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

APPLICATION OF CIMAREX ENERGY CO., FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22751

PREHEARING STATEMENT

Cimarex Energy Co. ("Cimarex"), OGRID No. 215099, through its undersigned attorneys, submits the following Prehearing Statement pursuant to the rules of the Oil Conservation Division ("Division").

APPEARANCES

APPLICANT ATTORNEY

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APPLICANT'S STATEMENT OF CASE

In Case No. 22751, Cimarex seeks an order (1) establishing a standard 640-acre, more or less, spacing and proration unit comprised of the W/2 of Sections 11 and 14, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying said unit. Cimarex proposes to dedicate the proposed spacing and proration unit ("HSU") to its Riverbend 11-14 Federal Com 7H Well, Riverbend 11-14 Federal Com 15H Well, Riverbend 11-14 Federal Com 16H Well and Riverbend 11-14 Federal Com 17H Well. The Riverbend 11-14 Federal Com 7H Well, a gas well, is to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 11 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 14. The Riverbend 11-14 Federal Com 15H Well, a gas well, is to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 11 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 14. The **Riverbend 11-14 Federal Com 16H Well**, a gas well, is to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 11 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 14. Finally, the Riverbend 11-14 Federal Com 17H Well, a gas well, is to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 11 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 14.

Cimarex has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for development within the proposed HSU. The pooling of all interests in the

Wolfcamp formation within the proposed HSU, and establishing the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

The proposed wells, which will be located in the Purple Sage; Wolfcamp Pool (Code 98220), are unorthodox in their locations, as the take points, at 100' from the boundaries of the HSU extend into the setback requirements of the Special Rules for the Purple Sage Wolfcamp Pool (Order No. R-14262). Accordingly, Cimarex will apply administratively for approval of nonstandard locations (NSLs).

The proposed horizontal spacing unit, which runs north to south, traversing Sections 11 and 14, overlaps one (1) 320-acre standup unit in the same Wolfcamp formation [Pool Code 98220] containing the Riverbend 14 Federal Com #002H Well owned and operated by Cimarex. This spacing unit occupies the W/2 of Section 14, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. Therefore, Cimarex seeks approval from the Division for this overlapping unit, pursuant to NMAC 19.15.16.15B(9).

<u>APPLICANT'S PROPOSED EVIDENCE</u>

Landman: Riley Morris Approx. 10 min Approx. 5

Geologist: Meera Ramoutar Approx. 10 min Approx. 6

PROCEDURAL MATTERS

No protests or objections have been filed and Cimarex does not anticipate any at this time; consequently, Cimarex plans to conduct the hearing by affidavit.

Respectfully submitted,

ABADIE & SCHILL, PC

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Attorneys for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on April 28, 2022:

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QUESTIONS

Action 102486

QUESTIONS

Operator:	OGRID:
CIMAREX ENERGY CO.	215099
600 N. Marienfeld Street Midland, TX 79701	Action Number: 102486
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	20	