

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

2017 JUL 25

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

**Case No. 15756**

**RESPONDENT'S PRE-HEARING STATEMENT**

Respondent Realeza Del Spear, LP submits this pre-hearing statement for the referenced case pursuant to the Rules of the Oil Conservation Division:

**APPEARANCES**

**RESPONDENT**

Realeza Del Spear, LP  
P.O. Box 1684  
Midland, TX 79702

**RESPONDENT'S ATTORNEY**

Scott S. Morgan  
Stephen D. Ingram  
Cavin & Ingram, P.A.  
P. O. Box 1216  
Albuquerque, New Mexico 87103-1216  
Telephone: (505) 243-5400  
Facsimile: (505) 243-1700

**RESPONDENT'S STATEMENT OF THE CASE**

Cimarex Energy Co. ("Cimarex") has brought this action to obtain approval for a non-standard spacing and proration unit, and to compulsorily pool non-participating working interest owners, regarding the E/2W/2 Section 7, Township 20 South, Range 35 East, NMPM. Respondent Realeza Del Spear, LP is an affected working interest owner. Respondent has not yet elected to participate, has not yet had an opportunity to pay its share of drilling costs, or appropriately and adequately review and evaluate the Joint Operating Agreement proposed by Cimarex in connection with such participation. Respondent reasonably believes there may be issues to be raised and addressed in connection with the proposed JOA and related AFE. Additionally, Respondent must

be able to appropriately evaluate this information in connection with a reasonable, fair and adequate lease offer, which has not been made.

**RESPONDENT'S PROPOSED EVIDENCE**

<b>WITNESS</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Those witnesses called by Cimarex.	10 minutes	Approx. 2 -5
Nelson Spear	15 minutes	Approx. 5-8
Shane Spear	15 minutes	Approx. 5-8

**PROCEDURAL MATTERS**

None at this time.

**RESPONDENT'S POSITION ON RELIEF SOUGHT**

Respondent opposes the issuance of the compulsory pooling relief sought by Cimarex until such time as it has had adequate opportunity to review, evaluate and address issues raised by the proposed JOA and related AFE in connection with the lease offer from Cimarex.

RESPECTFULLY SUBMITTED,

CAVIN & INGRAM, P.A.

By:

  
Scott S. Morgan

Stephen D. Ingram

P. O. Box 1216

Albuquerque, NM 87103

(505) 243-5400

smorgan@cilawnm.com

ATTORNEY FOR REALEZA DEL SPEAR, LP

I hereby certify that a true and correct copy  
of the foregoing was served via U.S. mail  
and e-mail on July 26, 2017 to the following:

Earl E. DeBrine, Jr.  
Jennifer L. Bradfute  
Modrall, Sperling, Roehl,  
Harris & Sisk, P.A.  
P.O. Box 2168  
Albuquerque, NM 87103-2168  
[earl.debrine@modrall.com](mailto:earl.debrine@modrall.com)  
[jlb@modrall.com](mailto:jlb@modrall.com)

CAVIN & INGRAM, P.A.

By:   
Scott S. Morgan