

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 COG OPERATING, LLC CASE NO. 20417
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

May 16, 2019

Santa Fe, New Mexico

BEFORE: LEONARD LOWE, CHIEF EXAMINER
 MICHAEL McMILLAN, TECHNICAL EXAMINER
 DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Leonard Lowe, Chief Examiner; Michael McMillan, Technical Examiner; and David K. Brooks, Legal Examiner, on Thursday, May 16, 2019, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

REPORTED BY: Mary C. Hankins, CCR, RPR
 New Mexico CCR #20
 Paul Baca Professional Court Reporters
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<p style="text-align: right;">Page 2</p> <p>1 APPEARANCES 2 FOR APPLICANT COG OPERATING, LLC: 3 KAITLYN A. LUCK, ESQ. 4 MICHAEL H. FELDEWERT, ESQ. 5 HOLLAND & HART, LLP 6 110 North Guadalupe, Suite 1 7 Santa Fe, New Mexico 87501 8 (505) 988-4421 9 kluck@hollandhart.com 10 mfeldewert@hollandhart.com</p> <p>11 INDEX 12 PAGE 13 Case Number 20417 Called 3 14 Exhibits Offered 3 15 Proceedings Conclude 5 16 Certificate of Court Reporter 6</p> <p>17 EXHIBITS OFFERED AND ADMITTED 18 19 COG Operating, LLC Exhibit Numbers 4 and 5 4 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 4</p> <p>1 interest owners in each tract. 2 You'll see in the supplemental affidavit of 3 Mr. Bedrick that he identified some interest owners as 4 unmarketable title owners who are individuals or other 5 entities that appear in the public records as having 6 potential claims to ownership of oil, gas or mineral 7 interests in the proposed spacing units. However, 8 whether they actually own an interest is unclear due to 9 a defect in title or a title dispute. COG seeks to pool 10 these mineral interests out of an abundance of caution 11 in the event it is presented that they do, in fact, own 12 an interest in the proposed spacing unit. 13 And with that, COG would ask that Exhibits 14 4 and 5 be admitted into the record and the case be 15 taken under advisement. 16 EXAMINER LOWE: Okay. Exhibits 4 and 5 17 will be accepted in this case, and we will take it under 18 advisement. 19 Oh, you have questions? 20 EXAMINER BROOKS: No. 21 (COG Operating, LLC Exhibit Numbers 4 and 5 22 are offered and admitted into evidence.) 23 EXAMINER LOWE: We will take it under 24 advisement. 25 MS. LUCK: Thank you.</p>
<p style="text-align: right;">Page 3</p> <p>1 (9:11 a.m.) 2 EXAMINER LOWE: All righty then. We will 3 continue with Case Number 20417, COG Operating for 4 compulsory pooling, Eddy County, for the Boone 16 State 5 Com. 6 Call for appearances. 7 MS. LUCK: Good morning. Kaitlyn Luck with 8 the Santa Fe office of Holland & Hart. 9 This is a notice case. 10 If you wouldn't mind holding on just a 11 moment. 12 This case was originally heard at the first 13 docket in May, and it was continued for the purpose of 14 providing notice. So under Tab 5, you'll see an 15 affidavit reflecting that notice was provided of the 16 hearing date today. The letter was mailed on April 17 24th. And behind that there is also an Affidavit of 18 Publication for all of mineral interest owners because 19 one of the letters was not delivered. 20 And under Tab 4 is the supplemental of Luke 21 Bedrick, and that was requested by the hearing examiners 22 at the last hearing to clarify what was meant by 23 unmarketable title owners. 24 And Exhibit 1B, following the affidavit, is 25 also a revised Exhibit 1B reflecting all of the working</p>	<p style="text-align: right;">Page 5</p> <p>1 MR. FELDEWERT: Thank you. 2 (Case Number 20417 concludes, 9:15 a.m.) 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>

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STATE OF NEW MEXICO
COUNTY OF BERNALILLO

CERTIFICATE OF COURT REPORTER

I, MARY C. HANKINS, Certified Court
Reporter, New Mexico Certified Court Reporter No. 20,
and Registered Professional Reporter, do hereby certify
that I reported the foregoing proceedings in
stenographic shorthand and that the foregoing pages are
a true and correct transcript of those proceedings that
were reduced to printed form by me to the best of my
ability.

I FURTHER CERTIFY that the Reporter's
Record of the proceedings truly and accurately reflects
the exhibits, if any, offered by the respective parties.

I FURTHER CERTIFY that I am neither
employed by nor related to any of the parties or
attorneys in this case and that I have no interest in
the final disposition of this case.

DATED THIS 30th day of May 2019.

MARY C. HANKINS, CCR, RPR
Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
Paul Baca Professional Court Reporters