

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

**APPLICATION OF CIMAREX ENERGY CO. OF
COLORADO FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Cimarex Energy Co. of Colorado (“Cimarex”), OGRID No. 162683, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order to pool all uncommitted mineral interests in the Bone Spring formation underlying a standard 160-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 27, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico,

In support of its Application, Cimarex states the following:

1. Cimarex is a working interest owner in the horizontal spacing unit (“HSU”) and has a right to drill a well thereon.
2. Cimarex dedicates the HSU to the **Empire “A” Federal Com 3H Well**, an oil well, that was drilled to the Bone Spring formation.
3. The **Empire “A” Federal Com 3H Well** is located at a surface location in the SW/4 SW/4 (Unit M) of Section 27 and a bottom hole location in the NW/4 NW/4 (Unit D) of the same Section 27.
4. The well has a standard location and meets the setback requirements under statewide rules.

5. Cimarex has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the well or in the commitment of their interests to the well for its development within the proposed HSU.

6. The pooling of all interests in the Bone Spring formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Cimarex requests that all uncommitted interests in this HSU be pooled and that Cimarex be designated the operator of the horizontal well and HSU.

WHEREFORE, Cimarex requests that this Application be set for hearing on April 4, 2024, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Bone Spring formation underlying a standard 160-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 27, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico;

B. Approving the **Empire "A" Federal Com 3H Well** as the well dedicated to the HSU.

C. Designating Cimarex as operator of this HSU and the horizontal well drilled thereon;

D. Authorizing Cimarex to recover its costs of operating the well;

E. Approving actual operating charges and costs of supervision, to the extent allowable, together with a provision adjusting the rates pursuant to the COPAS accounting procedures.

Respectfully submitted,

ABADIE & SCHILL, PC

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Application of Cimarex Energy Co. of Colorado for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation underlying a standard 160-acre, more or less, spacing and proration unit comprised of the W/2 W/2 of Section 27, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico. The well to be dedicated to the horizontal spacing unit is the **Empire "A" Federal Com 3H Well**, an oil well, horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27 and a bottom hole location in the NW/4 NW/4 (Unit D) of the same Section 27. The **3H Well** is orthodox in location, and its take points and completed interval complies with the setback requirements under statewide rules. Also to be considered will be the allocation of the costs of the well; actual operating costs and charges for supervision; and the designation of the Applicant as Operator of the well and unit. The well and lands are located approximately 21 miles southeast of Artesia, New Mexico.