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

APPLICATION OF CIMAREX ENERGY CO. FOR COMPUSLORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 16437

CIMAREX'S PRE-HEARING STATEMENT

Cimarex Energy Co. 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.

Jennifer L. Bradfute
Deana M. Bennett
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
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STATEMENT OF CASE

APPLICANT:

In Case No. 16437 Cimarex seeks an order from the Division pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 E/2 of Section 7, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Lea Federal Com 29H 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 wells, 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

APPLICANT:

Landman: TBD Approx. 30 minutes Approx. 8

Geologist: TBD Approx. 30 minutes Approx. 6

PROCEDURAL ISSUES

If there are no objections to these matters, Cimarex intends to present them by affidavit.

Respectfully submitted,

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

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