

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

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February 16, 2010

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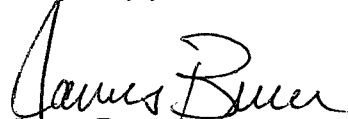
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 14442

Dear Florene:

Enclosed for filing, on behalf of Cimarex Energy Co., are an original and one copy of three applications for compulsory pooling, *etc.*, together with proposed advertisements. The advertisements have also been e-mailed to the Division. Please set these matters for the March 18, 2010 Examiner hearing.

Very truly yours,


James Bruce

Attorney for Cimarex Energy Co.

Parties Being Notified

Wayne Bissett
P.O. Box 2101
Midland, Texas 79702

Mitchell Minerals, LLC
P.O. Box 488
Henryetta, Oklahoma 74437

Sigyn Lund
1052 Montgomery Road
Altamonte Springs, Florida 32714

Clare Lundbeck Fraser
133 East 64th Street
New York, New York 10021

Don Kidwell
4208 Fairwood Drive
Midland, Texas 79707

Douglas C. Koch
P.O. Box 540244
Houston, Texas 77254

Trustees of the Estate Peter L. Shea
Trustees of the Peter L. Shea Trust
Edwina S. Brokaw Millington
c/o John Walsh
Bryan Cave, LLP
Suite 3501
290 Avenue of the Americas
New York, New York 10104

O'Neill Properties, Ltd.
Mary Louise O'Neill
Estate of Henry Byrne O'Neill, Sr.
Drastic Legacy, LLC
P.O. Box 2840
Midland, Texas 79702

Helene Singer
Heirs of Herman Singer
P.O. Box 1883
Santa Fe, New Mexico 87504

ExxonMobil Production Company
P.O. Box 4610
Houston, Texas 77210

Attention: Scott Thraish

Anadarko Petroleum Corporation
P.O. Box 1330
Houston, Texas 77251

Attention: David Ward

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

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Case No. 14442

APPLICATION

Cimarex Energy Co. applies for an order (i) approving a non-standard oil spacing and proration unit in the Abo/Wolfcamp formation comprised of Lot 1, NE $\frac{1}{4}$ NW $\frac{1}{4}$, and N $\frac{1}{2}$ NE $\frac{1}{4}$ (the N $\frac{1}{2}$ N $\frac{1}{2}$) of Section 19, Township 15 South, Range 31 East, N.M.P.M., Chaves County, New Mexico, and (ii) pooling all mineral interests in the Abo/Wolfcamp formation underlying the non-standard unit, and in support thereof, states:

1. Applicant is an interest owner in the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19, and has the right to drill a well thereon.
2. Applicant proposes to drill its Hancock 19 State Com. Well No. 4, to a depth sufficient to test the Abo/Wolfcamp formation, and seeks to dedicate N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19 to the well to form a non-standard 159.32 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The well is a horizontal well, with a surface location 660 feet from the north line and 330 feet from the east line, and a terminus 660 feet from the north line and 330 feet from the west line, of Section 19.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests.

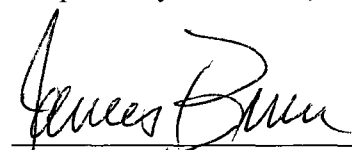
Therefore, applicant seeks an order pooling all mineral interest owners in the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19, pursuant to NMSA 1978 §§70-2-17, 18.

5. The approval of the non-standard unit and the pooling of all mineral interests underlying the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Approving a non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19;
- B. Pooling all mineral interests in the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 19 in the Abo/Wolfcamp formation;
- C. Designating Cimarex Energy Co. of Colorado as operator of the well;
- D. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



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

Attorney for Cimarex Energy Co.

PROPOSED ADVERTISEMENT

Case No. 14442 :

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 159.32-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the N/2N/2 of Section 19, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Abo/Wolfcamp formation underlying the non-standard 159.32 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 Hancock 19 State Com. Well No. 4, a horizontal well to be drilled at a surface location 660 feet from the north line and 330 feet from the east line, with a terminus 660 feet from the north line and 330 feet from the west line, of Section 19. 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 14 miles north-northeast of Loco Hills, New Mexico.

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