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

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

Case No.

## **APPLICATION**

Cimarex Energy Co. of Colorado ("Cimarex"), OGRID No. 162683, a wholly-owned subsidiary of Coterra Energy Inc., through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 640-acre, more or less, spacing unit comprised of the W/2 of Sections 11 and 14, all in Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

In support of its Application, Cimarex states the following:

1. Cimarex is a working interest owner in the proposed horizontal spacing unit ("HSU") and has a right to drill a well thereon.

2. Cimarex proposes and dedicates to the HSU the **Riverbend 11-14 Federal Com 1H Well**, the **Riverbend 11-14 Federal Com 2H Well**, the **Riverbend 11-14 Federal Com 3H Well**, the **Riverbend 11-14 Federal Com 4H Well**, the **Riverbend 11-14 Federal Com 5H Well**, and the **Riverbend 11-14 Federal Com 6H Well**, as initial wells, to be drilled to a sufficient depth to test the Bone Spring formation. 3. Cimarex proposes the **Riverbend 11-14 Federal Com 1H Well**, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SW/SW (Unit M) of Section 14.

4. Cimarex proposes the **Riverbend 11-14 Federal Com 2H Well**, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SW/SW (Unit M) of Section 14.

5. Cimarex proposes the **Riverbend 11-14 Federal Com 3H Well**, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SW/SW (Unit M) of Section 14.

6. Cimarex proposes the **Riverbend 11-14 Federal Com 4H Well**, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SE/SW (Unit N) of Section 14. The **Riverbend 11-14 Federal Com 4H Well**, is a proximity well, positioned so the unit can include proximity tracts, thereby incorporating the W2/W2 of Sections 11 and 14, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

7. Cimarex proposes the **Riverbend 11-14 Federal Com 5H Well**, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SE/SW (Unit N) of Section 14.

8. Cimarex proposes the **Riverbend 11-14 Federal Com 6H Well**, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SE/SW (Unit N) of Section 14.

9. The wells proposed herein are orthodox in their location; the take points and completed intervals will comply with setback requirements under statewide rules.

10. Cimarex has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for their development within the proposed HSU.

11. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

12. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Cimarex requests that all uncommitted interests in this HSU be pooled and that Cimarex be designated the operator of the proposed horizontal wells and HSU.

**WHEREFORE**, Cimarex requests that this Application be set for hearing on July 10, 2025, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 640-acre, more or less, spacing unit comprised of the W/2 of Sections 11 and 14, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

B. Approving the **Riverbend 11-14 Federal Com 1H Well**, the **Riverbend 11-14 Federal Com 2H Well**, the **Riverbend 11-14 Federal Com 3H Well**, the **Riverbend 11-14 Federal Com 4H Well**, the **Riverbend 11-14 Federal Com 5H Well**, and the **Riverbend 11-14 Federal Com 6H Well**, as the wells for the HSU.

C. Designating Cimarex as operator of this HSU and the horizontal wells to be drilled thereon;

D. Authorizing Cimarex to recover its costs of drilling, equipping, and completing the wells;

E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Setting a 200% charge for the risk assumed by Cimarex in drilling and completing

the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

## ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Attorneys for Cimarex Energy Co. of Colorado

Application of Cimarex Energy Co. of Colorado, for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks for an order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 640-acre, more or less, spacing unit comprised of the W/2 of Sections 11 and 14, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the Riverbend 11-14 Federal Com 1H Well, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SW/SW (Unit M) of Section 14; the Riverbend 11-14 Federal Com 2H Well, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SW/SW (Unit M) of Section 14; the Riverbend 11-14 Federal Com 3H Well, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SW/SW (Unit M) of Section 14; the Riverbend 11-14 Federal Com 4H Well, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SE/SW (Unit N) of Section 14; the Riverbend 11-14 Federal Com 5H Well, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SE/SW (Unit N) of Section 14; and the Riverbend 11-14 Federal Com 6H Well, an oil well, to be horizontally drilled from a surface location in the NE/NW (Unit C) of Section 11 to a bottom hole location in the SE/SW (Unit N) of Section 14. The Riverbend 11-14 Federal Com 4H Well is a proximity well, positioned so the unit can include proximity tracts, thereby incorporating the W2/W2 of Sections 11 and 14. The wells are orthodox in their locations; the take points and completed intervals will comply with setback requirements under statewide rules. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 5 miles South of Malaga, New Mexico.