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, LEA COUNTY, NEW MEXICO. Case No. 14,922 (continued and re-advertised)

AMENDED 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

<u>OPPONENT</u>

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 280-acre non-standard oil spacing and prorationunit (project area) in the Bone Spring formation comprised of the E/2NE/4, SW/4NE/4, E/2SW/4, SW/4SW/4, and NW/4SE/4 of Section 26, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area) for any pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Snoddy Fed. Well No. 22, a horizontal well to with a surface location in the NE/4NE/4, and a terminus in the SW/4SW/4, of Section 26. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, 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

APPLICANT

WITNESSES

EST. TIME

EXHIBITS

This case was presented in December 2012. The case was continued because of a change in the non-standard unit/project area. Applicant will submit affidavits regarding the changes.

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

Respectfully submitted,

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

Attorney for Cimarex Energy Co.