

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

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21324,
EDDY COUNTY, NEW MEXICO**

**CASE NO. 21697
ORDER NO. R-21324
(Re-Open)**

**APPLICATION OF CIMAREX ENERGY CO.
TO AMEND ORDER NO. R-21325,
EDDY COUNTY, NEW MEXICO**

**CASE NO. 21698
ORDER NO. R-21325
(Re-Open)**

CONSOLIDATED PRE-HEARING STATEMENT

Cimarex Energy Co. ("Cimarex") submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Cimarex Energy Co.

ATTORNEY

Earl E. DeBrine
Deana M. Bennett
Lance D. Hough
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, NM 87103

INTERESTED PARTY

EOG Resources, Inc.

ATTORNEY

Michael Feldewert
Adam Rankin
Julia Broggi
Kaitlyn Luck
HOLLAND & HART, LLP
PO Box 2208
Santa Fe, NM 85704

STATEMENT OF CASES

In Case No. 21697, Cimarex seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21324 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21324 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 8H and Hayduke 34-3 Federal Com 10H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

In Case No. 21698, Cimarex seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21325 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21325 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 9H and Hayduke 34-3 Federal Com 11H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

PROPOSED EVIDENCE

APPLICANT:

| <u>WITNESS</u> | <u>ESTIMATED TIME</u> | <u>EXHIBITS</u> |
|------------------------|-----------------------|-----------------|
| Riley Morris – Landman | Approx. 1 Minute | Approx. 8 |

PROCEDURAL ISSUES

Cimarex is not aware of any opposition, requests for continuances, or any other procedural issues these cases. Accordingly, Cimarex does not anticipate opposition and intends to present these cases as consolidated and by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Lance D. Hough

Earl E. DeBrine, Jr.
Deana M. Bennett
Lance D. Hough
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
dmb@modrall.com
ldh@modrall.com
Attorneys for Applicant Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on February 25, 2021:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
HOLLAND & HART, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
Jbroggi@hollandhart.com
kaluck@hollandhart.com
Attorneys for EOG Resources, Inc.

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Lance D. Hough
Lance D. Hough