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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: 21219, 21220

APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING, EDDY 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

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2	For the Applicant:	
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13	I N D E X	
14	CASE CALLED	
15	STATUS CONFERENCE	03
16	REPORTER CERTIFICATE	06
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Page 3 HEARING EXAMINER ORTH: Moving then to Matters 31 1 2 and 32 here, Case Numbers 21219 and 21220, COG Operating, 3 compulsory pooling application, well name Scout State. 4 We have Mr. Rodriguez, or is that you, Ms. Munds-Dry, on behalf of COG? 5 6 MS. MUNDS-DRY: Thank you, Madam Examiner. Ocean 7 Munds-Dry on behalf of COG Operating LLC. 8 HEARING EXAMINER ORTH: And, Mr. Bruce, are you here for Mewbourne? 9 10 MR. BRUCE: I am. HEARING EXAMINER ORTH: Thank you. I did not see 11 12 a prehearing statement filed on behalf of the applicant. 13 Ms. Munds-Dry? 14 MS. MUNDS-DRY: Thank you, Madam Examiner. We 15 have been conferring with Mewbourne with Mr. Bruce, and we believe we have a joint stipulated proposal for you. I 16 17 guess we'll call it -- I'm not sure what we are calling it, 18 prehearing order where we have agreed to the date as outlined in the April 22 notice contested hearing, in 19 addition to a range of dates between June 15 and June 30, 20 that -- that we have both checked to make sure our witnesses 21 are available. 22 So I think we are ready to, to give that to you. 23 24 We can send that to you by e-mail, as I'm understanding from 25 previous cases, for your review and then leave it to your

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102 1 discretion to assess that hearing date.

2 So, no, we didn't submit prehearing statements 3 because Mr. Bruce and I both agreed that we would wait to, 4 to get your instruction on our hearing date.

5 HEARING EXAMINER ORTH: All right. Thank you. 6 So if you would, please, I -- in the second half of June, 7 actually, most of my -- of my hearings were cleared from my 8 calendar, although now the June calendar is starting to 9 populate before the 15th of June.

10 So if you would, please, send me the prehearing 11 order in Word. And then looking at the other cases we will 12 be scheduling in June, we will decide on a specific date 13 after -- just identify those dates that are best for you 14 and those dates that might be out for you, and if necessary, 15 again we will get on the telephone in a, in a very brief 16 prehearing conference that way.

MS. MUNDS-DRY: Happy to do so, Madam Examiner. 17 HEARING EXAMINER ORTH: All right. And also, is 18 there anyone who is still viewing this session handling any 19 (unclear audio) so helpful if you are able to provide even a 20 rough draft of how long you both view the hearing would go. 21 22 We are asking a lot of the lawyers, as you know, with the contested matters with the full (unclear audio) 23 24 testimony being turned in beforehand ideally, then focusing 25 in the hearing primarily on cross-examination or rebuttal.

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Page 5 So considering all of the special concerns we are going to be operating under, just give me your best estimate as to how long you believe the hearing will go. MS. MUNDS-DRY: One day. HEARING EXAMINER ORTH: All right. Thank you very much, Ms. Munds-Dry. And Mr. Bruce? б MR. BRUCE: I have nothing further to add. HEARING EXAMINER ORTH: Thank you. (Status conference concluded.)

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