

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 No. 21561

Application of COG Operating, LLC
to amend Order R-21345 to extend time
to commence drilling operations,
Lea County, New Mexico

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, JANUARY 7, 2020

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Hearing Examiner, Dylan Rose-Coss,
Technical Examiner and Dean McClure, Technical
Examiner, via Cisco Webex Virtual Meeting Platform

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
PAUL BACA PROFESSIONAL COURT REPORTERS
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Albuquerque, New Mexico 87102
(505) 843-9241

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A P P E A R A N C E S

For the Applicant: Michael Rodriguez, Esq.
COG Operating, LLC
1048 Paseo de Peralta
Santa Fe, NM 87501
(505) 780-8000
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C O N T E N T S

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|-----------------------------|------|
| CASE NO. 21651 | PAGE |
| CASE CALLED: | 3 |
| STATEMENT BY MR. RODRIGUEZ: | 3 |
| TAKEN UNDER ADVISEMENT: | 6 |

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

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|---|----------|
| APPLICANT COG OPERATING, LLC | |
| EXHIBIT | ADMITTED |
| 1 Landman's Affidavit Attachment A, copy of Division order R-21345 | 6 |
| 2 Notice Affidavit and Affidavit of Publication | 6 |

1 (Time noted 8:20 a.m.)

2 HEARING EXAMINER BRANCARD: And so I'll start by
3 calling Case No. 1 on the spreadsheet, which is Case No.
4 21561, Application of COG Operating.

5 MR. RODRIGUEZ: Good morning, Examiner Brancard.

6 HEARING EXAMINER BRANCARD: Who is here for COG?

7 MR. RODRIGUEZ: Yes, Michael Rodriguez for COG
8 Operating.

9 HEARING EXAMINER BRANCARD: Excellent.

10 Are there any other parties for this
11 matter?

12 None? Mr. Rodriguez, you may proceed.

13 MR. RODRIGUEZ: Thank you.

14 In Case No. 21561, COG seeks an extension
15 of time to drill the wells authorized by Division Order
16 No. R-21345.

17 The Division issued Order No. R-21345 in
18 Case No. 21264 on June 5, 2020, and it created a 480-acre
19 standard horizontal spacing unit comprised of the east
20 half of Section 20 and the northeast quarter of
21 Section 29, Township 25 South, Range 35 East in Lea
22 County, New Mexico, and designated COG as the operator of
23 the unit.

24 With the Order paragraph 20 states COG must
25 commence drilling the wells within one year of the date of

1 the Order unless COG obtains a time extension from the
2 Division Director for good cause shown.

3 Due to the downturn in commodity pricing
4 COG now plans to commence drilling the wells dedicated to
5 the unit in late 2021; and as such COG requests the time
6 to commence drilling the wells be extended from June 5,
7 2021, to December 1, 2021.

8 The exhibit packet in this case includes:

9 The Application.

10 Exhibit 1 which is the Landman's Affidavit;
11 Attachment A which is a true and accurate copy of Division
12 order R-21345.

13 Exhibit 2, which is my Notice Affidavit and
14 Affidavit of Publications reflecting that all Notice
15 requirements have been met.

16 With that I ask that the case packet
17 containing Exhibits 1 and 2 be admitted into the record
18 and Case 21561 be taken under advisement.

19 HEARING EXAMINER BRANCARD: Those exhibits were
20 filed with the Division?

21 MR. RODRIGUEZ: Yes, they were. Unfortunately
22 we refiled them yesterday after we noticed that a couple
23 of pages stuck together, so yesterday afternoon you
24 should, the Division should have received a complete
25 packet.

1 HEARING EXAMINER BRANCARD: Okay. And I forgot
2 to mention earlier that the technical examiners today are
3 Dean McClure and Dylan Rose-Coss.

4 Do the examiners have any questions?

5 EXAMINER ROSE-COSS: I do not, but I think it
6 might be a good time to just simply point out that the
7 e-permitting system, that non-fee submission portal is up
8 and running, and it actually does make -- we found that it
9 does make it substantially easier on OCD staff to receive
10 exhibits through the portal. So just a kind nudge or
11 encouragement to, when and if possible, to begin
12 submitting documents through the portal.

13 So we appreciate everyone who has done that
14 so far, as well.

15 EXAMINER McCLURE: Examiner McClure. I have no
16 questions regarding this case.

17 HEARING EXAMINER BRANCARD: Thank you and
18 Mr. Rose-Coss's comments on the portal were not directed
19 just at you, Mr. Rodriguez, but everyone on the call.

20 Move on.

21 Hearing no other comments, Case No. 21561
22 son will be taken under advisement.

23 (Time noted 8:25 a.m.)

24

25

1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)
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5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday,
8 January 7, 2021, the proceedings in the above-captioned
9 matter were taken before me; that I did report in
10 stenographic shorthand the proceedings set forth herein,
11 and the foregoing pages are a true and correct
12 transcription to the best of my ability and control.

13 I FURTHER CERTIFY that I am neither employed by
14 nor related to nor contracted with (unless excepted by the
15 rules) any of the parties or attorneys in this case, and
16 that I have no interest whatsoever in the final
17 disposition of this case in any court.

18 /s/ Mary Macfarlane
19 _____

20 Mary Therese Macfarlane, CCR
21 NM Certified Court Reporter No. 122
22 License Expires: 12/31/2021
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