

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

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

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

Case No. 13,496 (Reopened)

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Cimarex Energy Co.
Suite 1000
15 East 15th Street
Tulsa, Oklahoma 74103

Attention: Cindy Croft
(918) 295-1768

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982 2043

WJB 8/5/05

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Permo-Upper Pennsylvanian formation underlying the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 21, Township 15 South, Range 36 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Caudill Permo-Upper Pennsylvanian Pool. The unit is to be dedicated to the Caudill South "21" Fee Well No. 1, to be located at an orthodox oil well location in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 21. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for

supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT

PROPOSED EVIDENCE

THIS APPLICATION WAS FILED ONLY TO CHANGE THE LOCATION OF THE WELL SPECIFIED IN THE ORIGINAL POOLING ORDER FROM ONE ORTHODOX LOCATION TO ANOTHER ORTHODOX LOCATION. THE LOCATION CHANGE WAS NECESSARY TO ACCOMMODATE A SURFACE OWNER.

APPLICANT REQUESTS THAT, IN THE ABSENCE OF OBJECTION, THIS MATTER BE TAKEN UNDER ADVISEMENT. APPLICANT ALSO REQUESTS THAT THE ELECTION PERIOD UNDER THE ORDER BE ELIMINATED OR SHORTENED.

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

THE APPLICATION WILL BE SUBMITTED BY AFFIDAVIT.

OPPONENT

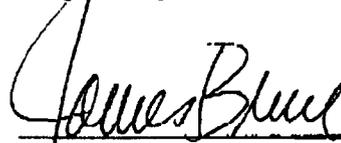
WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Cimarex Energy Co.