

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

**APPLICATION OF CIMAREX ENERGY CO.
OF COLORADO FOR A NON-STANDARD SPACING
AND PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16292

**CHISHOLM ENERGY OPERATING, LLC'S
PRE-HEARING STATEMENT**

Chisholm Energy Operating, LLC ("Chisholm"), the opponent in the above-referenced matter, submits the following Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Cimarex Energy Company of Colorado

ATTORNEY

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OPPONENT

Chisholm Energy Operating, LLC

ATTORNEY

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OPPONENT’S STATEMENT OF CASE

Cimarex seeks an order pooling the Wolfcamp formation underlying the spacing and proration unit comprised of the E/2 of Sections 3 and 10, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico. The spacing unit is to be dedicated to applicant’s proposed Cherry Hills 10-3 Federal Com No. 1H Well. In its application, Cimarex requests the imposition of a 200 percent risk penalty for uncommitted interest owners.

Chisholm is a working interest owner in the proposed spacing and proration unit. Pursuant to NMAC 19.15.13.8(D), Chisholm objects to the imposition of a 200 percent risk charge and will present technical evidence in support of a lower charge.

APPLICANT’S PROPOSED EVIDENCE


WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Davis Armour – Landman	Approx. 10	Approx. 3
George Roth – Geologist	Approx. 10	Approx. 4
James Huling-Engineer	Approx. 10	Approx. 4

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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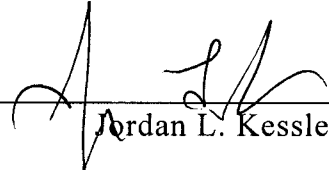
**ATTORNEYS FOR
CHISHOLM ENERGY OPERATING, LLC**

CERTIFICATE OF SERVICE

I hereby certify that on October 11, 2018, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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