

**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. OF  
COLORADO FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 15,140**

**PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Cimarex Energy Co. of Colorado  
Suite 600  
600 North Marienfeld  
Midland, Texas 79701

Attention: Kelly Reese  
(432) 571-7800

**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**

Applicant seeks an order approving a 480-acre non-standard gas spacing and proration unit (project area) in the Wolfcamp formation comprised of the SE/4 of Section 34, Township 25 South, Range 26 East, NMPM and the E/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard unit (project area) for any pools or formations developed on 320 acre spacing within that vertical extent. The unit is to be dedicated to the Hayduke 34 Fed. Com. Well No. 3, a horizontal well with a surface location in the NE/4SE/4 of Section 34, and a terminus in the SE/4SE/4 of Section 3. 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

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Kelly Reese (landman)	15 min.	Approx. 8
Joel Baker (geologist)	15 min.	Approx. 4

OPPONENT

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
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**PROCEDURAL MATTERS**

-None-

Respectfully submitted,

/s/James Bruce

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

Attorney for Cimarex Energy Co. of  
Colorado