

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

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

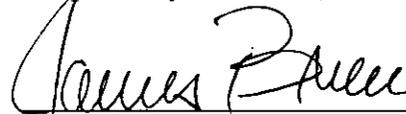
APPLICATION OF CIMAREX ENERGY CO.  
FOR A NON-STANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
CHAVES COUNTY, NEW MEXICO.

Case No. 14,966  
Order No. R-13,708

APPLICATION FOR HEARING *DE NOVO*

Cimarex Energy Co., a party of record adversely affected by the above Order, requests that this matter be heard *de novo* before the Oil Conservation Commission.

Respectfully submitted,



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Attorney for Cimarex Energy Co.

**CASE 14966: (De Novo)**

***Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico.*** Cimarex Energy Co. seeks an order approving a 240-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the N/2 NE/4 of Section 8 and N/2 N/2 of Section 9, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Abo/Wolfcamp formation underlying the non-standard 240 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the Independence 8 Fed. Com. Well No. 1, a horizontal well to be drilled at a surface location 510 feet from the North line and 2310 feet from the East line of Section 8, with a terminus 660 feet from the North line and 330 feet from the East line of Section 9. 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. The unit is located approximately 16 miles north-northeast of Loco Hills, New Mexico. Upon application of Cimarex Energy Co., this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23.