

3 IN THE MATTER OF THE HEARING CALLED  
4 BY THE OIL CONSERVATION DIVISION FOR  
5 THE PURPOSE OF CONSIDERING:

6 APPLICATION OF COG OPERATING, LLC  
7 FOR A NONSTANDARD SPACING AND  
8 PRORATION UNIT AND COMPULSORY  
9 POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 15033

ORIGINAL

10 REPORTER'S TRANSCRIPT OF PROCEEDINGS

11 EXAMINER HEARING

12 August 22, 2013

13 Santa Fe, New Mexico

14 BEFORE: PHILLIP GOETZE, CHIEF EXAMINER  
15 DAVID K. BROOKS, LEGAL EXAMINER

2013 AUG 29 P 12:44  
RECEIVED OCD

16 This matter came on for hearing before the  
17 New Mexico Oil Conservation Division, Phillip Goetze,  
18 Chief Examiner, and David K. Brooks, Legal Examiner, on  
19 Thursday, August 22, 2013, at the New Mexico Energy,  
20 Minerals and Natural Resources Department, 1220 South  
21 St. Francis Drive, Porter Hall, Room 102, Santa Fe,  
22 New Mexico.

23 REPORTED BY: Mary C. Hankins, CCR, RPR  
24 New Mexico CCR #20  
25 Paul Baca Professional Court Reporters  
500 4th Street, Northwest, Suite 105  
Albuquerque, New Mexico 87102

1 APPEARANCES

2 FOR APPLICANT COG OPERATING, LLC:

3 MICHAEL H. FELDEWERT, ESQ.  
 4 HOLLAND & HART  
 5 110 North Guadalupe, Suite 1  
 6 Santa Fe, New Mexico 87501  
 7 (505) 988-4421  
 8 mfeldewert@hollandhart.com

8 INDEX

|                                  | PAGE |
|----------------------------------|------|
| 9 Case Number 15033 Called       | 3    |
| 10 Statement by Mr. Feldewert    | 3    |
| 11 Proceedings conclude          | 6    |
| 12 Certificate of Court Reporter | 7    |

13

14

15 EXHIBITS OFFERED AND ADMITTED

16 (No exhibits.)

17

18

19

20

21

22

23

24

25

1 (8:54 a.m.)

2 EXAMINER GOETZE: Next is Case 15033,  
3 application of COG Operating, LLC for a nonstandard  
4 spacing and proration unit and compulsory pooling, Eddy  
5 County, New Mexico.

6 Call for appearances.

7 MR. FELDEWERT: May it please the Examiner,  
8 Michael Feldewert, of the Santa Fe office of Holland &  
9 Hart, appearing on behalf of the Applicant, COG  
10 Operating, LLC.

11 Mr. Examiner, this case was presented to  
12 the Division two weeks ago at the last hearing. I don't  
13 think there is anybody else appearing here today.

14 At that time, there was an interest that  
15 they sought to pool which was held by a -- it was held  
16 in the name of Pennie Mathewson. There was a question  
17 as to whether the existing lease covered the entire  
18 interest of Pennie Mathewson, since it did not have with  
19 it a spousal consent.

20 EXAMINER BROOKS: A what consent?

21 MR. FELDEWERT: I believe, a spousal  
22 consent. I'm not a landman, but I understand the  
23 paperwork was received.

24 EXAMINER BROOKS: I understand that. This  
25 is in New Mexico?

1 MR. FELDEWERT: Yes.

2 EXAMINER BROOKS: Well, of course it's in  
3 New Mexico.

4 MR. FELDEWERT: Yes.

5 EXAMINER BROOKS: It's community property,  
6 so spousal consent is required.

7 MR. FELDEWERT: Correct. That's my  
8 understanding.

9 EXAMINER BROOKS: Sounds reasonable.

10 MR. FELDEWERT: At that time, we asked that  
11 the case be continued for two weeks for purposes of  
12 seeing if they could cure the concerns arising out of  
13 the lease. I have been informed that they now have been  
14 corrected, so we can dismiss Ms. Mathewson's interest  
15 from the pooling application.

16 And with that said, we'd ask that the  
17 Division take this matter under advisement, because the  
18 remaining parties have yet to commit. And they should  
19 have also received notice of the prior hearing in a  
20 timely fashion.

21 EXAMINER GOETZE: Very good. So we'll go  
22 ahead and take it under advisement. If we have any  
23 further questions, we will be notify you.

24 Case Number 15033 is taken under  
25 advisement, and that's it for today.

1 EXAMINER BROOKS: I'm sorry, I didn't --

2 EXAMINER GOETZE: Wait a minute.

3 EXAMINER BROOKS: In case 15033, what was  
4 your bottom-line conclusion about the spousal-consent  
5 issue? What was your conclusion?

6 MR. FELDEWERT: I have no conclusion about  
7 the spousal-consent issue, but the point I can make is  
8 that they are sufficiently comfortable that they can now  
9 dismiss that interest in the pooling application.

10 EXAMINER BROOKS: Because they feel like  
11 they have a valid lease, right?

12 MR. FELDEWERT: Correct.

13 EXAMINER BROOKS: So there are other people  
14 being force pooled in that?

15 MR. FELDEWERT: Yes, sir.

16 EXAMINER GOETZE: Yes.

17 EXAMINER BROOKS: Very good.

18 You don't have anything to file in that  
19 case?

20 MR. FELDEWERT: I do not.

21 EXAMINER BROOKS: I believe that's probably  
22 my case if it got heard last time.

23 MR. FELDEWERT: It was presented to you,  
24 and we presented exhibits. Mr. Dirks testified, Stuart  
25 Dirks, you may recall.

1 EXAMINER BROOKS: Yeah. Right. Okay.

2 Thank you. That's all I have.

3 I'm sorry.

4 EXAMINER GOETZE: That's okay. I'd rather  
5 have it done right than go back and have Mr. Feldewert  
6 give me a complaint.

7 But we don't have to provide any  
8 documentation as far as --

9 EXAMINER BROOKS: Well, that's -- I mean,  
10 we'll have the -- as far as taking it under advisement,  
11 we don't have to provide any documentation because the  
12 court reporter will get us a transcript of what was said  
13 here today.

14 Now, whether that mysterious spouse has  
15 stepped [sic] up, that is something else.

16 MR. FELDEWERT: My understanding is that  
17 they have received additional paperwork that took care  
18 of the spouse --

19 EXAMINER BROOKS: It's really Mike's  
20 client's problem, not ours.

21 EXAMINER GOETZE: Very good. Then we will  
22 bring this hearing to a close officially.

23 MR. FELDEWERT: Thank you.

24 EXAMINER GOETZE: Thank you.

25 (Case Number 15033 concludes, 8:57 a.m.)  
I hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 15033  
August 22, 2013

PAUL BACA PROFESSIONAL COURT REPORTERS

Examiner  
108d8835-1885-4334-8ca0-c61e6a136ee7  
Oil Conservation Division

1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3

4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, New Mexico Certified  
6 Court Reporter No. 20, and Registered Professional  
7 Reporter, do hereby certify that I reported the  
8 foregoing proceedings in stenographic shorthand and that  
9 the foregoing pages are a true and correct transcript of  
10 those proceedings that were reduced to printed form by  
11 me to the best of my ability.

12 I FURTHER CERTIFY that the Reporter's  
13 Record of the proceedings truly and accurately reflects  
14 the exhibits, if any, offered by the respective parties.

15 I FURTHER CERTIFY that I am neither  
16 employed by nor related to any of the parties or  
17 attorneys in this case and that I have no interest in  
18 the final disposition of this case.

19

20

21

22

23

24

25



MARY C. HANKINS, CCR, RPR  
Paul Baca Court Reporters, Inc.  
New Mexico CCR No. 20  
Date of CCR Expiration: 12/31/2013