

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF CIMAREX ENERGY
CO. TO AMEND ORDER NO. R-22421,
EDDY COUNTY, NEW MEXICO.**

Case No. _____

APPLICATION

Cimarex Energy Co. applies for an order amending Order No. R-22421 to extend the well commencement deadline, and in support thereof states:

1. Order No. R-22421, entered in Case No. 22773, pooled uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 29 and the W/2 of Section 32, Township 25 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, for the purpose of drilling the Southern Hills 32-29 State Fed. Com. Well No. 3H.

2. Order No. R-22421 designates Applicant as operator of the well unit.

3. Order No. R-22421 was entered on December 5, 2022. Paragraph 19 of Order No. R-22421 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-22421 provides that the order will terminate if a well is not timely commenced, unless the operator "obtains an extension by amending this Order for good cause shown."

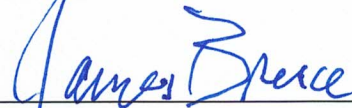
4. Applicant plans on drilling the well, with an anticipated spud date of April 2024, but would like an extension of the well commencement deadline for the following reasons: (a) the Bureau of Land Management has been slow in approving APDs; (b) the above well, together with a number of other Bone Spring and Wolfcamp wells in this area, were the subject of numerous contested pooling cases filed by applicant and Chevron U.S.A. Inc. These cases were

the subject of extensive settlement negotiations (ultimately successful) between the parties, which delayed the drilling of the well; and (c) other (uncontested) pooling cases of applicant were presented at the November 2, 2023 hearing for wells immediately north of the subject well. Applicant would like all of these wells to be batch-drilled at the same time in order to reduce costs. Thus good cause exists for Applicant's request for an extension.

5. Applicant requests an extension of the well commencement deadline of Order No. R-22421 to December 5, 2024.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-22421 to extend the well commencement deadline to December 5, 2024.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Cimarex Co.