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March 11, 2006

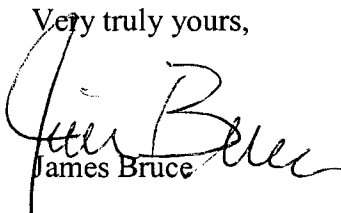
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 13691

Dear Florene:

Enclosed for filing, on behalf of Cimarex Energy Co., are an original and one copy of an application for compulsory pooling, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the April 13, 2006 Examiner hearing. Thank you.

Very truly yours,


James Bruce
Attorney for Cimarex Energy Co.

PODLING LIST

Wadi Petroleum, Inc.
Attn: Judy Farrar
Suite 400
14405 Walters Rd.
Houston, Texas 77014

2006 MAR 14 PM 12 03

Pear Resources
Suite 580
110 N. Marienfeld St.
Midland, Texas 79701

M. Wayne Luna
Suite 580
110 N. Marienfeld St.
Midland, Texas 79701

J.M. Gahr
Suite 580
110 N. Marienfeld St.
Midland, Texas 79701

Sandra K. Lawlis
Suite 580
110 N. Marienfeld St.
Midland, Texas 79701

Posse Energy, Ltd.
Attn: Land Manager
Suite 1204
100 N. Central Expressway
Richardson, Texas 75080

Atahualpa Investments, N.V.
Attn: Land Manager
Suite 1204
100 N. Central Expressway
Richardson, Texas 75080

Horsens, Inc.
Attn: Land Manager
Suite 1204
100 N. Central Expressway
Richardson, Texas 75080

Unit Petroleum Company
Attn: Fred Schantz
Suite 101
407 N. Big Spring
Midland, TX 79701

Chesapeake Exploration Limited Partnership
Attn: Lynda Townsend
6100 N. Western Ave.
Oklahoma City, Oklahoma 73118

Devon Louisiana Corporation
Attn: Chuck Lundeen
Suite 1500
20 N. Broadway Avenue
Oklahoma City, Oklahoma 73102-8260

Ultramar Production Company
One Valero Way
San Antonio, Texas 78269-6000

Gahr Energy Company
Suite 580
110 N. Marienfeld St.
Midland, Texas 79701

Compagnie Financiere Suisse, S.A.
51 de Ruyterkade, Williamstad
Curacao, Netherlands Antilles

Unleased Mineral Owners

W.H. West
(no address available)

Shirley Burney
210 E. Seventh St.
Covington, Kentucky 41011

Delores Thomas
P.O. Box 747
Cascadia, Oregon 97329

Billy Jean West
(no address available)

Azariah Lasater
(no address available)

Audy M. Pearce
(no address available)

George C. Lasater
(no address available)

Izorah Lasater Black
(no address available)

Orren Beaty
(no address available)

Orren Beaty, Jr.
(no address available)

Estate of L.L. Cain
(no address available)

Peggy Jean Cain
(no address available)

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF CIMAREX ENERGY
CO. FOR COMPULSORY POOLING, LEA
COUNTY, NEW MEXICO.**

2006 MAR 14 PM 12 03

Case No. 13691

APPLICATION

Cimarex Energy Co. applies for an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N½ of Section 8, Township 15 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the N½ of Section 8, and has the right to drill a well thereon.
2. Applicant proposes to drill its Caudill West "8" Fee Well No. 2, at an orthodox gas well location in the NE¼NE¼ Section 8, to a depth sufficient to test the Atoka formation, and seeks to dedicate the N½ of Section 8 to the well to form a standard 320 acre gas and spacing and proration unit for any formations and/or pools developed on 320 acre spacing within that vertical extent, including the Undesignated Caudill-Atoka Gas Pool.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N½ of Section 8 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the N½ of Section 8, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the N½ of Section 8 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the N½ of Section 8, from the surface to the base of the Atoka formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Cimarex Energy Co.

PROPOSED ADVERTISEMENT

Case No. 13691: **Application of Cimarex Energy Co. for compulsory pooling, Lea County, New Mexico.** Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the N/2 of Section 8, Township 15 South, Range 36 East, NMPM, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Caudill-Atoka Gas Pool. The unit is to be dedicated to the Caudill West "8" Fee Well No. 2, to be located at an orthodox gas well location in the NE/4NE/4 of Section 8. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 3-1/2 miles south-southwest of Hillburn City, New Mexico.

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