

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

**APPLICATION OF CIMAREX ENERGY CO.
TO REOPEN CASE NO. 22148 (ORDER NO. R-21035-A)
FOR AN EXTENSION OF THE WELL
COMMENCEMENT DEADLINE.**

Case No. _____
Reopen Case No. 22148; Order No. R-
21035-A

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division ("Division") pursuant to the provisions of NMAC 19.15.4.9 and 19.15.4.12, for an order to reopen Case No. 22148 to provide Cimarex the opportunity to cure a deficiency in letter notice in regard to one (1) minority working interest owner.

In support of its Application, Cimarex states the following:

1. On August 11, 2021, Cimarex filed an Application to reopen Case No. 20748, and request a nine-month extension of the well commencement deadline in Order No. R-21035, which was issued January 23, 2020 followed by the Division Director's Letter dated December 12, 2020 ("Initial Extension"), extending the Order's commencement date to January 23, 2022. This Order pooled all uncommitted interests in the Bone Spring formation underlying the S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, and granted Cimarex the operating rights for the proposed **Parkway 16-17 State Com 2H Well** and development of these lands as a unit.

2. The Application was heard by the Hearing Examiner on September 9, 2021, during which Cimarex presented evidence through affidavits in support of the Application. No other party made an appearance or presented evidence at the hearing.

3. On September 21, 2021, the Division issued **Order No. R-21035-A** granting Cimarex's Application and extending the period to drill and/or complete the well for the nine-month period ending October 23, 2022.

4. After the Division issued **Order No. R-21035-A**, Cimarex has become aware of an oversight to provide letter notice pursuant to NMAC 19.15.4.9 to Colgate Energy and its subsidiary Colgate Operating, LLC (collectively "Colgate"), who had subsequently acquired a minority working interest in the HSU by assignment from Crump Energy Partners III, LLC ("Crump Energy") and Crown Oil Partners VI, LLC ("Crown"), owners listed in the original title work.

5. In retrospect, Cimarex recognizes that it should have provided letter notice to Colgate but had inadvertently utilized an outdated mailing list and the letter notice that should have been mailed to Colgate was, by unintentional oversight, mailed to Crump Energy and Crown instead.

WHEREFORE, Cimarex respectfully requests that this Application to Reopen Case No. 22148 be set for hearing on March 3, 2022, and after notice and hearing as required by law, the Division enter an order:

A. Acknowledging and affirming that the notice letter to Colgate, as a minority working interest owner of record, pursuant to NMAC 19.15.4.9 and this Application to Reopen, has been properly sent and received pursuant to this Application; and therefore, the notice requirement due Colgate for the pooling of the Subject Lands described herein has been satisfied.

B. Affirming and upholding the validity, effectiveness, and applicability of the Division's **Order No. R-21035-A**, as issued, for extending the well commencement deadline for a nine-month period ending October 23, 2022.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

William E. Zimsky
Andrew D. Schill
214 McKenzie Street
Santa Fe, New Mexico 87501
Telephone: 970.385.4401
Facsimile: 970.385.4901
darin@abadieschill.com
bill@abadieschill.com
andrew@abadieschill.com

Attorneys for Applicant

Application of Cimarex Energy Co. to Reopen Case No. 22148 (Order No. R-21035-A) for an Extension of the Well Commencement Deadline, Eddy County, New Mexico. Applicant in the above-styled cause seeks to reopen Case No. 22148 for purposes of curing notice due to one minority working interest owner, Colgate Energy and its subsidiary Colgate Operating, LLC (“Colgate”). Division Order No. R-21035-A was issued extending the well commencement deadline of the **Parkway 16-17 State Com 2H Well**, in the Bone Spring formation underlying the S/2 N/2 of Sections 16 and 17, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, for the nine-month period ending October 23, 2022. Cimarex seeks an order affirming proper notice to Colgate and the continued validity and effectiveness of Order No. R-21035-A. The well and lands are located approximately 14 miles northeast of Carlsbad, New Mexico.