

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

Case No. 14.687

## PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Cimarex Energy Co. as required by the Oil Conservation Division.

#### APPEARANCES

APPLICANT

Cimarex Energy Co.

Suite 600

600 North Marienfeld

Midland, Texas 79701

Attention:

Hayden P. Tresner

(432) 571-7856

**OPPONENT** 

APPLICANT'S ATTORNEY James Bruce

P.O. Box 1056

Santa Fe. New Mexico 87504

(505) 982-2043

OPPONENT'S ATTORNEY

#### STATEMENT OF THE CASE

#### **APPLICANT**

Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the N/2S/2 of Section 20, Township 15 South, Range 31 East, NMPM, to form a non-standard 160.00-acre oil spacing and proration unit (project area), and pooling all mineral interests in the Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Valley Forge 20 State Com. Well No. 2, a horizontal well to be drilled at a surface location 1980 feet from the south line and 375 feet from the west line, with a terminus 1980 feet from the south line and 375 feet from the east line, of Section 20. 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

WITNESSES	<u>EST. TIME</u>	<u>EXHIBITS</u>
Hayden Tresner (landman)	15 min.	Approx. 5
Lee Catalano (geologist)	15 min.	Approx. 4

### **OPPONENT**

<u>WITNESSES</u> <u>EST. TIME</u> <u>EXHIBITS</u>

# PROCEDURAL MATTERS

James Bruce

Post Office Box 1056

Respectfully submitted,

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Cimarex Energy Co.