

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

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

CASE NO. _____

APPLICATION

Cimarex Energy Co. (“Cimarex”), OGRID Number 215099, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 1 and 12, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. In support of this application, Cimarex states as follows:

1. Cimarex has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Cimarex seeks to dedicate the W/2 of Sections 1 and 12, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico to form a 640-acre, more or less, horizontal spacing unit.
3. Cimarex plans to drill the **Coriander 1-12 Fed Com 12H; Coriander 1-12 Fed Com 16H; Coriander 1-12 Fed Com 18H; Coriander 1-12 Fed Com 25H; Coriander 1-12 Fed Com 27H; and Coriander 1-12 Fed Com 28H** wells to a depth sufficient to test the Bone Spring formation.
4. The wells will be horizontally drilled and will be drilled at orthodox locations under the Division’s rules.

5. The completed interval for the **Coriander 1-12 Fed Com 27H** well is less than 330' from the adjoining tracts and the Division's rules allow for the inclusion of proximity tracts within the proposed spacing unit.

6. Cimarex sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

7. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Cimarex requests that this case is set for hearing before an Examiner of the Oil Conservation Division on December 2, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 1 and 12, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico;

B. Designating Cimarex as operator of this unit and the wells to be drilled thereon;

C. Authorizing Cimarex to recover its costs of drilling, equipping and completing the wells;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

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CASE NO. ____: Application of Cimarex Energy Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying W/2 of Sections 1 and 12, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Coriander 1-12 Fed Com 12H; Coriander 1-12 Fed Com 16H; Coriander 1-12 Fed Com 18H; Coriander 1-12 Fed Com 25H; Coriander 1-12 Fed Com 27H; and Coriander 1-12 Fed Com 28H wells** to be horizontally drilled. The producing area for the wells will be orthodox. The completed interval for the **Coriander 1-12 Fed Com 27H** well is less than 330' from the adjoining tracts to allow inclusion of proximity tracts within the proposed horizontal spacing unit. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Cimarex Energy Co. as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 30 miles west of Jal, New Mexico, New Mexico.