

Additional Information

Garcia, John A, EMNRD

From: Lance D. Hough <ldh@modrall.com>
Sent: Monday, April 27, 2020 5:29 PM
To: Garcia, John A, EMNRD
Cc: padillalaw@qwestoffice.net; Kaitlyn A. Luck; Earl E. DeBrine
Subject: [EXT] RE: Case 20783 / 20784
Attachments: No. 20784 Ex. D for Order (W3741809x7A92D).PDF; No. 20783 Ex. D for Order (W3741807x7A92D).PDF

John,

I've been advise by Cimarex's geologist that the previous SHL/BHL calls involved well bores crossing and hence an increased risk for well bore collision/interference. The new proposed calls remove any crossing of well bores and therefore greatly reduce the possibility for any well bore collision/interference. As a result, the C-102s contain the new SHLs and BHLs. These new SHLs and BHLs do not change the proposed units or the AFEs.

I believe the Division had not incorporated the Exhibit A Checklist requirement at the time this case was presented, and accordingly, I have attached the Exhibit A equivalent used at that time with updated SHLs and BHLs for the wells in cases 20783 and 20784.

If the Division would prefer we create Exhibit A Checklists for these cases, I am happy to do so this evening or tomorrow morning. Please advise whether you need any additional information, or if you have additional questions or concerns. Thank you for your assistance and patience.

Sincerely,



Lance D. Hough
Associate Attorney
D: 505.848.1826

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>
Sent: Monday, April 27, 2020 8:46 AM
To: Lance D. Hough <ldh@modrall.com>
Cc: padillalaw@qwestoffice.net; Kaitlyn A. Luck <KALuck@hollandhart.com>; Earl E. DeBrine <edebrine@modrall.com>
Subject: RE: Case 20783 / 20784

Lance,

I noticed that the SHL and BHL does not match any of the wells that were provided on the exhibit A, please let me know the reason for the differences and mend the necessary file.

Thank you,

John Garcia
Petroleum Specialist
Oil Conservation Division
1220 South St. Francis Drive

Santa Fe, New Mexico 87505
505-476-3441



From: Lance D. Hough <ldh@modrall.com>
Sent: Sunday, April 26, 2020 2:42 PM
To: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>
Cc: padillalaw@qwestoffice.net; Kaitlyn A. Luck <KALuck@hollandhart.com>; Earl E. DeBrine <edebrine@modrall.com>
Subject: [EXT] RE: Case 20783 / 20784

John,

Please find attached the C-102s for cases 20783 and 20784. These are for the Hayduke 34-3 Federal Com 8H through 11H wells.

Please confirm receipt. Thank you.

Sincerely,



Lance D. Hough
Associate Attorney
D: 505.848.1826

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>
Sent: Wednesday, April 15, 2020 11:43 AM
To: Lance D. Hough <ldh@modrall.com>
Cc: padillalaw@qwestoffice.net; Kaitlyn A. Luck <KALuck@hollandhart.com>
Subject: Case 20783 / 20784

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

Contact Person,

The above referenced case(s) is/are administratively incomplete as follows:

1. Application(s) is/are missing C-102s.

This is OCD's third request for the information. Please submit the information no later than April 29, 2020. If OCD does not receive the information by the specified date, the case(s) will be dismissed.

Thank you,

John Garcia

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

505-476-3441



Exhibit "D"
Case No. 20783

Applicant: Cimarex Energy Co.
Operator: Cimarex Energy Co. (OGRID 215099)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter sections
Spacing Unit Size: 320 acres, more or less
Orientation of Unit: North to South

Spacing Unit Description:
W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation
Depth Severance? (Yes/No): No

Pool: WC-015 G-03 S252636M; Bone Spring Pool (ID: 97818)
Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$7000 While producing: \$700
As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Hayduke 34-3 Federal Com 8H

SHL: 270' FNL and 1584' FWL of Section 34, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 1980' FWL of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.

Completion Target: 2nd Bone Spring Sand at approx 7,300 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Hayduke 34-3 Federal Com 10H

SHL: 270' FNL and 1544' FWL of Section 34, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 660' FWL of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.

Case No. 20783

Order No. R-

Page 2 of 2

Completion Target: 3rd Bone Spring Carb at approx 7,680 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Exhibit "D"
Case No. 20784

Applicant: Cimarex Energy Co.
Operator: Cimarex Energy Co. (OGRID 215099)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter sections
Spacing Unit Size: 320 acres, more or less
Orientation of Unit: North to South

Spacing Unit Description:
E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation
Daepth Severance? (Yes/No): No

WC-015 G-03 S252636M; Bone Spring Pool (ID: 97818)
Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$7000 While producing: \$700
As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Hayduke 34-3 Federal Com 9H

SHL: 270' FNL and 1564' FWL of Section 34, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 1980' FWL of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.

Completion Target: 2nd Bone Spring Sand at approx 7,300 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Hayduke 34-3 Federal Com 11H

SHL: 270' FNL and 1524' FWL of Section 34, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 660' FWL of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.

Case No. 20784

Order No. R-

Page 2 of 2

Completion Target: 3rd Bone Spring Carb at approx 7,680 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

District I
1625 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
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 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 97818	³ Pool Name WC-015 G-03 S252636M; Bone Spring
⁴ Property Code	⁵ Property Name HAYDUKE 34-3 FEDERAL COM	⁶ Well Number 8H
⁷ OGRID No. 162683	⁸ Operator Name CIMAREX ENERGY CO. Of Colorado	⁹ Elevation 3355.2'

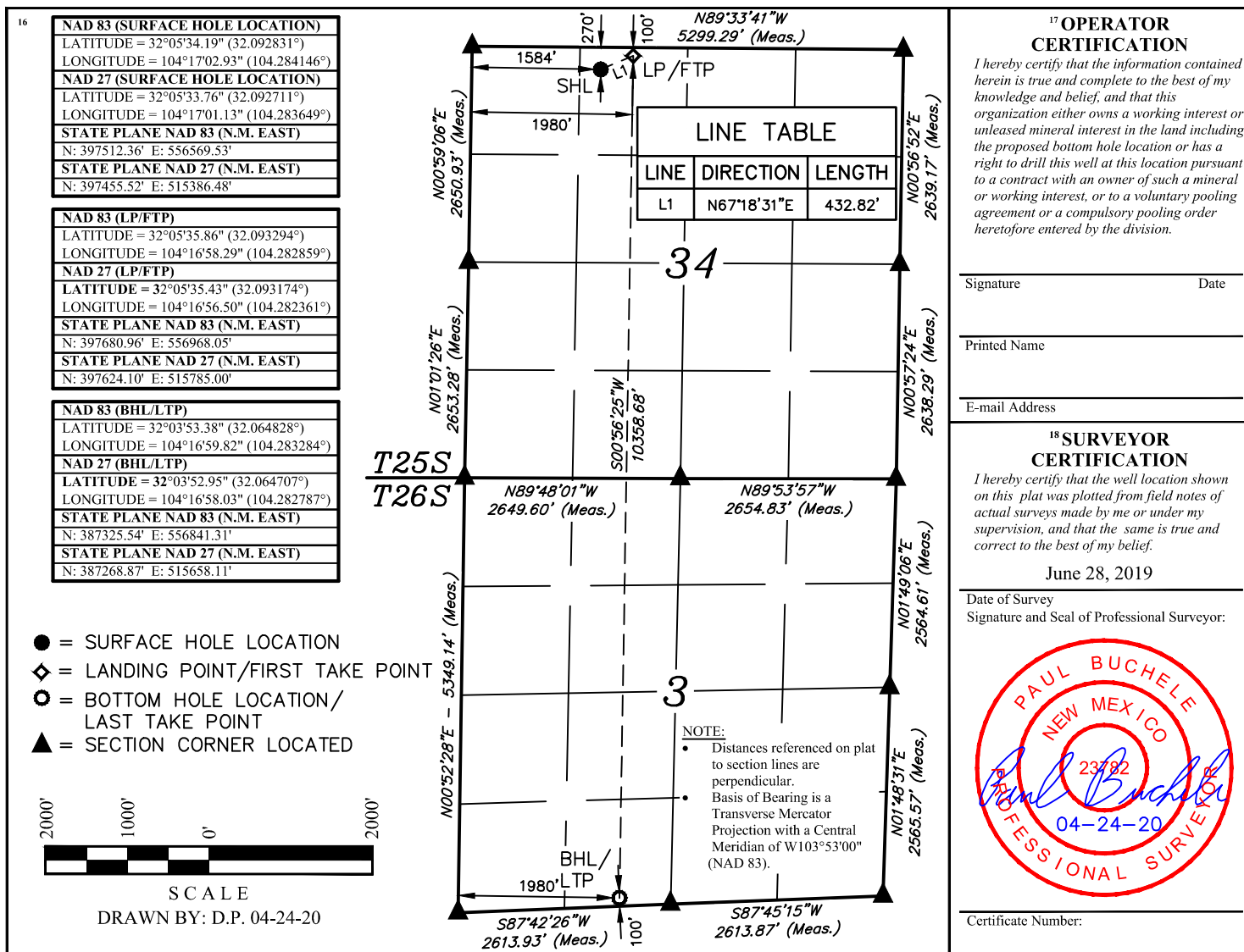
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	25S	26E		270	NORTH	1584	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
N	3	26S	26E		100	SOUTH	1980	WEST	EDDY
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.



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¹ API Number 30-015	² Pool Code 97818	³ Pool Name WC-015 G-03 S252636M; Bone Spring
⁴ Property Code	⁵ Property Name HAYDUKE 34-3 FEDERAL COM	⁶ Well Number 9H
⁷ OGRID No. 162683	⁸ Operator Name CIMAREX ENERGY CO. Of Colorado	⁹ Elevation 3355.5'

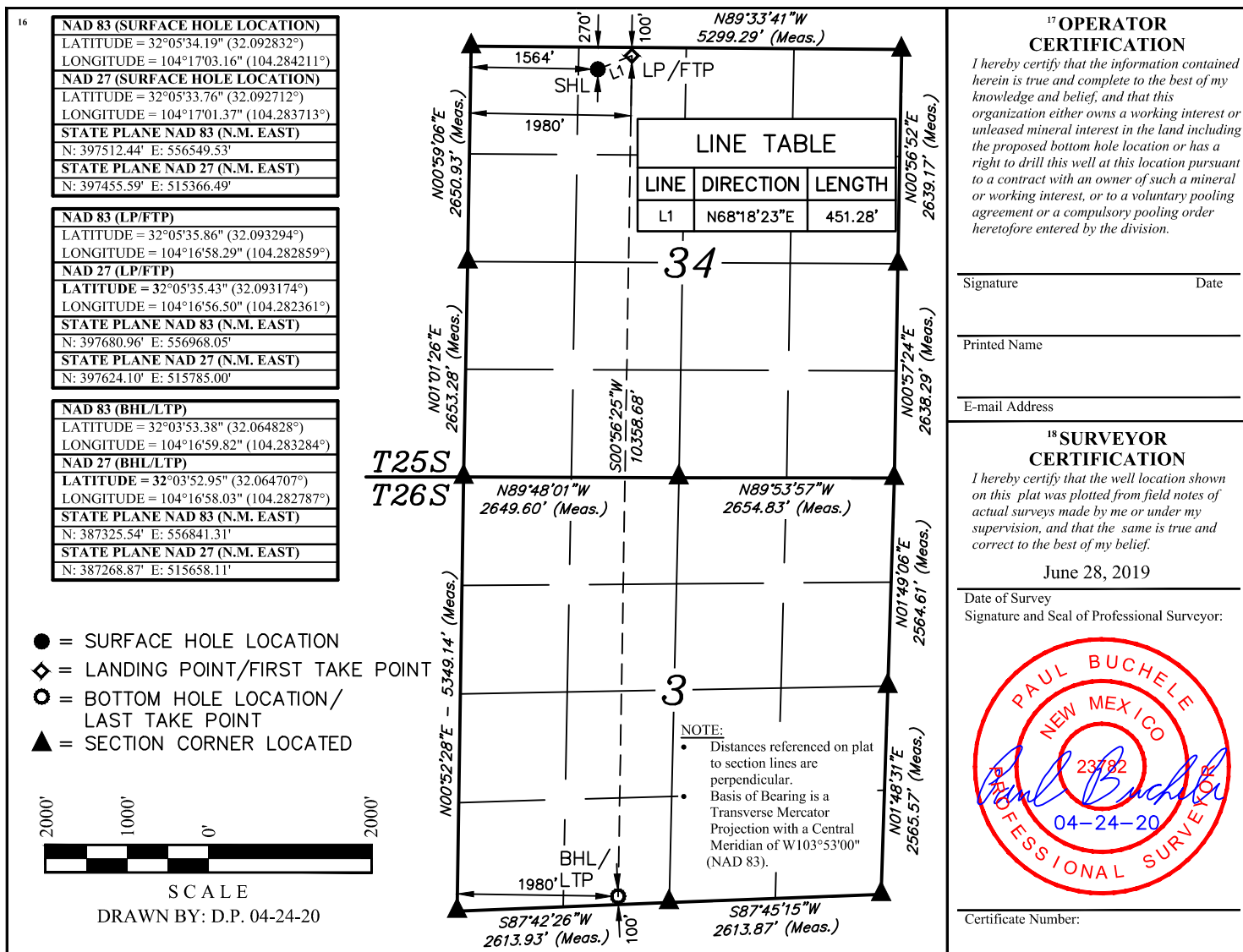
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	25S	26E		270	NORTH	1564	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
N	3	26S	26E		100	SOUTH	1980	WEST	EDDY
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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¹ API Number 30-015	² Pool Code 97818	³ Pool Name Wc-015 G-03 S252636M Bone Spring
⁴ Property Code	⁵ Property Name HAYDUKE 34-3 FEDERAL COM	⁶ Well Number 10H
⁷ OGRID No. 162683	⁸ Operator Name CIMAREX ENERGY CO.	⁹ Elevation 3355.5'

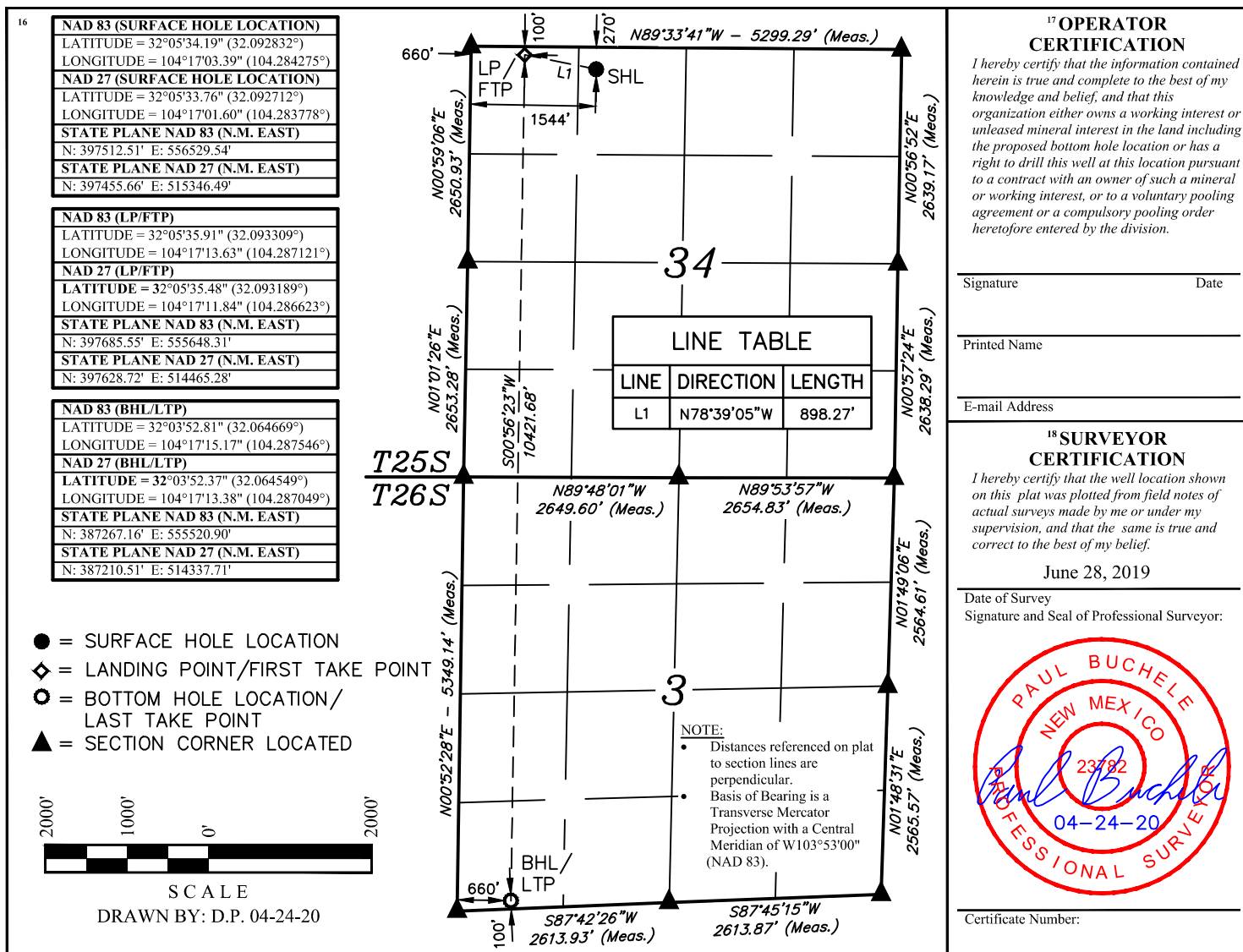
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	25S	26E		270	NORTH	1544	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
M	3	26S	26E		100	SOUTH	660	WEST	EDDY
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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¹ API Number 30-015	² Pool Code 97818	³ Pool Name WC-015 G-03 S252636M; Bone Spring
⁴ Property Code	⁵ Property Name HAYDUKE 34-3 FEDERAL COM	⁶ Well Number 11H
⁷ OGRID No. 162683	⁸ Operator Name CIMAREX ENERGY CO. of Colorado	⁹ Elevation 3355.6'

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
C	34	25S	26E		270	NORTH	1524	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
M	3	26S	26E		100	SOUTH	660	WEST	EDDY
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.

