



MODRALL SPERLING

L A W Y E R S

**VIA FAX and US Mail
(505) 476-3462**

Earl E. DeBrine
505.848.1810
Fax: 505.848.1889
edebrine@modrall.com

David Catanach
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Extension of Deadline in Order No. R-14247, Application of
Cimarex Energy Co. for a Non-Standard Oil Spacing and Proration
Unit and Compulsory Pooling (December 15, 2016)

Dear Director Catanach:

Cimarex Energy Co. requests a 60 day extension of the deadline for completing its Cottonberry 20 Federal Com Well No. 4H ("Well") which was authorized by the Division in Order No R-14247 which was issued in uncontested case No. 15560. The Order provides in ordering ¶4 that the operator shall commence drilling the well on or before December 31, 2017. The Order further provides in ordering ¶ 6 that "if the proposed well not be drilled and completed within 120 days after commencement thereof, then the ordering paragraphs establishing the non-standard Unit and pooling all uncommitted interest in the Unit shall be of no further effect."

Cimarex is currently scheduled to commence drilling the Well on January 16, 2017, more than 11 months before the deadline set in ordering paragraph 4. However, Cimarex will be unable to complete the well within 120 after the commencement of drilling (May 16, 2017) owing to restrictions regarding existing infrastructure to handle the expected gas and water production from the Well and another well that has already been drilled by Cimarex in the area and which is scheduled to be completed on January 7, 2017. Cimarex estimates that a 6 week gap between completion dates is needed for existing infrastructure to accommodate production of water and gas from both wells and that it will cost approximately \$1.095 million to install a gas line and upgrade its SWD system to accommodate production from the Well which can be avoided if the Well is completed an additional two months after the deadline set in ordering paragraph 6 of Order No. R-14247.

Modrall Sperling
Roehl Harris & Sisk P.A.

Bank of America Centre
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

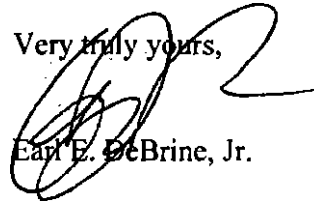
PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

December 29, 2016
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In order to prevent economic waste and promote the conservation of resources, Cimarex requests that it be allowed 180 days after the commencement of drilling to complete the Well. If you need any additional information to consider this request, please don't hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to be "Earl E. DeBrine, Jr.", written over the typed name.

Earl E. DeBrine, Jr.

cc via email: William Jones WilliamV.Jones@state.nm.us
Florene Davidson florene.davidson@state.nm.us