

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:

CASE NOS: 21146, 21147

APPLICATION OF CIMAREX ENERGY CO.  
FOR COMPULSORY POOLING,  
LEA COUNTY.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

APRIL 16, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, DYLAN COSS and LEONARD LOWE, on Thursday, April 16, 2020, 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: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

A P P E A R A N C E S

For the Applicant:

LANCE HOUGH  
MODRALL SPERLING ROEHL HARRIS & SISK PA  
500 4th Street, NW, Suite 1000  
Albuquerque, NM 87102  
505-848-9710  
deana.bennett@modrall.com

I N D E X

CASE CALLED	03
SUMMARY OF CASE AND EXHIBITS	03
TAKEN UNDER ADVISEMENT	05
REPORTER CERTIFICATE	06

E X H I B I T I N D E X

	Admitted
All Exhibits and Attachments	06

1                   HEARING EXAMINER ORTH: Moving then to case  
2   Number 21146 and 21147, Cimarex Energy, applicant. The name  
3   of the well is West Grama. Mr. Hough, is that you again?

4                   MR. HOUGH: Yes. Lance Hough on behalf of  
5   Cimarex Energy Co.

6                   HEARING EXAMINER ORTH: I don't see any other  
7   appearances made before today. So unless anyone speaks up.

8                   (No response.)

9                   HEARING EXAMINER ORTH: No? Okay. Please go  
10   ahead.

11                  MR. HOUGH: Okay. So this is an application for  
12   compulsory pooling and in the W/2 E/2 of Sections 6 and 7.  
13   And I guess -- I'm sorry, one clarification -- I'm  
14   submitting these two case by affidavit, consolidated.

15                  And so for the first case up of the two, that  
16   first case being 21146, that's an application for compulsory  
17   pooling in the W/2 E/2 of Sections 6 and 7 and in Township  
18   22 South, Range 34 East, in Lea County, New Mexico.

19                  The second case is case Number 21147, this is  
20   also an application for compulsory pooling. This is for  
21   pooling the E/2 E/2 of Section 7 in Township 22 South, Range  
22   34 East in Lea County, New Mexico.

23                  And as provided here in the packets, you have  
24   Exhibit A, the landman portion.

25                  The geology portion, which again is the affidavit

1 from Lucas Haas who momentarily qualified just moments ago,  
2 so if it is necessary, we request that he be qualified to  
3 provide the geology matters.

4 And then behind Exhibit D are the -- my affidavit  
5 and then the notice compliance proposed letter showing that  
6 notice was sent at least 20 days before the hearing and  
7 publication -- or notice was published at least ten business  
8 days before the hearing.

9 So at this time I would ask that the complete  
10 hearing packet that was submitted before 5 p.m. on Tuesday  
11 be admitted into the record.

12 HEARING EXAMINER ORTH: Thank you. Mr. Lucas  
13 will be recognized for the expertise you described. Mr.  
14 Coss, do you have questions of Mr. Hough?

15 EXAMINER COSS: I do not have any questions.

16 HEARING EXAMINER ORTH: Mr. Lowe?

17 EXAMINER LOWE: I do not have any questions.

18 Thank you.

19 HEARING EXAMINER ORTH: All right. Thank you  
20 very much, Mr. Hough. The packet will be accepted and taken  
21 under advisement.

22 MR. HOUGH: Thank you, Madam Hearing Examiner.

23 HEARING EXAMINER ORTH: And before I move to the  
24 next matter, there is someone in the waiting room,  
25 T-W-A-R-N. I'm admitting them now. Hello? Who just joined

1 us, T-W-A-R-N?

2 MR. WARNELL: Terry Warnell.

3 HEARING EXAMINER ORTH: Thank you.

4 EXAMINER COSS: Good morning, Terry.

5 MR. WARNELL: Morning.

6 (Exhibits admitted.)

7 (Taken under advisement.)

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

5

6 I, IRENE DELGADO, New Mexico Certified Court  
7 Reporter, CCR 253, do hereby certify that I reported the  
8 foregoing proceedings in stenographic shorthand and that the  
9 foregoing pages are a true and correct transcript of those  
10 proceedings that were reduced to printed form by me to the  
11 best of my ability.

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

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

19 Dated this 16th day of April 2020.

20

21

Irene Delgado, NMCCR 253  
License Expires: 12-31-20

22

23

24

25