

RECEIVED

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 OPERATING INC.  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NO. 14322

PRE- HEARING STATEMENT  
OF NADEL AND GUSSMAN HEYCO L.L.C.

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

APPEARANCES OF PARTIES

APPLICANT

Cimarex Energy Co.

ATTORNEY

W. Thomas Kellahin, Esq.  
Post Office Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-2047 Facsimile

OPPOSITION OR OTHER PARTY

Nadel and Gussman Heyco, L.L.C.  
Attn: Colby Booth  
Post Office Box 1936  
Roswell, New Mexico 88202-1936  
(575) 623-6601

ATTORNEY

William F. Carr  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile

STATEMENT OF CASE

APPLICANT

Applicant in the above-styled cause seeks an order pooling all mineral interests from the  
base of the Yates formation to the base of the Queen formation in three spacing and proration

units located in the NW/4 of Section 28, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico to test any and all pools in these formations, which includes the Pearl-Queen Pool, as follows:

A. SW/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 2 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5025;

B. SE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 3 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5025;

C. NE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 4 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5025;

Also to be considered will be the cost of drilling and completing these wells as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling these wells.

**PROPOSED EVIDENCE**

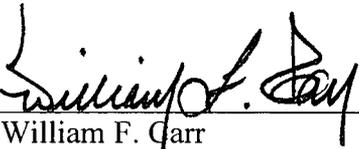
<b><u>WITNESSES</u></b>	<b><u>ESTIMATED TIME</u></b>	<b><u>EXHIBITS</u></b>
<b><u>OPPOSITION</u></b>		
Colby Booth (Landman)	15 Minutes	Approx. 6
Scott Germann (Geologist)	10 Minutes	Approx. 3

**PROCEDURAL MATTERS**

Nadel and Gussman Heyco L.L.C. has filed a companion case in this matter. Nadel and Gussman Heyco, L.L.C. will request that the cases be consolidated for hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

William F. Carr

Ocean Munds-Dry

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Santa Fe, New Mexico 87504

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**ATTORNEYS FOR**

**NADEL AND GUSSMAN HEYCO L.L.C.**

**CERTIFICATE OF SERVICE**

I certify that on June 4, 2009, I served a copy of the foregoing document to the following

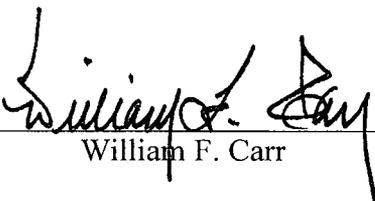
by Facsimile to:

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William F. Carr