Page 2 We go into today's EZEÀ 1 MR. 2 docket. Today, we have a docket. The docket number 3 is 4-10, and before we continue, we will have to read all the continuances and all the dismissals. On page 4 1, Case 14387 is continued to March 4. On page 2, 5 Case 14417 is dismissed. Case Number 14421 is 6 continued to March 4. On page 3, Case Number 14425 7 is continued to March 4. Case Number (14426) is 8 continued to March 4. Case Number 14427 is continued 9 10 to March 4. On page 4, Case Number 14428 is continued to March 4. Case Number 14429 is continued 11 to March 4. Case Number 14412 is continued to March 12 Case Number 14411 is continued to March 4. 13 4.

14 You can see that everything is continued to 15 March 4 because it is a regular docket. We couldn't continue any of the docket applications here to the 16 17 next docket, which is provide it because it's a 18 constant docket, so I wanted to say that. We are trying to make this experiment and see how it works. 19 Everything here is continued to March 4, a month from 20 today, because we can't continue it to February 18 21 because this is a constant docket, as you all know. 22 ·23 We have to work with the whole issue. At this point, 24 are there any continuances and dismissals? 25 MS. MUNDS-DRY: Mr. Examiner, on page

PAUL BACA PROFESSIONAL COURT REPORTERS

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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 CIMAREX ENERGY CO. FOR COMPULSORY POOLING AND CANCELATION OF THE DIVISION'S APPROVAL OF AN APPLICATION FOR PERMIT TO DRILL ISSUED TO COG OPERATING LLC, EDDY COUNTY, NEW MEXICO.

Case No. 14.42

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

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

Hayden Tresner Attention: (432) 571-7856

OPPONENT J. Scott Hall

APPLICANT'S ATTORNEY

James Bruce P.O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

OPPONENT'S ATTORNEY COG Operating LLC

STATEMENT OF THE CASE

APPLICANT

Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4SW/4 of Section 2, Township 17 South, Range 30 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Loco Hills Glorieta-Yeso Pool. The unit will be dedicated to the Castor 2 State Well No. 1, to be drilled at an orthodox location. Also to be considered will be the cost of drilling and completing

p.2

p.3

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. Applicant further seeks cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC for the proposed Yale State Well No. 1, a Glorieta-Yeso test located in the SW/4SW/4 of Section 2 (API No. 30-015-37459).

OPPONENT

PROPOSED EVIDENCE

APPLICANT

	WITNESSES	EST. TIME	<u>EXHIBITS</u>
	Hayden Tresner (landman)	15 min.	Approx. 4
	Lee Catalano (geologist)	15 min.	Approx. 4
	(engineer)	15 min.	Approx. 4
<u>OPPONENT</u>			
	WITNESSES	<u>EST. TIME</u>	EXHIBITS

PROCEDURAL MATTERS

Applicant requests that this matter be continued to the March 4, 2010 Examiner hearing. COG Operating LLC does not object to this request.

Respectfully submitted,

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

Attorney for Cimarex Energy Co.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this \underline{MM} day of January, 2010 by United States Mail:

J. Scott Hall Montgomery & Andrews, P.A. P.O. Box 2307 Santa Fe, New Mexico 87504

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