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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:

CASE NOS: 21218

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

May 28, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, KATHLEEN MURPHY, DYLAN COSS, SCOTT COX and BAYLEN LAMKIN, on Thursday, May 28, 2020, through 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

Page 2 1 APPEARANCES 2 For the Applicant: 3 MICHAEL RODRIGUEZ 4 1048 Paseo de Peralta Santa Fe, NM 87501-3034 505-428-0485 5 mrodriguez@concho.com б 7 8 ΙΝΟΕΧ 9 CASE CALLED 10 SUMMARY OF CASE AND EXHIBITS 03 11 TAKEN UNDER ADVISEMENT 05 12 06 REPORTER CERTIFICATE 13 14 EXHIBIT INDEX 15 Admitted 16 All Exhibits and Attachments 05 17 18 19 20 21 22 23 24 25

Page 3 HEARING EXAMINER ORTH: Moving then to Number 5, 1 which is case Number 21218 for COG Operating, compulsory 2 3 pooling application, with Deerstalker. Is that you, Mr. 4 Rodriguez? 5 MR. RODRIGUEZ: Yes, ma'am. Good morning, 6 Michael Rodriguez with COG Operating LLC. 7 HEARING EXAMINER ORTH: Thank you. Let me pause 8 for a moment to see if anyone else is entering an appearance 9 this morning. 10 (No audible response.) HEARING EXAMINER ORTH: All right. Please go 11 12 ahead. 13 MR. RODRIGUEZ: Thank you. In this case COG is 14 seeking to pool all uncommitted interest in the Wolfbone 15 pool, which is Pool Code 98098. It's underlying a 641-acre, more or less, horizontal spacing unit comprised of Lots 3 16 and 4 in the S/2 of the NW/4 and SW/4 of Section 5 and the 17 W/2 of Section 8 in Township 25 South, Range 35 East, Lea 18 County, New Mexico. 19 In the case packet that was electronically filed 20 with the Division, I believe, on Tuesday, it contains the 21 application, the checklist, Exhibit 1, which is the landman 22 affidavit with the usual related attachments. 23 24 Exhibit 2 which is the geologist affidavit which 25 also contains the related attachments.

Page 4 And Exhibit 3 is the notice of affidavit and 1 2 notice of publication reflecting that all notice requirements have been met. 3 And with that, I ask that this case packet in 4 5 Exhibits 1 through 3 be admitted into the record and this 6 this application be taken under advisement. 7 HEARING EXAMINER ORTH: Any questions, Ms. Murphy? Do you have questions? You will need to unmute 8 9 yourself. EXAMINER MURPHY: Sorry. Good morning, Mr. 10 Rodriguez. 11 12 MR. RODRIGUEZ: Good morning. 13 EXAMINER MURPHY: And it's hard, like I said, it's hard on the fly to look at these. 14 15 MR. RODRIGUEZ: Yeah. 16 EXAMINER MURPHY: So what percentage does COG, 17 what percentage do they own in the working interest? MR. RODRIGUEZ: Sure. I believe on Page 17 of 18 our exhibit packet, which has 62 pages, it shows COG owning 19 80 -- over 90 percent of the working interest. 20 EXAMINER MURPHY: Thank you. I have no more 21 22 questions. 23 HEARING EXAMINER ORTH: Thank you, Ms. Murphy. Let me pause a moment in the event another technical 24 25 examiner has a question.

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1	TECHNICAL EXAMINER: No, ma'am.
2	HEARING EXAMINER ORTH: Thank you, Mr. Rodriguez.
3	The exhibits are accepted and the matter will be taken under
4	advisement.
5	(Exhibits admitted.)
6	(Taken under advisement.)
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Page 6 1 STATE OF NEW MEXICO COUNTY OF BERNALILLO 2 REPORTER'S CERTIFICATE 3 4 I, IRENE DELGADO, New Mexico Certified Court 5 Reporter, CCR 253, do hereby certify that I reported the foregoing virtual proceedings in stenographic shorthand and б that the foregoing pages are a true and correct transcript 7 8 of those proceedings and were reduced to printed form by me 9 to the best of my ability. 10 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties of attorneys in this case 11 12 and that I have no interest in the final disposition of this 13 case. 14 I FURTHER CERTIFY that the virtual proceeding was 15 of varying quality. 16 Dated this 28th day of May 2020. 17 /s/ Irene Delgado 18 Irene Delgado, NMCCR 253 License Expires: 12-31-20 19 20 21 22 23 2.4 25