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

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

**CASE NO. 15585**

**PRE-HEARING STATEMENT**

Black Mountain Operating LLC, ("Black Mountain"), provisionally provides this Pre-Hearing Statement as required by the rules of the Division.

**APPEARANCES**

**OPPONENT: BLACK MOUNTAIN  
OPERATING LLC**

**BLACK MOUNTAIN OPERATING LLC'S  
ATTORNEY**

J. Scott Hall, Esq.  
MONTGOMERY & ANDREWS, P.A.  
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**APPLICANT**

**CIMAREX ENERGY CO.**

**APPLICANT'S ATTORNEY**

Earl E. DeBrine, Jr.  
Jennifer Bradfute  
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**STATEMENT OF THE CASE**

Applicant Cimarex Energy Company seeks an order creating a non-standard 320-acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of the E/2

W/2 of Sections 5 and 8, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit.

Black Mountain is the owner of certain leasehold working interests within the non-standard spacing and proration unit proposed by Cimarex. Black Mountain opposes Cimarex's application for the following reason: (1) Black Mountain owns and controls one hundred percent of the N/2 of Section 8, T22S, R34E. Its acreage is the subject of a pre-existing voluntary agreement for development and is consequently unavailable to be force-pooled. (2) Black Mountain plans to develop its own acreage by the designating and drilling laydown spacing and proration units comprised of the N/2 N/2 and the S/2 N/2 of Section 8. Cimarex's well proposal is in conflict with Black Mountain's drilling and development plans. Black Mountain will seek the dismissal of the Cimarex's Application.

**PROPOSED EVIDENCE**

<u>OPPONENT:</u> BLACK MOUNTAIN OPERATING LLC	<u>EST. TIME</u>	<u>EXHIBITS</u>
<u>WITNESSES:</u> Luke Mildren, Land Manager	15 Min.	4
<u>APPLICANT:</u> CIMAREX ENERGY CO.	<u>EST. TIME</u>	<u>EXHIBITS</u>
<u>WITNESSES:</u>		

**PROCEDURAL MATTERS**

None.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By: J. Scott Hall  
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*Attorneys for Black Mountain Operating LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on November 10, 2016:

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