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, LEA COUNTY, NEW MEXICO

Case No. 22893

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

Cimarex Energy Co.

ATTORNEY

Darin C. Savage William E. Zimsky Luke Kittinger Andrew D. Schill 214 McKenzie Street Santa Fe, New Mexico 87501 Telephone: 970.385.4401 Facsimile: 970.385.4401 darin@abadieschill.com bill@abadieschill.com luke@abadieschill.com

APPLICANT'S STATEMENT OF CASE

In Case No. 22893, Cimarex seeks an order (1) establishing a standard 320-acre, more or less, spacing and proration unit comprised of the E/2 E/2 of Sections 21 and 28, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico, and (2) pooling all uncommitted mineral

interests from the top of the Quail Ridge; Bone Spring Pool [Code 50460] to a depth of 10,290 feet, designated as an oil pool, underlying said unit. Cimarex proposes and dedicates to the horizontal spacing and proration unit ("HSU") the **Mescalero Ridge 21-28 Fed Com 4H**, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 21 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 28, and the **Mescalero Ridge 21-28 Fed Com 6H**, an oil well, to be horizontally drilled from a surface location 28, and the **Mescalero Ridge 21-28 Fed Com 6H**, an oil well, to be horizontally drilled from a surface location 28, and the **Mescalero Ridge 21-28 Fed Com 6H**, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 21 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 28.

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 HSU. The pooling of all interests in the Bone Spring 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 are orthodox in their location, and the take points and completed intervals comply with setback requirements under the statewide rules.

A depth severance exists in the Bone Spring formation within the proposed HSU. Accordingly, Cimarex seeks to pool a portion of the Quail Spring; Bone Spring pool [Code 50460], to include the 1st and 2nd Bone Spring formations of said pool, from the top of the pool at a stratigraphic equivalent of 8,085 feet measured depth, as defined by the Triple Combo Log in the Mescalero Ridge 20 Federal 1 well (API No. 30-025-36099), to a depth of 10,290 feet, that being the base of the 2nd Bone Spring. Cimarex has provided notice of this hearing to the vertical offset parties within the pool who are not subject to the pooling application.

Cimarex owns and operates an existing well, the Mescalero Ridge 21 Federal 1H Well (API No. 30-02-4504), whose unit covers the Bone Spring formation in the E/2 E/2 of Section 21, and Cimarex owns and operates an existing well, the Cordoniz 28 Federal Com 4H Well (API No.

30-025-41834), whose unit covers the Bone Spring formation in the E/2 E/2 of Section 28. Consequently, Cimarex seeks approval for over-lapping units as it develops the E/2 E/2 of Sections 21 and 28 for the Mescalero Ridge 21-28 Fed Com 4H and 6H Wells.

APPLICANT'S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: John Coffman	Approx. 10 min	Approx. 5
Geologist: Staci Mueller	Approx. 10 min	Approx. 6

PROCEDURAL MATTERS

Cimarex requests that, for purposes of the hearings, this Case No. 22893 be consolidated with Case Nos. 22891 and 22892 as they involve units within the same sections. 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

/s/ Darin C. Savage

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QUESTIONS

Operator: CIMAREX ENERGY CO.	OGRID: 215099	
	Action Number:	
Midland, TX 79701	121922	
	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	

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QUESTIONS

Action 121922