

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:

ORIGINAL

CASE 15310

APPLICATION OF COG OPERATING LLC FOR
APPROVAL OF A 640-ACRE NON-STANDARD
PROJECT AREA COMPRISED OF ACREAGE SUBJECT TO A PROPOSED
STATE COMMUNITIZATION AGREEMENT,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

June 11, 2015

Santa Fe, New Mexico

BEFORE: PHILLIP GOETZE, CHIEF EXAMINER
GABRIEL WADE, LEGAL EXAMINER

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This matter came on for hearing before the
New Mexico Oil Conservation Division, Phillip Goetze,
Chief Examiner, and Gabriel Wade, Legal Examiner, on
June 11, 2015, at 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: ELLEN H. ALLANIC
NEW MEXICO CCR 100
CALIFORNIA CSR 8670
PAUL BACA COURT REPORTERS
500 Fourth Street, NW
Suite 105
Albuquerque, New Mexico 87102

1 (Time noted 11:04 a.m.)

2 EXAMINER GOETZE: Let's bring forward case
3 No. 15310, Application of COG Operating, LLC, for
4 approval of a 640-acre non-standard project area
5 comprised of acreage subject to a proposed state
6 communitization agreement, Lea County, New Mexico.

7 MR. FELDEWERT: May it please the Examiner,
8 Michael Feldewert with the Santa Fe Office of Holland
9 and Hart appearing on behalf of COG Operating, LLC.

10 I do not have a witness. I just have an
11 additional exhibit to enter and some additional
12 information to provide to the Division.

13 EXAMINER GOETZE: Proceed.

14 MR. FELDEWERT: Mr. Examiner, this case was
15 presented on May 27th to Examiner Jones. There were two
16 witnesses at that time presented along with nine
17 exhibits.

18 At that time, Examiner Jones requested to
19 review the assignment document from ConocoPhillips to
20 COG Operating, LLC, which provided for the right to
21 communitize the acreage.

22 I have a copy of that, if I may approach,
23 which has been marked as COG Exhibit 10.

24 EXAMINER GOETZE: Very good.

25 MR. FELDEWERT: And what you will note is

1 that about half way down through paragraph 2 you'll see
2 the language authorizing in this case COG Operating,
3 LLC, to proceed to communitize the acreage without the
4 confirmation from ConocoPhillips.

5 So the other thing that Examiner Jones
6 requested was the confirmation that the district office
7 could, for lack of a better word, handle and implement
8 the 640-acre proposed project area.

9 And I inform you that COG has had
10 discussions with the district office, they have been
11 informed that it can be done and that the district
12 office has directed the parties to send all information
13 to Mr. Paul Kautz because he's familiar with this and
14 knows how to get it done.

15 So with that said, we ask that COG
16 Exhibit 10 be admitted into evidence and that this case
17 now be taken under advisement.

18 EXAMINER GOETZE: And Exhibit 10 is so
19 entered.

20 (COG OPERATING LLC EXHIBIT 10 OFFERED AND
21 ENTERED.)

22 EXAMINER GOETZE: And this addresses all the
23 questions regarding the overriding interest. So at this
24 point, we will go ahead and take the case under
25 advisement.

1 MR. FELDEWERT: Thank you.

2 EXAMINER GOETZE: Case No. 15310 is under
3 advisement.

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5 (Time noted 11:06 a.m.)

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 15310,
heard by me on June 11, 2013.


Phillip R. Goetze, Examiner
Oil Conservation Division

1 STATE OF NEW MEXICO)
 2) ss.
 3 COUNTY OF BERNALILLO)
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7 REPORTER'S CERTIFICATE

8
 9 I, ELLEN H. ALLANIC, New Mexico Reporter CCR
 10 No. 100, DO HEREBY CERTIFY that on Thursday, June 11,
 11 2015, the proceedings in the above-captioned matter were
 12 taken before me, that I did report in stenographic
 13 shorthand the proceedings set forth herein, and the
 14 foregoing pages are a true and correct transcription to
 15 the best of my ability and control.

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

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ELLEN H. ALLANIC, CSR
 NM Certified Court Reporter No. 100
 License Expires: 12/31/15