

**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
APPROVAL OF A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 14,361

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Cimarex Energy Co.
Suite 600
600 North Marienfeld
Midland, Texas 79701

Attention: Hayden Tresner
(432) 571-7856

APPLICANT'S ATTORNEY

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

OPPONENT

OPPONENT'S ATTORNEY

STATEMENT OF THE CASE

APPLICANT

Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2S/2 of Section 34, Township 19 South, Range 34 East, NMPM, to form a non-standard 160-acre oil spacing and proration unit (project area), and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The unit is to be dedicated to the Mallon 34 Fed. Well No. 16, a horizontal well to be re-entered and drilled at a surface location 1980 feet from the south line and 660 feet from the west line, with a terminus 1980 feet from the south line and 330 feet from the east line, of Section 34. Also to be considered will be the cost of re-entering, drilling, and completing the

well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in re-entering, drilling, and completing the well.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Hayden Tresner (landman)	15 min.	Approx. 5
_____ (geologist)	15 min.	Approx. 4

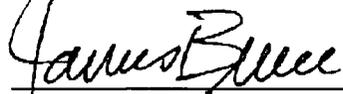
IF THIS CASE IS UNOPPOSED IT MAY BE SUBMITTED BY AFFIDAVIT.

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
------------------	------------------	-----------------

PROCEDURAL MATTERS

Respectfully submitted,



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

Attorney for Cimarex Energy Co.