

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERAL AND NATURAL RESOURCES
OIL CONSERVATION COMMISSION**

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

**APPLICATIONS OF DEVON ENERGY
PRODUCTION COMPANY, L.P.
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 22179-22180, 22382

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

**CASE NOS. 22313-22316
ORDER R-22205**

**JOINT MOTION TO EXTEND
DEADLINE TO COMMENCE DRILLING**

Cimarex Energy, Co. (“Cimarex”) and Devon Energy Production Company (“Devon”), through counsel respectfully requests the Oil Conservation Commission (“Commission”) suspend and then extend as necessary the current deadline for Cimarex to commence drilling authorized by the Oil Conservation Division in Order No. R-22205. In support of this Joint Motion, Cimarex and Devon state as follows:

1. This proceeding involves *de novo* review by the Commission of competing compulsory pooling applications for horizontal spacing units filed by Cimarex and Devon Energy Production Company (“Devon”) before the New Mexico Oil Conservation Division (“OCD”). Following hearing on March 24 and 25, 2022, the OCD entered Order No. R-22205, which granted Cimarex’s applications for compulsory pooling in Case Nos. 22313, 22314, 22315, and 22316, and denying Devon’s competing applications in Case Nos. 22179, 22180, and 22382. See Order No. R-22205 entered July 25, 2022, ¶¶ 35-36.

2. Order No. R-22205 designated Cimarex as the operator of the Unit and Wells, and provided that “[t]he Operator shall commence drilling the Well(s) within one (1) year after the date of this Order...” *See id.* at ¶¶ 39, 41. Thus, Cimarex’s deadline to commence drilling is July 25, 2023. *See id.*

3. On August 22, 2022, Devon filed its Application for *de novo* Hearing to the Commission. The case was tentatively set for the Commission’s December 2022 docket. Subsequently, the hearing was continued by agreement of the parties and at the Commission’s own initiative on several occasions. *See* Commission Order No. R-22389, entered November 15, 2022 (setting hearing for March 9, 2023); Order No. R-22389, entered December 28, 2022 (setting hearing for May 11, 2023); Order No. R-22477, entered March 14, 2023 (setting hearing for July 13, 2023).

4. Since the filing of Devon’s *de novo* appeal, the parties have been engaged in efforts to resolve the matter and Cimarex has agreed not commenced drilling the initial well authorized under Division Order R-22205.

5. Based upon past practice, the parties understand a new date would be set by the Commission for the prevailing Operator to commence drilling under any dispositive order issued by the Commission. However, out of an abundance of caution Cimarex and Devon request assurance that the drilling deadline set forth in Division Order R-22205 is suspended and that if Division Order R-22205 remains in effect, the drilling deadline will be extended for an additional year.

6. Counsel for the parties who have entered an appearance were contacted and do not oppose this motion.

WHEREFORE, Cimarex and Devon respectfully requests that (a) the deadline to commence drilling under Order R-22205 be suspended, and (b) if the parties reach an agreement under which Division Order R-22205 remains in effect, the drilling deadline will be extended for an additional year.

Respectfully submitted,

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

By: /s/ Earl E. DeBrine, Jr.

Earl E. DeBrine, Jr.
Deana Bennett
Jamie L. Allen
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
earl.debrine@modrall.com
deana.bennett@modrall.com
jamie.allen@modrall.com

Attorneys for Cimarex Energy Co.

and

HOLLAND & HART, LLP

By: Approved by Michael H. Feldewert 6/5/23

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

Attorneys for Devon Energy Production Company, L.P.

CERTIFICATE OF SERVICE

I hereby certify that on June 6, 2023, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
HOLLAND & HART, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com
Attorneys for Devon Energy Production Company, L.P.

Ocean Munds-Dry
Elizabeth Ryan
CONOCOPHILLIPS
1048 Paseo de Peralta
Santa Fe, New Mexico 87501
(505) 780-8000
Ocean.Munds-Dry@conocophillips.com
Beth.Ryan@conocophillips.com
Attorneys for ConocoPhillips

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

By: /s/ Earl E. DeBrine, Jr.
Earl E. DeBrine

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