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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 GREAT WESTERN DRILLING, LTD. TO RE-OPEN CASE NO. 13,897: APPLICATION OF CIMAREX ENERGY CO. OF COLORADO FOR POOL CREATION, A DISCOVERY ALLOWABLE, AND SPECICAL POOL RULES, EDDY COUNTY, **NEW MEXICO.**

Case No. 13,897 (Reopened)

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT Great Western Drilling, Ltd.

APPLICANT'S ATTORNEY William F. Carr

OPPONENT

Cimarex Energy Co. of Colorado Suite 1500 5215 North O'Connor Blvd. Irving, Texas 75039

Attention: Zeno Farris

STATEMENT OF THE CASE

APPLICANT

OPPONENT

Cimarex Energy Co. of Colorado seeks an order (i) creating a new pool for production of oil from the Wolfcamp formation, to be named the Northeast Loco Hills-Wolfcamp Pool, comprising the NE¼ of Section 26. Township 17 South, Range 29 East, N.M.P.M., (ii) granting applicant a discovery allowable, and (iii) establishing special rules and regulations for the pool, including a limiting gas:oil ratio of 6000 cubic feet of gas for each barrel of oil produced,

OPPONENT'S ATTORNEY James Bruce P.O. Box 1056 Santa Fe. New Mexico 87504 (505) 982-2043

effective as of the date of first production from the discovery well. The discovery well for the pool is the Keely 26 Fed. Well No. 1, located 1980 feet from the north line and 1550 feet from the east line of Section 26.

Cimarex Energy Co. of Colorado is unsure of the basis of applicant's opposition to the pool rules application.

PROPOSED EVIDENCE

APPLICANT

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<u>WITNESSES</u>

<u>EST. TIME</u>

EXHIBITS

EXHIBITS

Approx. 2

<u>OPPONENT</u>

WITNESSES

Jon S. Tate (landman)

(engineer)

(geologist)

EST. TIME

10 min.

15 min.

15 min.

Approx. 4

Approx. 2

PROCEDURAL MATTERS

spectfully submitted,

ames Bruce

James Bruce Fost Office Box 1056 Santa Fe, New Mexico 87504 (\$05) 982-2043

Attorney for Cimarex Energy Co. of Colorado

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this Zue day of August, 2007 by facsimile transmission:

William F. Carr Holland & Hart LLP P.O. Box 2208 Santa Fe, New Mexico 87504 (505) 983-6043

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James Bruce