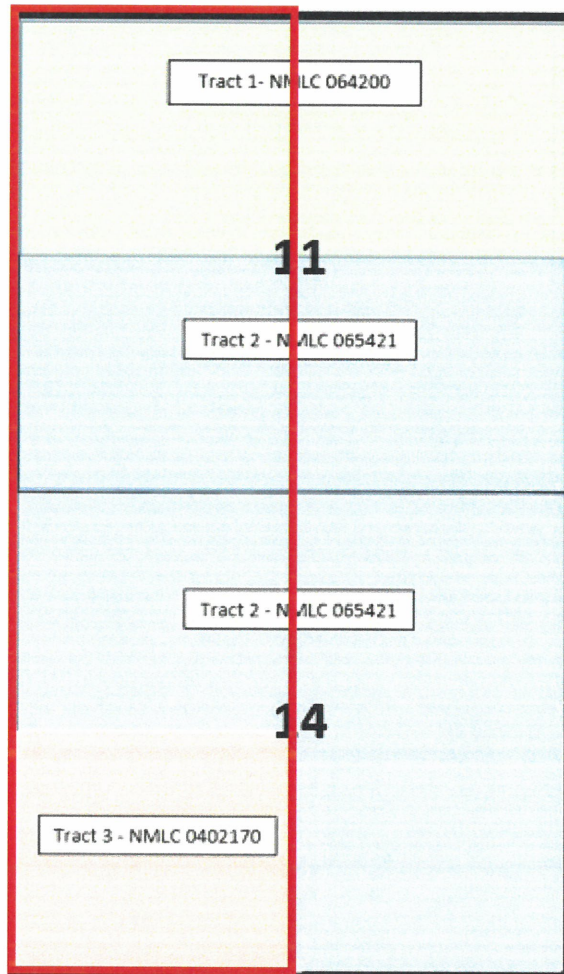
My commission expires: 3/26/19



Bradley 14-11 Federal Com 2H

W/2 of Section 11 & W/2 of Section 14, Township 24 South, Range 26 East, Eddy County, New Mexico

Owner	Tract	Net	Working Interest Percentage	Force Pool Interest
Cimarex/MHPI	1,2,3	492.5	76.95%	No – Operator
Marathon Oil Permian	1,2,3	67.5	10.55%	Yes
O'Neill Properties	2	40	6.25%	No – Participating
MCM Energy Partners	2	40	6.25%	No - Participating



Name1	Address1	City	State	Zip
Eero Bremer	2158 Washington St.	Denver	CO	80210
Vanessa Minnard	3236 S Pennsylvania	Englewood	CO	80113
Dennis Link	219 W Jamison Circle #23	Littleton	CO	80120
Ellen H Finer	6800 E Dorado Place	Greenwood Village CO	CO	80111
Mindy H Miller	27 Cherry Hills Farm Drive	Cherry Hill Villag	CO	80111
Magnum Hunter Production Inc.	600 N. Marienfeld, Suite 600	Midland	TX	79705
Chad Barbe	P.O. Box 2017	Roswell	NM	88205
Escondido Oil & Gas LLC	P.O. Box 51390	Midland	TX	79710
Brili LLC	2135 Sedona Hills Parkway	Las Cruces	NM	88011
Tim D & Tashina A Lilley	4873 Raintree Circle	Parker	CO	80134
Harold F Marshall	7120 Twin Tree Lane	Dallas	TX	75214
Wanwick Ares LLC	6608 North Western Ave, Box 417	Oklahoma City	OK	73116
Justin & Sara Nine	1900 Larkspur Drive	Golden	CO	80401
Donald R & Marty Horton	1501 Alta Drive	Ft Worth	TX	76107
Wallace H Scott	111 Congress Ave, Suite 600	Austin	TX	78701
Wilma Faye Whitehead	4308 Hurson Ln	Wichita Falls	TX	76302
Roberta LeMore	1225 Bay Line Drive	Rockwall	TX	75087
Patricia Ann Kuhler	6236 Brentwood Drive	Fort Worth	TX	76112
O'Neill Properties LTD	P.O. Box 2840	Midland	TX	79702
Doris Jean Barnes	2515 Neely	Midland	TX	79705
Marathon Oil Permian LLC	5555 San Felipe St.	Houston	TX	77056
Black Stone Energy Co. LLC	1001 Fannin Street, Suite 2020	Houston	TX	77002
Fasken Acquisitions 95-I, Ltd.	6101 Holiday Hill Road	Midland	TX	79707
Murchison Oil & Gas Inc.	7250 Dallas Pkwy #1400	Plano	TX	75024
Mewbourne Oil Company	500 West Texas, Suite 1020	Midland	TX	79701
Chisholm Energy Operating LLC	801 Cherry Street, Suite 1200, Unit 20	Fort Worth	TX	76102
MM Bradley	NO ADDRESS	Archer City	TX	76351

District I
1635 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1230 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3469 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015	² Pool Code 98220	³ Pool Name Purple Sage Wolfcamp (Gas)
⁴ Property Code	⁵ Property Name BRADLEY 14-11 FEDERAL COM	⁶ Well Number 1H
⁷ GRID No. 162683	⁸ Operator Name CIMAREX ENERGY CO. OF COLORADO	⁹ Elevation 3289.0'

¹⁰ Surface Location

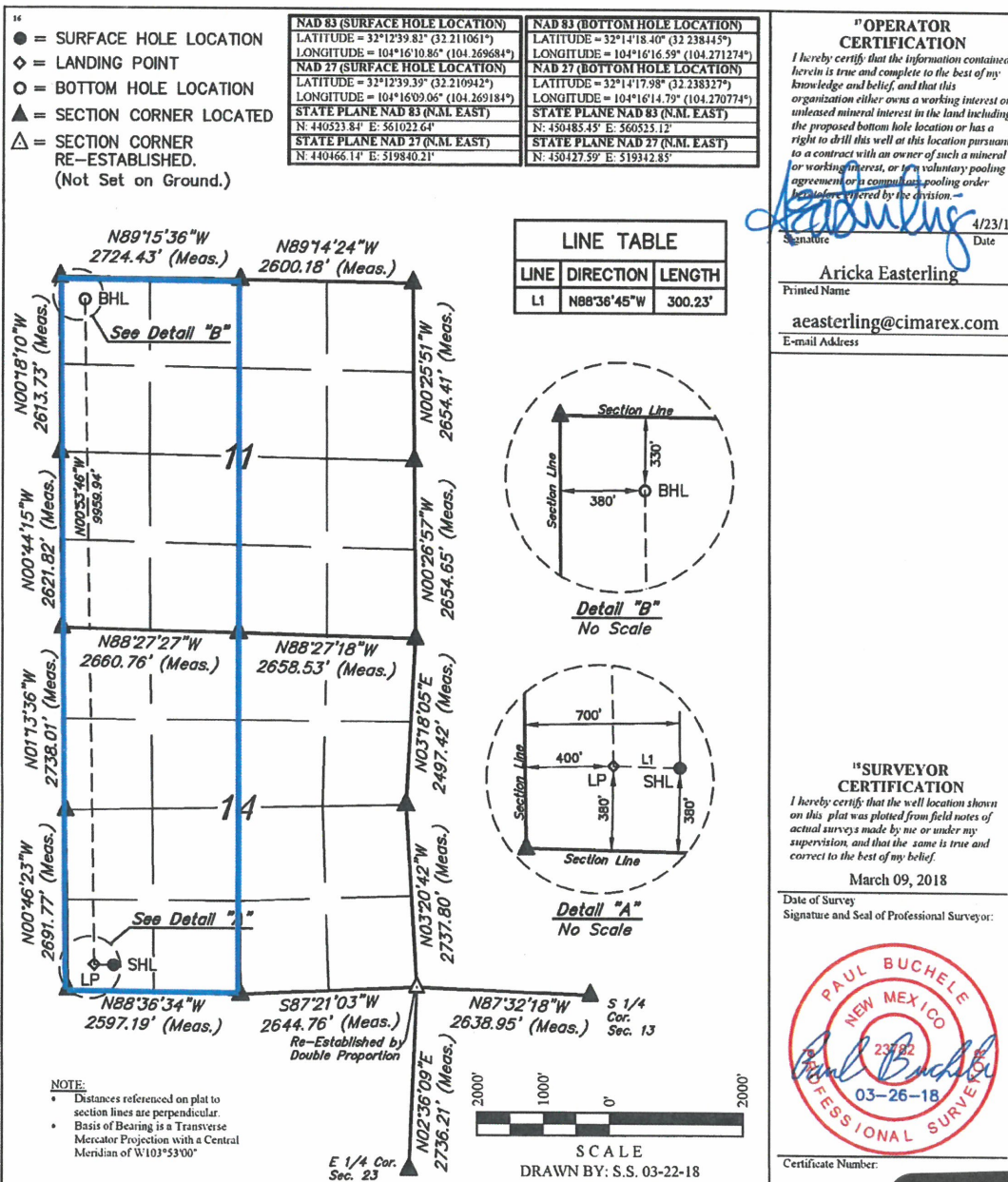
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	24S	26E		380	SOUTH	700	WEST	EDDY

¹¹ 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
D	11	24S	26E		330	NORTH	380	WEST	EDDY

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



EXHIBIT

B

Summary of Attempted Contacts

- Cimarex sent well proposal letters on April 5, 2018.
- Cimarex then contacted parties to see if they would participate in the well and/or execute a joint operating agreement.
- Cimarex conducted updated record searches and internet searches for contact information for parties it seeks to pool.
- Cimarex continued to attempt to contact the parties who had not executed an agreement.
- Cimarex filed an application to force pool parties who had not entered in to an agreement.
- Cimarex sent notices of the force pooling application to the addresses of record.
- Cimarex also published notice in a newspaper of general circulation in the county where the well will be located.



Cimarex Energy Co.

600 N. Marienfeld

Suite 600

Midland, Texas 79701

PHONE: 432.571.7800

FAX: 432.571.7832



April 5, 2018

Black Stone Energy Co. LLC
1001 Fannin Street
Suite 2020
Houston, Texas 77002

Re: New Well Proposal- Bradley 14-11 Federal Com 2H
Township 24 South, Range 26 East, N.M.P.M.
W/2 of Sections 14 & 11 – Wolfcamp Formation
Eddy County, New Mexico

Dear Working Interest Owner:

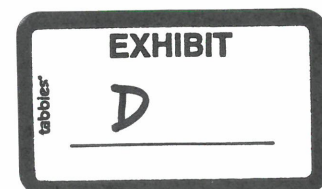
Cimarex Energy Co. of Colorado, on behalf of Magnum Hunter Production Inc., a wholly owned subsidiary of Cimarex Energy Co. hereby proposes to drill the Bradley 14-11 Federal Com 2H well at a legal location in the W/2 of Sections 14 & 11, Township 24 South, Range 26 East, Eddy County, New Mexico.

Enclosed, in duplicate, is (i) our detailed AFE reflecting estimated costs associated with this proposal, and; (ii) our proposed form of Operating Agreement to govern operations of the Bradley 14-11 Federal Com wells. If you intend to participate, please approve and return one (1) original of the enclosed AFE, and one (1) original of the signature page to the Operating Agreement, along with the contact information to receive your well data, to the undersigned within thirty (30) days of receipt of this proposal. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance to Cimarex prior to commencement of drilling operations; otherwise, you will be covered by insurance procured by Cimarex and will be responsible for your share of the cost.

Please contact the undersigned at (432) 571-7862 if you should have any questions or comments.

Respectfully,

Cimarex Energy Co.
Caitlin Pierce, Landman



ELECTION TO PARTICIPATE
Bradley 14-11 Federal Com 2

_____ Black Stone elects **TO** participate in the proposed Bradley 14-11 Federal Com 2H

_____ Black Stone elects **NOT** to participate in the proposed Bradley 14-11 Federal Com 2H

Dated this _____ day of _____, 2018.

Signature: _____

Title: _____

If your election above is TO participate in the proposed Bradley 14-11 Federal Com 2H well, then:

_____ Black Stone elects **TO** be covered by well control insurance procured by Cimarex Energy Co.

_____ Black Stone elects **NOT** to be covered by well control insurance procured by Cimarex Energy Co. and agrees to provide Cimarex Energy Co. with a certificate of insurance prior to commencement of drilling operations **or** be deemed to have elected to be covered by well control insurance procured by Cimarex Energy Co.



Project Cost Estimate

Well Name: Bradley 14-11 Fed Com 2H

Intangibles				BCP - Drilling (Dry Hole Cost)		ACP - Drilling		Completion / Stimulation		Production Equipment / Construction		Post Completion		Total Well Cost
				Codes		Codes		Codes		Codes		Codes		
Roads & Location Preparation / Restoration				DHDC 100	\$280,000			STIM 100	\$10,000	CON 100	\$93,000	PCOM 100	\$28,000	\$411,000
Damages				DHDC 105	\$6,000					CON 105	\$13,500			\$19,500
Mud / Fluids Disposal Charges				DHDC 255	\$110,000			STIM 255	\$53,000			PCOM 255	\$91,200	\$254,200
Day Rate	29.00	DH Days	4.00	ACP Days @	\$	19,500	Per Day							\$468,000
Misc Preparation Cost (mouse hole, rat hole, pads, pile clusters, misc.)				DHDC 120	\$35,000									\$35,000
Bits				DHDC 125	\$75,000	DHDC 125	\$0	STIM 125	\$0			PCOM 125	\$0	\$75,000
Fuel				DHDC 135	\$70,000	DHDC 130	\$0					PCOM 130	\$0	\$70,000
Water for Drilling Rig / Completion Fluids (Not Frac Water)				DHDC 140	\$5,000	DHDC 135	\$0	STIM 135	\$12,000			PCOM 135	\$0	\$17,000
Mud & Additives				DHDC 145	\$170,000									\$170,000
Surface Rentals				DHDC 150	\$73,000	DHDC 140	\$0	STIM 140	\$213,000	CON 140	\$8,000	PCOM 140	\$88,000	\$382,000
Downhole Rentals				DHDC 155	\$113,000			STIM 145	\$0			PCOM 145	\$0	\$113,000
Formation Evaluation (DST, Coring including evaluation, G&G Services)				DHDC 160	\$0			STIM 150	\$0					\$0
Mud Logging				DHDC 170	\$23,000									\$23,000
Open Hole Logging				DHDC 180	\$0									\$0
Cementing & Float Equipment				DHDC 185	\$130,000	DHDC 155	\$50,000							\$180,000
Tubular Inspections				DHDC 190	\$50,000	DHDC 160	\$5,000	STIM 160	\$4,000			PCOM 160	\$0	\$59,000
Casing Crews				DHDC 195	\$20,000	DHDC 165	\$13,000	STIM 165	\$0					\$33,000
Mechanical Labor				DHDC 200	\$20,000	DHDC 170	\$10,000	STIM 170	\$0	CON 170	\$422,500	PCOM 170	\$0	\$452,500
Trucking/Transportation				DHDC 205	\$25,000	DHDC 175	\$8,000	STIM 175	\$4,000	CON 175	\$25,000	PCOM 175	\$0	\$62,000
Supervision				DHDC 210	\$100,000	DHDC 180	\$16,000	STIM 180	\$62,000	CON 180	\$54,500	PCOM 180	\$0	\$232,500
Trailer House / Camp / Catering				DHDC 280	\$13,000	DHDC 255	\$2,000	STIM 280	\$18,000					\$33,000
Other Misc Expenses				DHDC 220	\$5,000	DHDC 190	\$0	STIM 190	\$0	CON 190	\$20,000	PCOM 190	\$0	\$25,000
Overhead				DHDC 225	\$10,000	DHDC 195	\$5,000							\$15,000
Remedial Cementing				DHDC 231	\$0			STIM 215	\$0			PCOM 215	\$0	\$0
MOB/DEMOB				DHDC 240	\$200,000									\$200,000
Directional Drilling Services				DHDC 245	\$337,000									\$337,000
Solids Control				DHDC 260	\$63,000									\$63,000
Well Control Equip (Snubbing Svcs.)				DHDC 265	\$74,000	DHDC 240	\$5,000	STIM 240	\$95,000			PCOM 240	\$0	\$174,000
Fishing & Sidetrack Services				DHDC 270	\$0	DHDC 245	\$0	STIM 245	\$0			PCOM 245	\$0	\$0
Completion Rig								STIM 115	\$9,000			PCOM 115	\$0	\$9,000
Coil Tubing								STIM 260	\$292,000			PCOM 260	\$0	\$292,000
Completion Logging, Perforating, WL Units, WL Surveys								STIM 200	\$388,000			PCOM 200	\$0	\$388,000
Composite Plugs								STIM 390	\$108,000			PCOM 390	\$0	\$108,000
Stimulation Pumping Charges, Chemicals, Additives, Sand								STIM 210	\$4,397,000			PCOM 210	\$0	\$4,397,000
Stimulation Water / Water Transfer / Water Storage								STIM 395	\$729,000					\$729,000
Cimarex Owned Frac / Rental Equipment								STIM 305	\$40,000			PCOM 305	\$0	\$40,000
Legal / Regulatory / Curative				DHDC 300	\$10,000					CON 300	\$0			\$10,000
Well Control Insurance				DHDC 285	\$6,000									\$6,000
Contingency				DHDC 435	\$121,000	DHDC 220	\$10,000	STIM 220	\$322,000	CON 220	\$185,500	PCOM 220	\$20,000	\$658,500
Automation Labor										CON 150	\$70,000	PCOM 150	\$0	\$70,000
Contingency										CON 221	\$47,500			\$47,500
FL/GL - Labor										CON 500	\$233,000			\$233,000
FL/GL - Supervision										CON 505	\$60,500			\$60,500
FL/GL - NDE(X-Ray)										CON 510	\$7,000			\$7,000
FL/GL - Survey										CON 515	\$10,000			\$10,000
FL/GL - Hydro Test										CON 520	\$7,500			\$7,500
FL/GL - Hydro Vac										CON 525	\$5,000			\$5,000
FL/GL - Trucking										CON 530	\$4,500			\$4,500
SWD Lines - Intangible										CON 600	\$0			\$0
Gas Sales Lines - Intangible										CON 700	\$0			\$0
Total Intangible Cost					\$2,534,000		\$202,000		\$6,756,000		\$1,267,000		\$227,200	\$10,986,200

Tangible - Well Equipment														
	Size	Feet	\$ / Foot											
Casing				DWEB 150	\$0									\$0
Drive Pipe				DWEB 130	\$0									\$0
Conductor Pipe				DWEB 135	\$15,000									\$15,000
Water String				DWEB 140	\$51,000									\$51,000
Surface Casing	9 5/8	1990	\$27.00	DWEB 145	\$298,000									\$298,000
Intermediate Casing 1	7	9720	\$30.00	DWEB 155	\$0									\$0
Intermediate Casing 2				DWEB 160	\$0									\$0
Drilling Liner						DWEA 100	\$124,000							\$124,000
Production Casing or Liner	4 1/2	11280	\$11.00			DWEA 165	\$0	STIMT 101	\$0					\$0
Production Tie-Back								STIMT 105	\$67,000			PCOMT 105	\$0	\$67,000
Tubing	3-1/2"	8100	\$9.00	DWER 115	\$20,000	DWEA 120	\$25,000	STIMT 120	\$40,000			PCOMT 120	\$0	\$85,000
Wellhead, Tree, Chokes				DWEB 100	\$0	DWEA 125	\$90,000							\$90,000
Liner Hanger, Isolation Packer								STIMT 400	\$20,000			PCOMT 400	\$0	\$20,000
Packer, Nipples								STIMT 405	\$0			PCOMT 405	\$0	\$0
Pumping Unit, Engine								STIMT 410	\$70,000			PCOMT 410	\$0	\$70,000
Downhole Lift Equipment (BHP, Rods, Anchors, ESP, GVLs, PC Pump)												PCOMT 420	\$0	\$0
Surface Equipment														\$0
Tangible - Lease Equipment														
N/C Lease Equipment										CONT 400	\$219,000			\$219,000
Tanks, Tanks Steps, Stairs										CONT 405	\$101,000			\$101,000
Battery (Heater Treater, Separator, Gas Treating Equipment)										CONT 410	\$392,000			\$392,000
Secondary Containments										CONT 415	\$84,000			\$84,000
Overhead Power Distribution (electric line to facility)										CONT 420	\$47,000			\$47,000
Facility Electrical										CONT 425	\$102,000			\$102,000
Telecommunication Equipment										CONT 426	\$0			\$0
Meters and Metering Equipment										CONT 445	\$47,000			\$47,000
Facility Line Pipe										CONT 450	\$80,500			\$80,500
Automation Materials										CONT 455	\$90,000	PCOMT 455	\$0	\$90,000
FL/GL - Valves/Fittings										CONT 550	\$40,000			\$40,000
FL/GL - Pipe										CONT 555	\$96,000			\$96,000
SWD Lines - Tangible										CONT 650	\$0			\$0
Gas Sales Lines - Tangible										CONT 750	\$0			\$0
Total Tangibles					\$384,000		\$239,000		\$197,000		\$1,298,500		\$0	\$2,118,500

P&A Costs	DHDC 295	\$0	DHDC 275	\$0										\$0
Total Cost		\$2,918,000		\$441,000		\$6,953,000		\$2,565,500		\$227,200				\$13,104,700

EXHIBIT

E

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX
ENERGY CO. OF COLORADO
FOR A NON-STANDARD SPACING
AND PRORATION UNIT AND
COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 16291

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Jason J. Asmus, being duly sworn, deposes and states:

1. I am over the age of 18, and have person knowledge of the matters stated herein. I am a geologist for Cimarex Energy Co. of Colorado ("Cimarex"), and I am familiar with the geological matters involved in this case.

2. I attended Western Michigan University, where I received a B.S Geosciences in 2010 and a M.S in Geosciences in 2012. I have worked for Cimarex since January 2015. Before working for Cimarex, I was employed by EOG Resources as a staff geologist.

3. The following geological exhibits are attached hereto:

- a. **Exhibit A** is a structure map of the top of the Wolfcamp or the base of the Bone Spring. The purple line identifies the location of the proposed two-mile well, also identified by the call-out box. The map identifies in blue four wells in the vicinity of the proposed Bradley 14-11 Fed Com 1H well, and a line of cross-section, running from A to A' (north to south). The map has 50' contour intervals. The map shows that the structure dips to the north northeast.



b. **Exhibit B** is a Gross Sand Isopach map of the Upper Wolfcamp formation.

The thickness is uniform across the proposed well unit.

c. **Exhibit C** is a Upper Wolfcamp cross section. The well logs on the cross-section give a representative sample of the Upper Wolfcamp formation in the area. The target zone for the well is the Wolfcamp Y Sandstone. The zone is continuous across the well unit.

4. I conclude from the maps that:

a. The horizontal spacing and proration unit is justified from a geologic standpoint.

b. There are no structural impediments or faulting that will interfere with horizontal development.

c. Each quarter quarter section in the unit will contribute more or less equally to production.

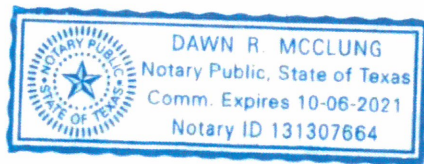
5. There does not appear to be a preferred well orientation in this area. I note from Exhibit B, however, that most of the wells that have been spudded and completed are oriented north to south.

Jason J. Asmus
Jason J. Asmus

SUBSCRIBED AND SWORN to before me this 5th day of September, 2018 by Jason J. Asmus, on behalf of Cimarex Energy Co. of Colorado.

Dawn R. McClung
Notary Public

My commission expires: 10-6-21



Deep Structure Map

XEC Bradley 14-11 Fed
Com 1H Location

White City

24S/25E

24S/26E

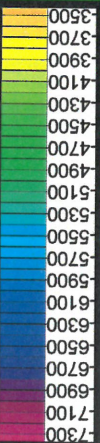
24S/27E

Top Wolfcamp Structure

(C.I. 50')

Bradley 1H Location

Cross-Section A-A'



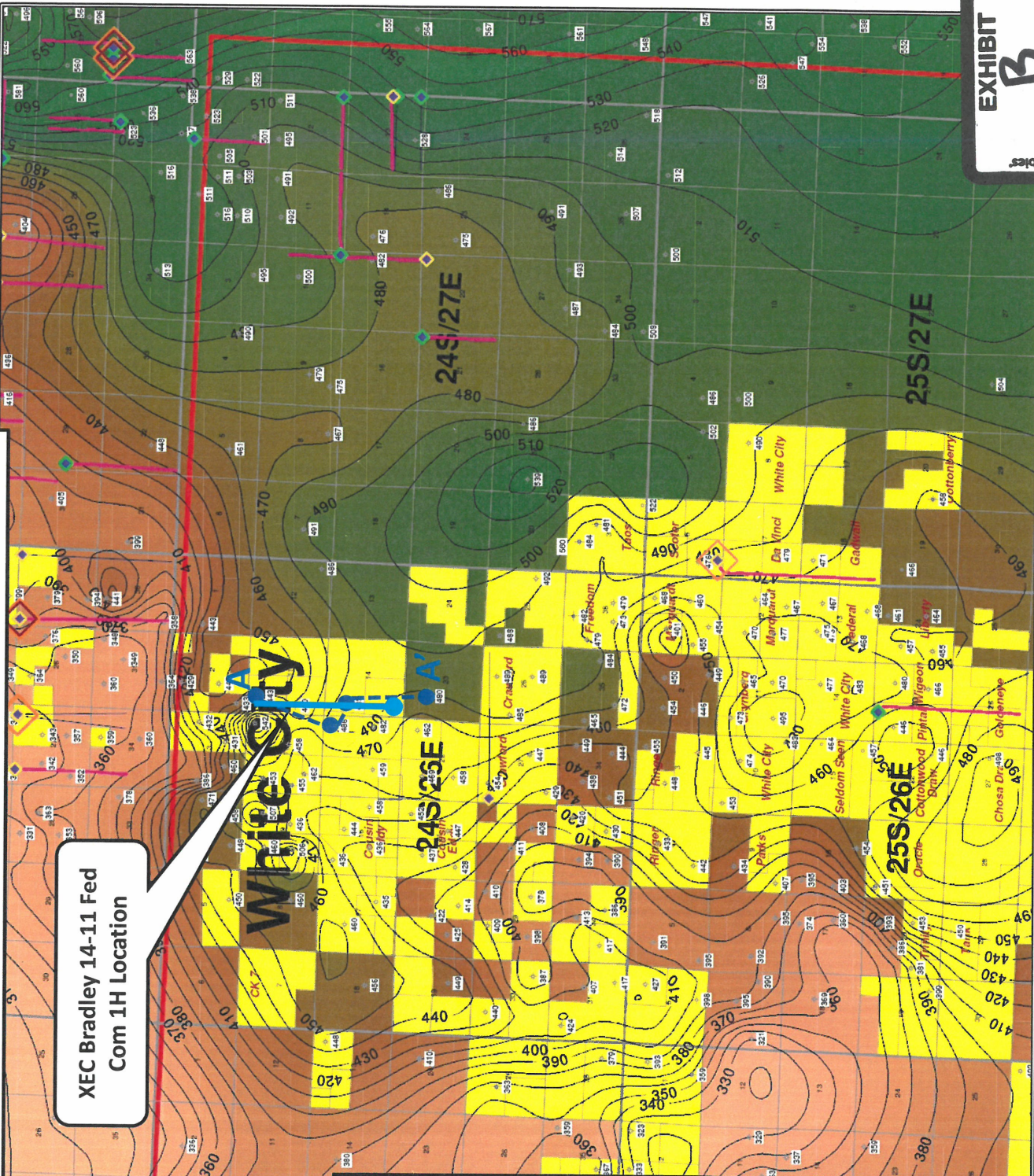
EXHIBIT

A

Geobase

Upper Wolfcamp Isopach Map

**XEC Bradley 14-11 Fed
Com 1H Location**



***U. Wolfcamp Gross
Isopach***
(Top WCMP to 'A2')

S. Eddy County



#

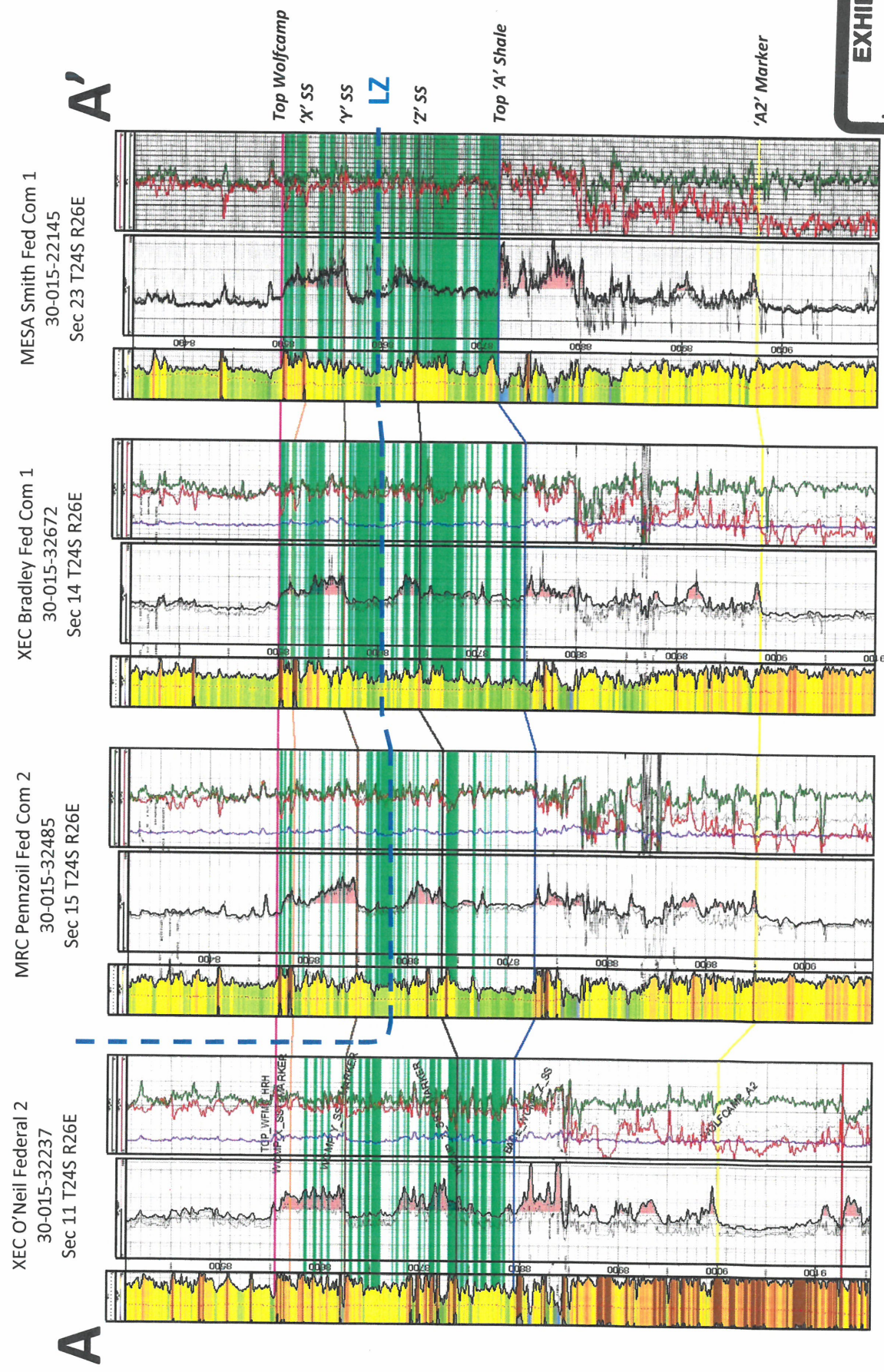
Upper WCMP Gross Isopach
(Top WCMP to 'A2)

100 200 300 400 500 600 700

B

53/9987

Upper WCMP N-S Cross-Section A-A'



STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
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APPLICATION OF CIMAREX
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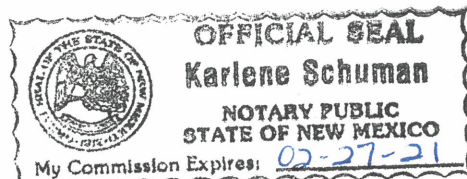
STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)


Deana M. Bennett, attorney in fact and authorized representative of Cimarex Energy Co. of Colorado, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application was provided under the notice letter and that proof of receipt is attached hereto.



Deana M. Bennett

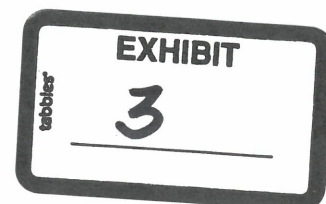
SUBSCRIBED AND SWORN to before me this 17th day of October, 2018 by Deana M. Bennett.





Notary Public

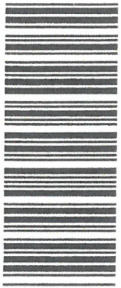
My commission expires: _____



Karlene Schuman
Modrall Sperling Rochl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED
09/26/2018



Firm Mailing Book ID: 152208

Line	Article Number	Name, Street & P.O. Address	Postage	Fee	R.R.Fee	Reference	Rest.Del.Fee Contents
1	9314 8699 0430 0051 1754 16	Eero Bremer 2158 Washington St. Denver CO 80210	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
2	9314 8699 0430 0051 1754 23	Vanessa Minnard 3236 S Pennsylvania Englewood CO 80113	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
3	9314 8699 0430 0051 1754 30	Dennis Link 219 W Jamison Circle #23 Littleton CO 80120	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
4	9314 8699 0430 0051 1754 47	Ellen H Finer 6800 E Dorado Place Greenwood Village CO 80111	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
5	9314 8699 0430 0051 1754 54	Mindy H Miller 27 Cherry Hills Farm Drive Cherry Hill Village CO 80111	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
6	9314 8699 0430 0051 1754 61	Magnum Hunter Production Inc. 600 N. Marientfeld, Suite 600 Midland TX 79705	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
7	9314 8699 0430 0051 1754 78	Chad Barbe P.O. Box 2017 Roswell NM 88205	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
8	9314 8699 0430 0051 1754 85	Escondido Oil & Gas LLC P.O. Box 51390 Midland TX 79710	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
9	9314 8699 0430 0051 1754 92	Brili LLC 2135 Sedona Hills Parkway Las Cruces NM 88011	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
10	9314 8699 0430 0051 1755 08	Tim D & Tashina A Lilley 4873 Raintree Circle Parker CO 80134	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
11	9314 8699 0430 0051 1755 15	Harold F Marshall 7120 Twin Tree Lane Dallas TX 75214	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
12	9314 8699 0430 0051 1755 22	Warwick Ares LLC 6608 North Western Ave, Box 417 Oklahoma City OK 73116	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
13	9314 8699 0430 0051 1755 39	Justin & Sara Nine 1900 Larkspur Drive Golden CO 80401	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
14	9314 8699 0430 0051 1755 46	Donald R & Marty Horton 1501 Alta Drive Ft Worth TX 76107	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
15	9314 8699 0430 0051 1755 53	Wallace H Scott 111 Congress Ave, Suite 600 Austin TX 78701	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice

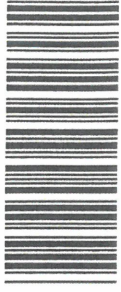
EXHIBIT

A

Karlenc Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED
09/26/2018



Firm Mailing Book ID: 152208

Line	Article Number	Name, Street & P.O. Address	Postage	Fee	R.R.Fee	Reference	Rest.Del.Fee Contents
16	9314 8699 0430 0051 1755 60	Wilma Faye Whitehead 4308 Hurson Ln Wichita Falls TX 76302	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
17	9314 8699 0430 0051 1755 77	Roberta LeMore 1225 Bay Line Drive Rockwall TX 75087	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
18	9314 8699 0430 0051 1755 84	Patricia Ann Kuhler 6236 Brentwood Drive Fort Worth TX 76112	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
19	9314 8699 0430 0051 1755 91	O'Neill Properties LTD P.O. Box 2840 Midland TX 79702	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
20	9314 8699 0430 0051 1756 07	Doris Jean Barnes 2515 Neely Midland TX 79705	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
21	9314 8699 0430 0051 1756 14	Marathon Oil Permian LLC 5555 San Felipe St. Houston TX 77056	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
22	9314 8699 0430 0051 1756 21	Black Stone Energy Co. LLC 1001 Fannin Street, Suite 2020 Houston TX 77002	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
23	9314 8699 0430 0051 1756 38	Fasken Acquisitions 95-I, Ltd. 6101 Holiday Hill Road Midland TX 79707	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
24	9314 8699 0430 0051 1756 45	Murchison Oil & Gas Inc. 7250 Dallas Pkwy #1400 Plano TX 75024	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
25	9314 8699 0430 0051 1756 52	Mewbourne Oil Company 500 West Texas, Suite 1020 Midland TX 79701	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
26	9314 8699 0430 0051 1756 69	Chisholm Energy Operating LLC 801 Cherry Street, Suite 1200, Unit 20 Fort Worth TX 76102	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
27	9314 8699 0430 0051 1756 76	MM Bradley NO ADDRESS Archer City TX 76351	\$1.21	\$3.45	\$1.50	82762-0165	\$0.00 Notice
Totals:			\$32.67	\$93.15	\$40.50	Grand Total:	\$166.32

List Number of Pieces
Listed by Sender

Total Number of Pieces
Received at Post Office

Postmaster:
Name of receiving employee

Dated:

27

27

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Transaction Report Details - CertifiedPro.net
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Certified Mail Article Number	Date Created	Reference Number	Name 1	Address	City	State	Zip	Certified Mailing Status	Service Options	Mail Delivery Date
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9314869904300051175669	2018-09-26 10:01 AM	82762-0165	Chisholm Energy Operating LLC	801 Cherry Street, Suite 1200, Unit 20	Fort Worth	TX	76102	Delivered	Return Receipt - Electronic	10-01-2018
9314869904300051175652	2018-09-26 10:01 AM	82762-0165	Mewbourne Oil Company	500 West Texas, Suite 1020	Midland	TX	79701	Delivered	Return Receipt - Electronic	10-01-2018
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CARLSBAD CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

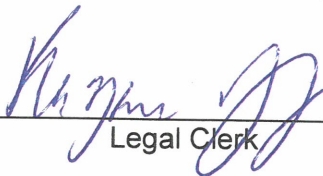
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MODRALL SPERLING
PO BOX 2168

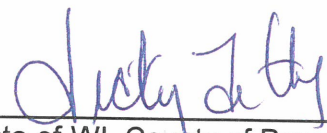
ALBUQUERQUE NM 87103

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

10/04/18

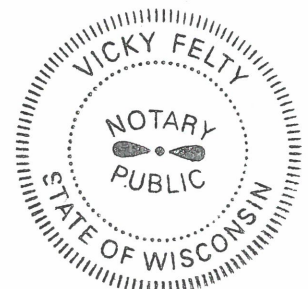

Legal Clerk

Subscribed and sworn before me this
4th of October 2018.


State of WI, County of Brown
NOTARY PUBLIC

9-19-21
My Commission Expires

CASE No. 16291: Notice to all affected parties, as well as the heirs and devisees of Black Stone Energy Co. LLC; Fasker Acquisitions 95-I, Ltd.; Marathon Oil Permian LLC; O'Neill Properties LTD; Warwick Ares LLC Murchison Oil & Gas Inc.; Mewbourne Oil Company; Chisholm Energy Operating LLC Doris Jean Barnes; Patricia Ann Kuhler; Roberta LeMore; MM Bradley; Wilma Faye Whitehead; Wallace H Scott c/o Mark Fulton/Merrill Lynch; Donald R & Marty Horton; Justin & Sara Nine; Harold F Marshall; Tim D & Tashina A Lilley; Brili LLC; Escondido Oil & Gas LLC; Chad Barbe; Magnum Hunter Production Inc.; Mindy H Miller; Ellen H Finer; Dennis Link; Vanessa Minnard; Eero Bremer of Cimarex Energy Co. of Colorado's application for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on October 18, 2018, to consider this application. Applicant seeks an order from the Division: (1) creating a non-standard 640-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the W/2 of Sections 11 and 14, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the Bradley 14-11 Federal Com 1H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and



charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles southwest of Loving, New Mexico.

October 4, 2018