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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

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

Case No. 14,845

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Cimarex Energy Co.

Suite 600

600 North Marienfeld

Midland, Texas 79701

Attention:

Hilary Coder

(432) 571-7856

OPPONENT

OPPONENT'S ATTORNEY

APPLICANT'S ATTORNEY

Santa Fe, New Mexico 87504

James Bruce

P.O. Box 1056

(505) 982-2043

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the NE/4NE/4 of Section 6, Township 19 South, Range 26 East, NMPM, to form a standard 40-acre oil 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 Illinois 6 Fee Well No. 2, to be drilled at an orthodox location. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Hilary Coder (landman)	15 min.	Approx. 5
Meera Ramoutar (geologist)	15 min.	Approx. 5
Floyd Hammond (engineer)	15 min.	Approx. 5

OPPONENT

EXHIBITS EST. TIME **WITNESSES**

PROCEDURAL MATTERS

Respectfully submitted,

James Bruce

Post Office Box 1056 Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Cimarex Energy Co.