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

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

CASE NO. 20559

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT ATTORNEY

Cimarex Energy Co. Earl E. DeBrine, Jr. Lance D. Hough

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OPPONENT ATTORNEY

STATEMENT OF CASE

In Case No. 20559, Cimarex Energy Co. seeks an order from the Division: (1) to the extent necessary, approving the creation of a 640-acre, more or less, Wolfcamp spacing unit; and, (2) pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the W/2 of Section 24 and W/2 of Section 25, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Black River 25 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

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Caitlin Pierce - Landman	Approx. 15	Approx. 6
Harry Hastings – Geologist	Approx. 15	Approx. 5

PROCEDURAL ISSUES

Cimarex seeks to force pooling only Matador and WPX Energy. Cimarex is not aware of an entry of appearance or request for continuance from any party in this matter. Accordingly, Cimarex does not anticipate any opposition to these cases and intends to present its evidence by affidavit.

Respectfully submitted,

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

By

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