

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: 21322, 21323

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
JULY 23, 2020  
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before  
the New Mexico Oil Conservation Division, HEARING OFFICER  
FELICIA ORTH and TECHNICAL EXAMINER JOHN GARCIA on Thursday,  
July 23, 2020 through the Webex Platform.

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:

MICHAEL FELDEWERT  
HOLLAND & HART  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501  
505-954-7286

For EOG:

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

I N D E X

CASE CALLED

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

Admitted

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1                   HEARING EXAMINER ORTH: We move then to cases  
2   21322 and 21323, still COG Operating. These are compulsory  
3   pooling applications. The well name is Big Foot. Who here  
4   is from Holland & Hart for COG?

5                   MR. FELDEWERT: May it please the Examiner,  
6   Michael Feldewert from the Santa Fe office of Holland &  
7   Hart.

8                   HEARING EXAMINER ORTH: Thank you. We have EOG  
9   entering an appearance in this matter as well, who here is  
10   from Modrall Sperling?

11                  MR. HOUGH: Hello again, Madam Examiner, Lance  
12   Hough from Modrall Sperling on behalf of EOG Resources Inc.

13                  HEARING EXAMINER ORTH: Hello. Let me pause for  
14   a moment to ask if there are any other appearances.

15                  (No audible response.)

16                  HEARING EXAMINER ORTH: Hearing nothing, Mr.  
17   Feldewert -- I'm sorry, let me ask Mr. Hough, do you object  
18   to Mr. Feldewert proceeding by affidavit?

19                  MR. HOUGH: COG and EOG have reached a letter  
20   agreement, as a result there are no objections from EOG.

21                  HEARING EXAMINER ORTH: All right. Thank you.  
22   Proceed, Mr. Feldewert.

23                  MR. FELDEWERT: Madam Examiner, in the hearing  
24   package of the Division in advance of this hearing, you will  
25   see it contains the pooling checklist, filed application,

1 and the (inaudible) 320 acre spacing units in the Bone  
2 Spring formation, one comprised of the S/2 of Sections 20  
3 and 21, and the other comprised of the N/2 of the S/2 of  
4 Sections 20 (inaudible) 19 South, 20 East in Eddy County and  
5 proposed Big Foot well. And you will see there are two  
6 proposed spacing units.

7               Exhibit A is the affidavit. Stout is the landman  
8 with COG. Mr. Stout has not previously testified as an  
9 expert before the Division, and therefore his resume is  
10 (inaudible) seeks to as an expert landman, I believe your  
11 review of the resume he has the necessary qualifications to  
12 be accepted as an expert.

13              He has then put together a C-102, of course are  
14 which in numerical order 2; the general location map under  
15 Exhibit A-3; spacing unit and ownership breakdown in A-4,  
16 well proposal letters/AFEs and chronology of contacts in A-5  
17 and A-6.

18              Concho Exhibit B is the affidavit of Travis  
19 Sparks who is the geologist for the company. He has  
20 previously testified before the Division.

21              He provides for you under B-1 structure maps.  
22 Because these (inaudible) different Bone Spring (inaudible)  
23 so he has one for the second and one for the third. He has  
24 provided cross sections (inaudible) location of the well  
25 (inaudible) utilize the cross and section and B-4 -- I'm

1     sorry -- B-3 is the stratigraphic cross section comprised of  
2     two pages so that (inaudible) the Upper Bone Spring Sand and  
3     then the Lower Bone Spring Sand being targeted.

4             And then B-4 is for the laydown (inaudible). The  
5     final exhibit is the affidavit from our office indicating  
6     that notice has been provided to all parties. All parties  
7     were locatable, therefore there was no need to publish.

8             So with that we would ask that the Exhibits A and  
9     B be admitted and this case be taken under advisement.

10            HEARING EXAMINER ORTH: Thank you, Mr. Feldewert.  
11     Mr. Hough, do you have questions of Mr. Feldewert?

12            MR. HOUGH: No questions.

13            HEARING EXAMINER ORTH: Thank you. Mr. Garcia,  
14     do you have questions of Mr. Feldewert?

15            TECHNICAL EXAMINER GARCIA: I do not.

16            HEARING EXAMINER ORTH: Thank you. Thank you,  
17     Mr. Feldewert. Your exhibits are admitted and the matters,  
18     21322 and 21233, are taken under advisement.

19                     (Exhibits admitted.)

20                     (Taken under advisement.)

21                     (Concluded.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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

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

15 I FURTHER CERTIFY that the Virtual Proceeding was  
16 of poor to good quality.

17 Dated this 23rd day of July 2020.

18

/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-21

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