

## Agenda No. 12-22

**PRELIMINARY AGENDA  
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
November 10, 2022  
9:00 A.M.**

During the COVID-19 Public Health Emergency, state buildings are closed to the public and meetings will be conducted remotely. The Oil Conservation Commission meeting will be held via Webex Meeting platform. The public meeting can be accessed by using the following link and/or meeting information:

**Event:** OCC Meeting November 10, 2022  
**Type:** Unlisted Event  
**Event address for attendees:** <https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e2588c92b667df15f96c030a414ed191d>  
**Date and time:** Thursday, November 10, 2022 9:00 am  
Mountain Standard Time (Denver, GMT-07:00)  
**Duration:** 9 hours  
**Description:**  
**Event number:** 2483 238 5583  
**Event password:** dPhjG4g3Si8  
**Video Address:** [24832385583@nmemnrd.webex.com](mailto:24832385583@nmemnrd.webex.com)  
You can also dial 173.243.2.68 and enter your meeting number.  
**Audio conference:** To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code.  
United States Toll  
+1-408-418-9388  
[Show all global call-in numbers](#)  
Access code: 2483 238 5583

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at (505) 470-5480 or through the New Mexico Relay Network at 1-800-659-1779 by **October 31, 2022**. Public documents can be provided in various accessible formats. A preliminary agenda will be available to the public no later than two weeks prior to the meeting. A final agenda will be available no later than 72 hours preceding the meeting. Members of the public may obtain copies of the agenda by contacting Ms. Davidson at the phone number indicated above. Also, the agenda will be posted on the Oil Conservation Division website at [www.emnrd.nm.gov/ocd](http://www.emnrd.nm.gov/ocd).

**The following items are for discussion and possible action:**

1. Roll Call
2. Approval of the Agenda
3. Approval of the October 13, 2022 Meeting Minutes
4. The Commission will discuss changing the December 8, 2022 Commission hearing date.
5. **De Novo Case No. 21744**: Application of Cimarex Energy Co. for Hearing De Novo of Case

No. 21629, Eddy County, New Mexico. The New Mexico Oil Conservation Division issued Order No. R-21575 in Case No. 21629. Magnum Hunter Production, Inc., an affiliate of Cimarex Energy Co. (collectively referred to herein as "Cimarex") owned a working interest in the unit pooled by Order No. R- 21575, issued pursuant to a hearing held before the Division on January 7, 2021. Cimarex, a party of record adversely affected by Order No. R-21575, requests that the matter raised in this case be heard de novo before the Oil Conservation Commission pursuant to NMSA 1978, §70-2-13.

6. **Case No. 22018:** Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause, seeks an order from the Division: (1) creating a standard 479.39-acre, more or less, horizontal spacing and proration unit comprised of the S/2 N/2 of Sections 2 and 1, Township 20 South, Range 29 East; and the S/2 N/2 of Section 6, Township 20 South, Range 30 East; NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation underlying the unit. Said horizontal spacing unit is to be dedicated to the Crest 2-1-6 State Fed Com 2H Well, to be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 2 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 6. The completed interval and first take and last take point for the well meets the Division's statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 12 miles northeast of Carlsbad, New Mexico.
7. **Case No. 22019:** Application of Cimarex Energy Co. for a Horizontal Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) creating a standard 484.63-acre, more or less, horizontal spacing and proration unit comprised of the N/2 N/2 of Sections 2 and 1, Township 20 South, Range 29 East; and the N/2 N/2 of Section 6, Township 20 South, Range 30 East; NMPM, Eddy County, New Mexico, and (2) pooling all mineral interests in the Bone Spring formation underlying the unit. Said horizontal spacing unit is to be dedicated to the Crest 2-1-6 State Fed Com 1H Well, to be horizontally drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 2 to a bottom hole location in Lot 1 (aka NE/4 NE/4) of Section 6. The completed interval and first take and last take point for the well meets the Division's statewide setback requirements for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 12 miles northeast of Carlsbad, New Mexico.
8. Other business
9. Next meeting
10. Adjournment