

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

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

APPLICATION OF CIMAREX ENERGY CO. FOR  
A NON-STANDARD OIL SPACING AND PRORATION  
UNIT FOR COMPULSORY POOLING, CHAVES  
COUNTY, NEW MEXICO.

Case No. 14,416

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 160-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the E/2E/2 of Section 18, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling all mineral interests from the surface to the base of the Abo/Wolfcamp formation underlying (i) the SE/4SE/4 of Section 18 to form a standard 40 acre oil spacing and proration unit, and (ii) the E/2E/2 of Section 18 to form a non-standard 160-acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Franklin 18 Fed. Com Well No. 4, a horizontal well to be

drilled at a surface location 375 feet from the south line and 375 feet from the east line, with a terminus 330 feet from the north line and 375 feet from the east line, of Section 18. 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 Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in 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
Lee Catalano (geologist)	15 min.	Approx. 4

IF THIS MATTER IS UNOPPOSED IT WILL BE SUBMITTED BY AFFIDAVIT.

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

Respectfully submitted,



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

Attorney for Cimarex Energy Co.