

**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 PURPOSES  
OF CONSIDERING:**

**CASE NO. 14511**

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

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**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the rules of the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Cimarex Energy Co.

**ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, NM 87504  
(505) 982-2043  
(505) 982-2151 (Fax)

**OPPONENT**

Mewbourne Oil Company  
Attn: Corey Mitchell  
500 West Texas  
Midland, Texas 79701  
(432) 682-3715  
(432) 685-4170 (Fax)

**ATTORNEY**

William F. Carr  
Holland & Hart LLP  
110 N. Guadalupe St. Suite 1  
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## STATEMENT OF CASE

### OPPONENT

Mewbourne Oil Company opposes the application of Cimarex Energy Co. in this case. Mewbourne owns working interest in the N/2 of Section 17, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico including acreage in the non-standard spacing unit/horizontal well project area proposed by Cimarex. The surface location for Cimarex' proposed Maduro 17 Federal Com Well No. 1 ("the Maduro well") is on acreage in which Mewbourne owns working interest. The well has never been proposed to Mewbourne.

On May 30, 2010, Mewbourne filed an Application for Permit to Drill its Spyglass "17" Federal Com. Well 1 H with the BLM. This well is located on a horizontal well project area comprised of the S/2 N/2 of said Section 17. Cimarex has been attempting to reach voluntary agreement with the owners in this project area for the drilling of this well but will have to file an application for an order pooling certain interests in this project area.

## PROPOSED EVIDENCE

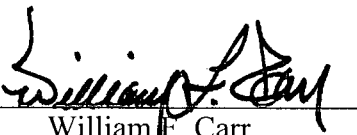
### OPPONENT

WITNESSES	ESTIMATED TIME	EXHIBITS
Corey Mitchell, Petroleum Landman	Approx. 20 minutes	Approx. 5

## PROCEDURAL MATTERS

Mewbourne Oil Company is filing a competing application and a Motion for Continuance of the hearing in this application to the August 19, 2010 Oil Conservation Division Examiner hearing docket.

Respectfully submitted,  
HOLLAND & HART, LLP

By: 

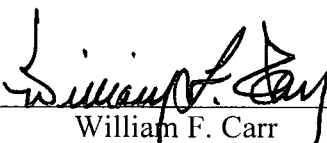
William F. Carr  
Ocean Munds-Dry  
ATTORNEYS FOR MEWBOURNE OIL  
COMPANY

## CERTIFICATE OF SERVICE

I certify that on July 15, 2010 I served a copy of the foregoing document to the following  
by

- ☐ U.S. Mail, postage prepaid
- ☐ Hand Delivery
- ☒ Fax
- ☐ Electronic Service by LexisNexis File & Serve

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William F. Carr