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

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 20283 & 20284

MOTION TO CONTINUE

EOG Resources, Inc. ("EOG") moves the Division to continue the above-referenced cases currently scheduled for the March 7, 2019, Examiner Hearing Docket to the April 18, 2019, Examiner Hearing Docket. In support of this motion, EOG states:

- 1. In Case Nos. 20283 and 20284, Cimarex Energy Co. ("Cimarex") seeks to pool, respectively, the Bone Spring formation underlying the W/2 W/2 and the E/2 W/2 of Section 11, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. Cimarex seeks to dedicate the W/2 W/2 to the one-mile **Denali 11 Fed. Com. Well No. 1H** horizontal well and the E/2 W/2 of Section 11 to the one-mile **Denali 11 Fed. Com. Well No. 33H** horizontal well
- 2. EOG owns a working interest in the W/2 of Section 11 and has proposed to develop the Bone Spring formation underlying the W/2 of Section 11 with multiple two-mile horizontal wells extending from Section 11 into the W/2 of adjacent Section 14.
- 3. EOG's proposed development plan not only includes the use of multiple two-mile horizontal wells instead of single one-mile horizontal wells to more efficiently develop the Bone Spring formation, but also the use of common drilling pads to co-develop the W/2 and the E/2 of Sections 11 and 14 to limit the necessary surface disturbance.

- 4. EOG contacted Cimarex this week about the competing development plans and was informed Cimarex is unwilling to continue the hearing in Case Nos. 20283 and 20284 to allow the parties time to discuss a voluntary development agreement.
- 5. If Cimarex remains adamant about not engaging in discussions, EOG will be forced to file competing pooling applications. These applications will be ripe for hearing on the April 18, 2019, Examiner docket.
- 6. The hearing on the competing development plans proposed by Cimarex and EOG for the W/2 of Section 11 should be consolidated for administrative efficiency.
- 7. EOG has not been informed of any harm or prejudice to Cimarex if Case Nos. 20283 and 20284 are continued to the April 18th docket.
 - 8. Counsel for Cimarex has been contacted and instructed to oppose this motion.

WHEREFORE, EOG respectfully requests that the Division continue the hearing on these cases until the April 18, 2019, Examiner Hearing Docket.

Respectfully submitted,

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ATTORNEYS FOR EOG RESOURCES INC.

CERTIFICATE OF SERVICE

I hereby certify that on February 28, 2019, I served a copy of the foregoing document to the following counsel of record via electronic mail to:

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