

NEW MEXICO
2017 JUN -1 P 3 04

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERAL 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 15711

PRE-HEARING STATEMENT

Cimarex Energy Co ("Cimarex"), provides this Pre-Hearing Statement this 1st day of June, 2017, as required by the rules of the Division

APPEARANCES

APPLICANT

CIMAREX ENERGY CO 's ATTORNEY

CIMAREX ENERGY CO

J Scott Hall, Esq
MONTGOMERY & ANDREWS, P A
P O Box 2307
Santa Fe, NM 87504-2307
(505) 982-3873
shall@montand.com

OPPONENT/OTHER PARTIES

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

Cimarex Energy Co seeks an order approving a non-standard oil spacing and proration unit comprised of the W/2 W/2 of Section 32, Township 16 South, Range 34 East and the W/2 W/2 of Section 5, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, pooling all mineral interests in the Upper Pennsylvanian (Cisco/Canyon) formation underlying the non standard unit The unit will be dedicated to Applicant's proposed State LF 32-5 2H well to be drilled 330 feet from the north line and 715 feet from the west line of Section 32,

Township 16 South, Range 34 East to a bottomhole location 330 feet from the south line and 480 feet from the west line of Section 5 Township 17 South Range 34 East Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Applicant and Operator of the well, and a 200% charge for the risk involved in drilling and completing the well The well and lands are located approximately six miles southwest of Lovington, New Mexico

PROPOSED EVIDENCE

| <u>APPLICANT S WITNESSES</u> | <u>EST TIME</u> | <u>EXHIBITS</u> |
|--------------------------------|-----------------|-----------------|
| Kelly Reese, Landman | 10 min | 6 |
| Lee Catalano, Geologist | 10 min | 4 |
| Adam Meeks, Petroleum Engineer | 10 min | 4 |
| <u>OPPONENT’S WITNESSES</u> | <u>EST TIME</u> | <u>EXHIBITS</u> |

PROCEDURAL MATTERS

None

Respectfully submitted,

MONTGOMERY & ANDREWS P A

By J Scott Hall
 J Scott Hall Esq
 Seth C McMillan
 Post Office Box 2307
 Santa Fe New Mexico 87504 2307
 (505) 982-3873
 (505) 982-4289 fax
shall@montand.com
smcmillan@montand.com

Attorneys for Cimarex Energy Co