

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

Application of COG Operating to
Amend Order No. R-21474 to Extend
Time to Commence Drilling Operations
Lea County, New Mexico

Case No. 22113

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, SEPTEMBER 9, 2021

SANTA FE, NEW MEXICO

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Esq. Hearing Examiner, Kurt Simmons,
Technical Examiner, on August 19, 2021, via Webex
Virtual Conferencing Platform hosted by New Mexico
Department of Energy, Minerals and Natural Resources

Reported by: Mary Therese Macfarlane
New Mexico CCR #122
PAUL BACA COURT REPORTERS
500 Fourth Street NW, Suite 105

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A P P E A R A N C E S

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C O N T E N T S

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I N D E X O F E X H I B I T S

A Self-Affirmed Statement of Adam Reker	5
A-1 Application and Proposed Notice of Hearing	5
A-2 Division Order No. R-21474	5
A-3 Hearing Notice Letter and Return Receipts	5
A-4 Affidavit of Publication	5

1 (Time noted 9:20 a.m.)

2 EXAMINER BRANCARD: All right. With that, we
3 will move to Item No. 25, Case No. 22113, COG Operating.
4 Hinkle Shanor.

5 MR. RODRIGUEZ: Michael Rodriguez with Hinkle
6 Shanor on behalf of the applicant COG Operating, LLC.

7 EXAMINER BRANCARD: Thank you. Are there any
8 other interested parties in Case 22113? (Note: Pause.)

9 Hearing none, you may proceed, Mr.
10 Rodriguez.

11 MR. RODRIGUEZ: Thank you.

12 In this matter, COG is requesting the
13 Division amend Order No. R-21474 to extend the deadline to
14 commence drilling operations until one year from the date
15 the Amended Order is issued.

16 The Division issued Order No. R-21474 in
17 Case No. 21421 on September 21, 2020, and the Order
18 created a 640-acre standard horizontal spacing unit within
19 the Wolfcamp, comprised of the west half of Sections 26
20 and 35, Township 23 South, Range 32 East, Lea County, New
21 Mexico, and designated COG the operator of the unit and
22 dedicate the unit to COG's Bedlington Federal Com 701,
23 702, 703 and 704H wells. Due to Covid 19 and commodity
24 prices, COG was required to revise its drilling schedule,
25 and now plans to drill these wells sometime in the fourth

1 quarter of 2021.

2 The case packets that were submitted to the
3 Division contain:

4 Exhibit A, which is the landman's testimony
5 and related attachments that were identified within the
6 testimony.

7 Exhibits A-3 and A-4 are the sample Notice
8 of Hearing Letter, Green Cards, and Affidavit of
9 Publication reflecting all Notice requirements have been
10 met.

11 And with that, I ask that Exhibits A, and
12 A-1 through A-4 be admitted into the record and Case
13 No. 22113 be taken under advisement.

14 And also I would like to point out that the
15 current Order will lapse on September 21st, and
16 accordingly I would request that the Division issue an
17 Expedited Order to prevent this lapse, if possible.

18 EXAMINER BRANCARD: Thank you.

19 Mr. Simmons, any questions or concerns?

20 EXAMINER SIMMONS: Well, the only thing that
21 comes to my mind is that the -- if we extend it for a year
22 that's only going to take it to September 21st of 2022,
23 and the proposed drilling schedule is sometime in the last
24 quarter. So is that going to reach far enough? The last
25 quarter includes October, November and December, but this

1 Order if extended will only get them an extra year, so I'm
2 wondering if that is going to be long enough.

3 MR. RODRIGUEZ: I'm sorry. Maybe I misspoke.
4 COG plans to drill its wells in the fourth quarter of this
5 year.

6 EXAMINER SIMMONS: Okay. Then that's fine.
7 Looks good. I think we can expedite it for you.

8 MR. RODRIGUEZ: Thank you very much.

9 EXAMINER BRANCARD: Any other interested persons
10 in Case 22113? (Note: Pause.)

11 Hearing none, I will admit your exhibits
12 into the record and take Case 22113 under advisement. Mr.
13 Simmons is very prompt in his Orders. You should be able
14 to get this quite quickly

15 MR. RODRIGUEZ: Thank you. I appreciate it.

16 (Time noted 9:23 a.m.)

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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 September 9, 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

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MARY THERESE MACFARLANE, CCR
NM Certified Court Reporter No. 122
License Expires: 12/31/2021

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