

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

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

Case No. 14,351

AMENDED PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Cimarex Energy Co.
Suite 600
600 North Marienfeld
Midland, Texas 79701

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attention: Hayden Tresner
(432) 571-7856

OPPONENT

J. Scott Hall

OPPONENT'S ATTORNEY

Nell Blackmer, *et al.*

WUTS 10/23/09

STATEMENT OF THE CASE

APPLICANT

Cimarex Energy Co. seeks an order approving a 159.24-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of Lot 3, NE/4SW/4, and N/2SE/4 (the N/2S/2) of Section 18, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling all mineral interests from the surface to the base of the Abo/Wolfcamp formation underlying (i) the NE/4SE/4 of Section 18 to form a standard 40 acre oil spacing and proration unit, and (ii) the N/2S/2 of Section 18 to form a non-standard 159.24-acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing

within that vertical extent. The units are to be dedicated to the Franklin 18 Fee Well No. 3, a horizontal well to be drilled at a surface location 1980 feet from the south line and 330 feet from the east line, with a terminus 1980 feet from the south line and 375 feet from the west line, of Section 18. 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 Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Hayden Tresner (landman)	15 min.	Approx. 5
Lee Catalano (geologist)	15 min.	Approx. 5

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

Respectfully submitted,



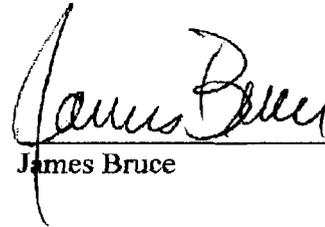
James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 21st day of October, 2009 by U.S. Mail:

J. Scott Hall
Montgomery & Andrews, P.A.
P.O. Box 2307
Santa Fe, New Mexico 87504



James Bruce