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

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 23088 - 23091

APPLICATIONS OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 22871 and 22872

<u>UNOPPOSED MOTION TO REFER CASES</u> TO THE OIL CONSERVATION COMMISSION

Pursuant to NMSA 1978 §70-2-6.B and NMAC 19.15.4.20.B, Cimarex Energy Co. ("Cimarex") moves the Director of the Division for an order referring the above cases to the Oil Conservation Commission (the "Commission") for hearing, and in support thereof states:

1. In its cases listed above, Cimarex seeks to pool lands in Sections 8, 17, and 20, Township 25 South, Range 27 East, NMPM, for the purpose of drilling Bone Spring wells.

In its cases listed above, Chevron U.S.A. Inc. ("Chevron") seeks to pool lands in Sections 17 and 20, Township 25 South, Range 27 East, NMPM, for the purpose of drilling Bone Spring wells.

The above matters are set for a scheduling conference on the Division's December 1, 2022 docket.

2. In Case Nos. 22519 and 22520, Cimarex sought to pool lands in Sections 8, 17, and 20, Township 25 South, Range 27 East, NMPM, for the purpose of drilling Wolfcamp wells.

In Case Nos. 22343 and 22344, Chevron sought to pool lands in Sections 17 and 20, Township 25 South, Range 27 East, NMPM, for the purpose of drilling Wolfcamp wells.

The consolidated hearing on these cases was held on March 18, 2022. Order No. R-22204 was issued in these cases on July 25, 2022, which granted Chevron's applications and denied Cimarex's applications. Cimarex timely appealed the order *de novo*, and it is set for hearing at the Commission's January 12, 2023 meeting as Case No. 23049.

3. Cimarex requests that the hearing on the Bone Spring pooling cases be heard together with the appeal of the Wolfcamp cases. The reasons are as follows:

(a) The same lands are involved in all cases.

(b) The same interest owners are involved in all cases.

(c) The issues are the same in both the Bone Spring and Wolfcamp cases, including: (i) best development plan; (ii) lateral length; (iii) surface use; and (iv) infrastructure.

(d) Due to the holdings in Order No. R-22204, in Cimarex's opinion the Division will issue an order in the Bone Spring cases mirroring its order in the Wolfamp cases, and Cimarex will need to appeal that order. This will result in three future hearings rather than one, which is inefficient, time consuming, and costly.

4. Opposing counsel has been contacted on this motion, and they do not oppose.

WHEREFORE, Cimarex requests that cases listed in the heading of this motion be consolidated with *de novo* Case. No. 23049.

Respectfully submitted,

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Attorney for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this \mathcal{M}_{u} day of November, 2022 by e-mail:

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