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

APPLICATION OF CIMAREX ENERGY CO., FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22453

PREHEARING STATEMENT

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, submits the following Prehearing Statement pursuant to the rules of the Oil Conservation Division ("Division").

APPEARANCES

APPLICANT ATTORNEY

Cimarex Energy Co.

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APPLICANT'S STATEMENT OF CASE

In Case No. 22453, Cimarex seeks an order (1) establishing a standard 320-acre, more or less, spacing and proration unit comprised of the S/2 S/2 of Sections 15 and 14, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted

mineral interests in the Bone Spring formation underlying said unit. Cimarex proposes to dedicate the unit to its **Parkway 15-14 South State Com 2H**, an oil well, to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 15 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 14.

All working interest owners have entered into and joined voluntary agreements prior to the hearing, leaving only the remaining overriding royalty interest (ORRI) owners to be pooled. Consequently, Cimarex seeks to pool the ORRI owners in the unit.

The proposed unit, which runs west to east, traversing Sections 15 and 14, overlaps one quarter-quarter section in seven (7) standup units in the same Bone Spring formation [Pool Code 60660] containing the following wells owned and operated by Cimarex: (1) The Parkway State Com 004H Well (API No. 30-015-37504), a unit covering the W/2 E/2 of Section 15; (2) the Parkway State Com 003H Well (API No. 30-015-37376), a unit covering the W/2 W/2 of Section 15; (3) the Parkway State Com 005Y Well (API No. 30-015-38499), a unit covering the E/2 W/2 of Section 15; (4) the Parkway State Com 006H Well (API No. 30-015-37970), a unit covering the E/2 E/2 of Section 15; (5) the State "14" Com 003H Well (API No. 30-015-37719), a unit covering the E/2 W/2 of Section 14; (6) the State 14 Com 002H (API No. 30-015-31791), a unit covering the SW/4 NW/4 and W/2 SW/4 of Section 14; and (7) the State 14 A Com 002H Well (API No. 30-015-34604), a unit covering the W/2 SE/4 of Section 14. Therefore, Cimarex seeks approval from the Division for the part of the unit of the existing wells that the proposed HSU overlaps, pursuant to NMAC 19.15.16.15B(9).

APPLICANT'S PROPOSED EVIDENCE

WITNESS ESTIMATED TIME EXHIBITS

Landman: Riley Morris Approx. 10 min Approx. 5

Geologist: Lucas Haas

Approx. 10 min

Approx. 6

PROCEDURAL MATTERS

Cimarex requests that, for purposes of the hearings, this Case No. 22453 be consolidated with Case No. 22452 as they involve units within the same sections. No protests or objections have been filed and Cimarex does not anticipate any at this time; consequently, Cimarex plans to conduct the hearing by affidavit.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 69702

QUESTIONS

Operator:	OGRID:
CIMAREX ENERGY CO.	215099
600 N. Marienfeld Street	Action Number:
Midland, TX 79701	69702
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	10	