

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

2013 MAY 30 A 7:52

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

APPLICATION OF CIMAREX ENERGY CO.
OF COLORADO TO REINSTATE INJECTION
AUTHORITY, EDDY COUNTY, NEW MEXICO.

Case No. 14,994

RESPONSE TO MOTION TO VACATE HEARING

Cimarex Energy Co. of Colorado ("Cimarex") submits this response to the motion to vacate hearing filed by George Ross Ranch, LLC ("Ross Ranch"), and states.

1. Division Administrative Order SWD-380, dated October 27, 1989, approved the administrative application of Mallon Oil Company ("Mallon") to inject produced water at depths of 4022-4208 feet subsurface into the Amoco Fed. Well No. 1 (API No. 30-015-24666), located in the NE $\frac{1}{4}$ /SE $\frac{1}{4}$ of Section 27, Township 26 South, Range 29 East, N.M.P.M.

2. Applicant is a successor operator of the Amoco Fed. Well No. 1.

3. Written notice of Mallon's administrative injection application was not given to the surface owner. Cimarex, which did not exist at the time, was not at fault for Mallon's omission.

4. By Order No. R-13699, the Division rescinded Administrative Order SWD-380.

5. Cimarex filed this case requesting that the injection authority granted by Administrative Order SWD-380 to dispose of produced water into the Amoco Fed. Well No. 1 in the Delaware formation at depths of 4022-4208 feet subsurface be reinstated, effective as of October 27, 1989. There is no valid technical objection to the disposal application.¹

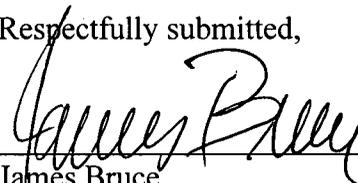
¹ Ross Ranch claims that the application is invalid because it does not contain a recent fresh water analysis. Cimarex has obtained a sample from the water well closest to the injection well, which it will submit to the

6. Due to the rescission of the SWD permit, Cimarex is now trucking water from its on-lease wells, rather than disposing into the SWD well. This trucking has substantially increased Cimarex's costs, which adversely affects the revenue of all interest owners and the productive life of the Cimarex-operated wells.

7. Cimarex recognizes and sympathizes with the medical predicament of counsel for Ross Ranch, and, despite the above-mentioned increase in costs, consents to the continuance to allow Mr. Martin to properly recover from his surgery.

WHEREFORE, Cimarex requests that the motion to vacate hearing be granted.

Respectfully submitted,



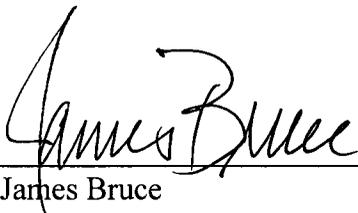
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Attorney for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 25th day of May, 2013 by facsimile transmission:

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James Bruce

Division. Cimarex would have additional recent water samples, but Ross Ranch has told Cimarex to not take samples from its water wells, in an attempt to thwart Cimarex's application.