

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

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

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

Case No. 14,692

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

Case No. 14,693

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

Case No. 14,694

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

Case No. 14,695

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

Case No. 14,696

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

Case No. 14,697

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

Case 14692: Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso (Paddock-Blinebry) formation underlying the SW/4SE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Mayaro 22 State Well Nos. 1, 2, 9, and 10, to be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case 14693: Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso (Paddock-Blinebry) formation underlying the NE/4SE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Mayaro 22 State Well Nos. 3, 8, 11, and 16, to be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case 14694: Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso (Paddock-Blinebry) formation underlying the NW/4SE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Mayaro 22 State Well Nos. 4, 7, 12, and 15, to be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for

supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case 14695: Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso (Paddock-Blinbry) formation underlying the SE/4NE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Maracas 22 State Well Nos. 1, 4, 7, and 10, to be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case 14696: Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso (Paddock-Blinbry) formation underlying the SW/4NE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Maracas 22 State Well Nos. 2, 3, 8, and 9, to be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

Case 14697: Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso (Paddock-Blinbry) formation underlying the NE/4NE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Maracas 22 State Well Nos. 5, 6, 11, and 12, to be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

WITNESSES

Hayden Tresner
(landman)

EST. TIME

20 min.

EXHIBITS

Approx. 6

15 min.

Approx. 4

(geologist)

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Applicant requests that these cases be consolidated for hearing.

Respectfully submitted,



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

Attorney for Cimarex Energy Co.