

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

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION FOR
THE PURPOSE OF CONSIDERING:

ORIGINAL

APPLICATION OF THE NEW MEXICO OIL Case No. 14055
CONSERVATION DIVISION FOR A COMPLIANCE
ORDER AGAINST C&D MANAGEMENT, d/b/a FREEDOM VENTURES
COMPANY

DE NOVO APPLICATION OF THE NEW MEXICO Case No. 14041
OIL CONSERVATION DIVISION FOR A COMPLIANCE
ORDER AGAINST MARKS & GARNER PRODUCTION LTD. CO.,
AND A REQUEST FOR DETERMINATION OF NON-COMPLIANCE WITH
OCD RULE 19.15.5.9 NMAC FOR VIOLATION OF AN ORDER
REQUIRING CORRECTIVE ACTION.

Case No. 14326; Case No. 14365; Case No. 14366; Case No.
14382; and Case No. 14323: Continued to January 14, 2010

REPORTER'S TRANSCRIPT OF PROCEEDINGS
COMMISSIONER HEARING

BEFORE: MARK E. FESMIRE, Chairman
JAMI BAILEY, Commissioner
WILLIAM C. OLSON, Commissioner

December 16, 2009
Santa Fe, New Mexico

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This matter came on for hearing before the New
Mexico Oil Conservation Commission, MARK E. FESMIRE,
Chairman, on Wednesday, December 16, 2009, at the New
Mexico Energy, Minerals and Natural Resources Department,
1220 South Saint Francis Drive, Room 102, Santa Fe, New
Mexico.

REPORTED BY: Jacqueline R. Lujan, CCR #91
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1 MS. BADA: I'm out until then, so that
2 would be fine.

3 CHAIRMAN FESMIRE: Let's delay that. We
4 will require the Tuesday after New Year's for submission
5 of the findings and fact and conclusions of law and the
6 proposed order. And with that, is there anything else in
7 Case Number 14041? Thank you all. Would you be so kind,
8 when you go upstairs, to tell Florene we've still got the
9 rest of the meeting?

10 MS. ALTOMARE: Yes. Let's go off the
11 record until Florene gets here.

12 (A recess was taken.)

13 CHAIRMAN FESMIRE: At this time let's go
14 back on the record. The next case is Case Number 14326.
15 It's the de novo application of the New Mexico Oil
16 Conservation Division for a compliance order against
17 Nacogdoches Oil and Gas, Inc. That case has been
18 continued to the January 14th, 2010 Commission meeting.

19 The next case before the Commission is Case
20 Number 14365. It's the de novo application of COG
21 Operating LLC for designation of a non-standard spacing
22 unit and for compulsory pooling, Eddy County, New Mexico.
23 That case also has been continued to January 14th, 2010
24 docket.

25 The next case before the Commission is Case

1 14366, the application of COG Operating LLC for
2 designation of a non-standard spacing unit, unorthodox
3 well location, and for compulsory pooling in Eddy County,
4 New Mexico. That case will be continued to the January
5 14th, 2010 Commission docket.

6 The next case before the Commission is Case
7 ~~14382,3~~ the application of Chesapeake Energy Corporation
8 for cancellation of a permit to drill issued to COG
9 Operating LLC, Eddy County, New Mexico. That case will
10 be continued to the January 14th, 2010 docket.

11 The next case before the Commission is Case
12 Number 14323, application of Chesapeake Energy
13 Corporation for cancellation of a permit to drill issued
14 to COG Operating LLC. That case has been continued to
15 the January 14th, 2010 docket.

16 Is there anything else before the Commission
17 today? At this time, the Chair would entertain a motion
18 to adjourn.

19 COMMISSIONER BAILEY: I so move.

20 COMMISSIONER OLSON: Second.

21 CHAIRMAN FESMIRE: All those in favor
22 signify by saying aye. Let the record reflect that the
23 Commission meeting was adjourned at 11:35 a.m. on
24 Wednesday, December 16, 2009.

25

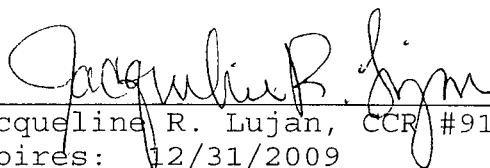
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REPORTER'S CERTIFICATE

I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO
HEREBY CERTIFY that on December 16, 2009, proceedings in
the above captioned case were taken before me and that I
did report in stenographic shorthand the proceedings set
forth herein, and the foregoing pages are a true and
correct transcription to the best of my ability.

I FURTHER CERTIFY that I am neither employed by
nor related to nor contracted with any of the parties or
attorneys in this case and that I have no interest
whatsoever in the final disposition of this case in any
court.

WITNESS MY HAND this 29th day of December,
2009.


Jacqueline R. Lujan, CCR #91
Expires: 12/31/2009