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October 25, 2007

Hand Delivered

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

Case 14028

Dear Florene:

Enclosed for filing, on behalf of Magnum Hunter Production, Inc., 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 November 29, 2007 Examiner hearing. Thank you.

Very truly yours,


James Bruce

Attorney for Magnum Hunter Production, Inc.

PERSONS BEING POOLED

Longhorn Partners
P.O. Box 1973
Midland, Texas 79702

Chesapeake Exploration Limited Partnership
P.O. Box 18496
Oklahoma City, Oklahoma 73154-0496

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MAGNUM HUNTER
PRODUCTION, INC. FOR COMPULSORY,
POOLING EDDY COUNTY, NEW MEXICO.

Case No. 14028

APPLICATION

Magnum Hunter Production, Inc. applies for an order pooling all mineral interests from the surface to the base of the Upper Pennsylvanian formation underlying Lots 6, 7, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ (the S $\frac{1}{2}$) of Section 6, Township 25 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

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1. Applicant is an interest owner in the S $\frac{1}{2}$ of Section 6, and has the right to drill or re-enter a well thereon.
2. Applicant proposes to re-enter the Scoter 6 Fed. Com. Well No. 1, at a location 1650 feet from the south line and 1040 feet from the west line of Section 6, to test the Upper Pennsylvanian formation at a depth of approximately 10,119-10,244 feet subsurface, and seeks to dedicate the S $\frac{1}{2}$ of Section 6 to the well to form a standard 316.80 acre gas and spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S $\frac{1}{2}$ of Section 6 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the re-entry 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.

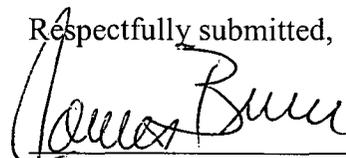
Therefore, applicant seeks an order pooling all mineral interest owners in the S½ of Section 6, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the S½ of Section 6 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 S½ of Section 6, from the surface to the base of the Upper Pennsylvanian formation;
- B. Designating Cimarex Energy Co. of Colorado as operator of the well;
- C. Considering the cost of re-entering 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 re-entering and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



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

Attorney for Magnum Hunter Production, Inc.

PROPOSED ADVERTISEMENT

Case No. 14 028 : **Application of Magnum Hunter Production, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Upper Pennsylvanian formation underlying Lots 6, 7, E/2SW/4, and SE/4 (the S/2) of Section 6, Township 25 South, Range 27 East, NMPM, to form a standard 316.80-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent. The unit is to be dedicated to the Scoter 6 Fed. Com. Well No. 1, to be re-entered at a location 1650 feet from the south line and 1040 feet from the west line of Section 6. Also to be considered will be the cost of re-entering and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well. The unit is located approximately 3-1/2 miles south-southeast of Black River, New Mexico.

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