



**MONTGOMERY  
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December 6, 2012

Ms. Jami Bailey, Director  
NM Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87501

**Re: NMOCD Case No. 14938: Application of Cimarex Energy Co. for  
Designation of a Non-Standard Oil Spacing and Proration Unit and for  
Compulsory Pooling, Lea County, New Mexico**

Dear Ms. Bailey:

On behalf of Cimarex, enclosed for filing is an original and one copy of the Pre-Hearing Statement of Cimarex Energy Co. in the above-referenced case.

Very truly yours,

Karen Williams  
Assistant to J. Scott Hall

Enclosures

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**REPLY TO:**

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

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IN THE MATTER OF THE APPLICATION  
OF CIMAREX ENERGY CO. FOR DESIGNATION  
OF A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO

Case No. 14938

PRE-HEARING STATEMENT  
OF  
CIMAREX ENERGY CO.

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

APPEARANCES

APPLICANT

Cimarex Energy Co.  
600 N. Marienfeld St., Suite 600  
Midland, TX 79701

APPLICANT'S ATTORNEY

J. Scott Hall  
Montgomery and Andrews, P.C.  
P.O. Box 2307  
Santa Fe, NM 87504-2307  
(505) 982-3873

OPPONENT

N/A

OPPONENT'S ATTORNEY

N/A

STATEMENT OF THE CASE

APPLICANT

Applicant seeks Applicant seeks an order consolidating the 40-acre spacing units within  
the E/2 E/2 of Section 33, Township 24 South, Range 32 East, NMPM and designating the  
consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location  
in the Bone Spring formation for Applicant's horizontal drilling project area. Applicant further

seeks the compulsory pooling of all interests in the Bone Spring formation underlying the E/2 E/2 of Section 33 to be dedicated to its North Paduca Federal Well No. 1 to be drilled horizontally from a surface location 330' from the North line and 660' from the East line (Unit B) to a bottom hole location 330' from the South line and 660' from the East line (Unit P), to a depth sufficient to test the Bone Spring formation underlying the proposed project area in Section 33. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. as operator and a charge for risk involved in drilling the well.

OTHER PARTY

**PROPOSED EVIDENCE**

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Hayden Tresner, Landman	20 min.	7
Lee Catalano, Geologist	20 min.	7

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall

J. Scott Hall

Seth C. McMillan

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Attorneys for Cimarex Energy Co.

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