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

## IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSES OF CONSIDERING:

CASE NO. 14124

## APPLICATION OF CIMAREX ENERGY CO, OF COLORADO FOR SPECIAL POOL RULES FOR THE APACHE RIDGE-BONE SPRING POOL, LEA COUNTY, NEW MEXICO.

### ENTRY OF APPEARANCE AND AMENDED PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

### **APPEARANCES OF PARTIES**

#### **APPLICANT**

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Cimarex Energy Co. of Colorado

#### ATTORNEY

James Bruce P.O. Box 1056 Santa Fe, NM 87504 (505) 982-2043 (505) 982-2151 (Fax)

#### **OPPONENT**

Fasken Oil and Ranch Ltd. 303 W. Wall Avenue, Suite 1800 Midland, Texas 79701 Attn: Jimmy Carlile (432) 687-1777

#### **ATTORNEY**

Ocean Munds-Dry Holland & Hart LLP 110 N. Guadalupe St. Suite 1 Santa Fe, NM 87501 (505) 988-4421 (505) 983-6043 (Fax)

### **STATEMENT OF CASE**

### **OPPONENT**

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Fasken is an operator in the Apache Ridge-Bone Springs Oil Pool and is opposed to Cimarex's application to increase the 40-acre spacing unit depth bracket oil allowable from 275 barrels of oil per day with a 2,000:1 GOR to 1300 bopd with a 3,000:1 GOR.

This increase of 4.75 times the current allowable, among other things, (a) will not increase ultimate recovery of hydrocarbons, (b) will allow Cimarex to recover more than its share of recoverable hydrocarbons, and (c) will drain reserves from the off-setting spacing units.

Fasken seeks denial of this application.

## **PROPOSED EVIDENCE**

#### **OPPONENT**

WITNESSES	ESTIMATED TIME	EXHIBITS
Linda Hicks or Sally Kvasnicka, Landman	Approx. 20 minutes	8
Dexter Harmon, Petroleum Geologist	Approx. 60 minutes	6
Carl Brown, Petroleum Engineer	Approx. 60 minutes	15

### **PROCEDURAL MATTERS**

Fasken has none at this time.

Ocean Munds-Dry

Attorney for Fasken Oil and Ranch Ltd.

## **CERTIFICATE OF SERVICE**

I certify that on June 18, 2008 I served a copy of the foregoing document to the following by



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U.S. Mail, postage prepaid Hand Delivery Fax

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Ocean Munds-Dry