

**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](mailto:jamesbruc@aol.com)

RECEIVED OGD

2014 SEP 29 A 7:53

*Case 15223*


September 16, 2014

Florene Davidson  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Cimarex Energy Co. of Colorado, is an application for compulsory pooling, together with proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the October 16, 2014 Examiner hearing.

Very truly yours,



James Bruce

Attorney for Cimarex Energy Co. of Colorado

Parties Being Notified

Mobil Producing Texas & New Mexico Inc.  
c/o XTO Energy Inc.  
Suite 2000  
810 Houston Street  
Fort Worth, Texas 76102

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED OOD

APPLICATION OF CIMAREX ENERGY  
CO. OF COLORADO FOR COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.

2014 SEP 29 A 7:53

Case No. 15223

APPLICATION

Cimarex Energy Co. of Colorado applies for an order pooling all mineral interests in the Strawn formation underlying Lots 1, 2, NE¼, and E½NW¼ (the N½) of Section 7, Township 21 South, Range 27 East, N.M.P.M, and in support thereof, states:

1. Applicant is an operator in the N½ of Section 7, and has the right to drill or re-complete a well thereon.
2. Applicant proposes to re-enter its Colton 7 Fed. Well No. 1 and re-complete it at an orthodox location in the Strawn formation, and seeks to dedicate the N½ of Section 7 to the well to form a standard 314.16 acre gas spacing and proration unit for any formations and/or pools developed on 320 acre spacing within that vertical extent, including the Burton Flat-Strawn Gas Pool.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N½ of Section 7 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in re-entering and re-completing the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the N½ of Section 7, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the N½ of Section 7 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Strawn formation underlying the N½ of Section 7;
- B. Designating applicant as operator of the well;
- C. Considering the cost of re-entering and re-completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in re-entering and re-completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Cimarex Energy Co. of  
Colorado

PROPOSED ADVERTISEMENT

Case No. 15223 :

*Application of Cimarex Energy Co. of Colorado for compulsory pooling, Eddy County, New Mexico.* Applicant seeks an order pooling all mineral interests in the Strawn formation (Burton Flat-Strawn Gas Pool) underlying Lots 1, 2, NE/4, and E/2NW/4 (the N/2) of Section 7, Township 21 South, Range 27 East, NMPM, to form a standard 314.160-acre gas spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Colton 7 Fed. Well No. 1, which is being re-completed in the Strawn formation with a top perforation of 10,014 feet subsurface, at a location 1250 feet from the north line and 1943 feet from the west line of Section 7. Also to be considered will be the cost of re-entering and re-completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 6 miles north of Carlsbad, New Mexico.

2014 SEP 29 A 7:53

RECEIVED OGD