

**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 COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

Case No. 13,496

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Cimarex Energy Co.
Suite 1000
15 East 5th Street
Tulsa, Oklahoma 74103

Attention: Cindy Croft
(918) 295-1768

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

Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Permo-Upper Pennsylvanian formation underlying the SE/4NW/4 of Section 21, Township 15 South, Range 36 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, including the Caudill Permo-Upper Pennsylvanian Pool. The unit is to be dedicated to the Caudill South "21" Fee Well No. 1, to be located at an orthodox oil well location. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

OPPONENT**PROPOSED EVIDENCE**APPLICANTWITNESSES

Cindy Croft
(landman)

EST. TIME

15 min.

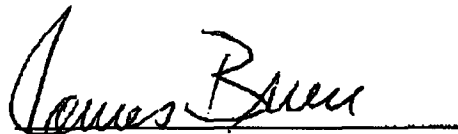
EXHIBITS

Approx. 5

OPPONENTWITNESSESEST. TIMEEXHIBITS**PROCEDURAL MATTERS**

-None-

Respectfully submitted,



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Post Office Box 1056
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Attorney for Cimarex Energy Co.