

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

RECEIVED OCD  
2012 MAR 31 P 4:50

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

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

**CASE NOS. 14842 & 14843**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by opponent as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Cimarex Energy Co.  
Suite 600  
600 North Marienfeld  
Midland, Texas 79701  
Attn: Hilary Coder  
(432) 571-7856

**APPLICANT'S ATTORNEY**

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

**OPPONENT**

COG Operating LLC  
550 West Texas Avenue  
Suite 100  
Midland, Texas 79701

**OPPONENT'S ATTORNEY**

William F. Carr  
Adam G. Rankin  
Holland & Hart, LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile

## **OPPONENT'S STATEMENT OF CASE**

COG and Cimarex have been attempting to work out a mutually agreeable joint operating agreement for each of the subject wells. If no agreement is reached, COG will object to Cimarex's pooling applications. COG will review the efforts of Cimarex to pool numerous wells in the area and compare the number of pooling orders they have obtained with the number of wells they have actually drilled. COG will request that no application be granted for any well that Cimarex does not propose to commence within 45 days of the entry of the pooling order. COG will object to any proposal that would require it to pay its proportionate share of well costs for any pooled well more than 45 days before commencement of drilling. COG believes that pooling should be available only when a party proposes to drill a well within a reasonably foreseeable time and only when the party seeking pooling will commit to actually drilling. COG will further request that all pooled parties be given 14 days written notice before the party designated operator under any pooling order attempt to receive from the Director an extension of the time limit in which to drill set by the original order.

## **OPPONENT'S PROPOSED EVIDENCE**

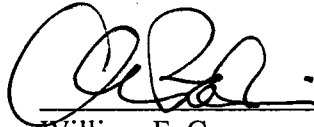
<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Stuart Dirks, Petroleum Landman	Approx. 20 minutes	Approx. 5
David Evans, Petroleum Landman	Approx. 20 minutes	Approx. 5

## PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART, LLP



---

William F. Carr  
Adam G. Rankin  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421  
(505) 983-6043 Facsimile  
[mfeldewert@hollandhart.com](mailto:mfeldewert@hollandhart.com)  
[agrankin@hollandhart.com](mailto:agrankin@hollandhart.com)

ATTORNEYS FOR COG OPERATING, LLC

## CERTIFICATE OF SERVICE

I hereby certify that on May 31, 2012, I served a copy of the Pre-Hearing Statement of COG Operating LLC upon the following counsel via Electronic Mail to:

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

---

Adam G. Rankin