

LAWYERS

June 29, 2018

Florene Davidson NM Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

Jennifer L. Bradfute 505.848.1845 Fax: 505.848.1882 jlb@modrall.com

Re:

No. 16292 - CIMAREX ENERGY CO. OF COLORADO FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Dear Ms. Davidson:

Enclosed please find three copies of the following:

1. Cimarex's Pre-Hearing Statement - Cherry Hills 1H

Thank you for your assistance. Please contact me if you have any questions.

Sincerely

Zina Crum, Legal Assistant to

Jennifen L. Bradfute

JLB/zc

Enclosure

Y:\dox\client\82762\0128\DRAFTS\W3204192.DOC

Modrall Sperling Roehl Harris & Sisk

Bank of America Centre 500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tol: 505 949 1900

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

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

CASE NO. 16292

CIMAREX'S PRE-HEARING STATEMENT

Cimarex Energy Co. of Colorado ("Cimarex") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

Cimarex Energy Co. of Colorado

Earl E. DeBrine, Jr.
Jennifer L. Bradfute
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800
jlb@modrall.com

STATEMENT OF CASE

In Case No. 16292, Cimarex seeks an order from the Division: (1) creating a non-standard 640-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the E/2 of Sections 3 and 10, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed spacing and proration unit. This proposed spacing and proration unit will be the unit for the Cherry Hills 10-3 Federal Com 1H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these

costs as well as the actual operating costs and charges for supervision, designation of Cimarex as operator of the well, and a 200% charge for risk involved in drilling said well.

PROPOSED EVIDENCE

CIMAREX:

<u>WITNESS</u> Caitlin Pierce — Landman	ESTIMATED TIME Approx. 40	EXHIBITS Approx. 8

Respectfully submitted,

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

 $\mathbf{B}\mathbf{y}_i$

Earl E. DeBrine, Jr. Jennifer L. Bradfute

Post Office Box 2168 Bank of America Centre

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800