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. 20784

CIMAREX ENERGY CO.'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

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<u>OPPOSING</u> <u>ATTORNEY</u>

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STATEMENT OF CASE

Cimarex seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Hayduke 34-3 Federal Com 9H** and **11H** wells, to be horizontally drilled. The producing area for these wells 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 wells, and a 200% charge for risk involved in drilling said wells.

PROPOSED EVIDENCE

CIMAREX:

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

PROCEDURAL ISSUES

None anticipated. OXY U.S.A., Inc. has entered an appearance but has stated that it does not oppose the presentation of this case by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, PA

By:

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Attorneys for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on September 26, 2019:

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