

**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. 22892

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

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APPLICANT’S STATEMENT OF CASE

In Case No. 22892, Cimarex seeks an order (1) establishing a standard 320-acre, more or less, spacing and proration unit comprised of the W/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 3H Well**, 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 SW/4 SE/4 (Unit O) of Section 28, and the **Mescalero Ridge 21-28 Fed Com 5H Well**, 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 SW/4 SE/4 (Unit O) 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 in 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. Concurrently with this

application, Cimarex is also seeking to pool the portion of this pool below the depth severance, to include the 3rd Bone Spring, in Case No. 22891.

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. 22892 be consolidated with Case Nos. 22891 and 22893 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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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 121919

QUESTIONS

Operator: CIMAREX ENERGY CO. 600 N. Marienfeld Street Midland, TX 79701	OGRID: 215099
	Action Number: 121919
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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