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. 20747

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

<u>APPLICANT</u> <u>ATTORNEY</u>

Cimarex Energy Co. Earl E. DeBrine, Jr.

Lance D. Hough

MODRALL, SPERLING, ROEHL,

HARRIS & SISK, P.A.

P. O. Box 2168

Albuquerque, New Mexico 87103-2168

(505) 848-1800

edebrine@modrall.com ldh@modrall.com

OPPONENT <u>ATTORNEY</u>

None None

STATEMENT OF CASE

In Case No. 20747, 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 horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 28 and 33, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Congressional 28-33 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. 5
Harrison Hastings – Geologist	Approx. 15	Approx. 5

PROCEDURAL ISSUES

Cimarex does not anticipate any opposition to this case and intends to present its evidence by affidavit.

Respectfully submitted,

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

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Earl E. DeBrine, Jr. Lance D. Hough

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 edebrine@modrall.com ldh@modrall.com Attorneys for Applicant

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