Page 1

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: 21667, 21668

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

March 4, 2021

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 BAYLEN LAMKIN on Thursday, March 4, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

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		Page 2
1	APPEARANCES	
2	For the Applicant:	
3	OCEAN MUNDS-DRY 1048 Paseo de Peralta	
4	Santa Fe, NM 87501-3034 505-428-0485	
5	For EOG:	
6	LANCE HOUGH	
7	MODRALL SPERLING ROEHL HARRIS & SISK PA 500 4th Street, NW, Suite 1000	
8	Albuquerque, NM 87102 505-848-9710	
9	I N D E X	
10		
11	CASE CALLED	
12	SUMMARY OF CASE AND EXHIBITS	03
13	TAKEN UNDER ADVISEMENT	05
14	REPORTER CERTIFICATE	06
15	EXHIBIT INDEX	
16		Admitted
17	All Exhibits and Attachments	05
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Page 3

- 1 HEARING EXAMINER ORTH: Off to the next two
- 2 matters -- actually, it's more than that. We have 21667 and
- 3 21668. This is COG Operating as the applicant, compulsory
- 4 pooling application. The well name is Blondie. And did I
- 5 see Ms. Munds-Dry there for a moment?
- 6 MS. MUNDS-DRY: Yes. Thank you, Madam Hearing
- 7 Examiner. Ocean Munds-Dry with COG Operating LLC.
- 8 HEARING EXAMINER ORTH: Terrific. And EOG made
- 9 an appearance. And Mr. Hough, is that you from Modrall
- 10 Sperling?
- 11 MR. HOUGH: That's correct, Madam Examiner, Lance
- 12 Hough on behalf of EOG.
- 13 HEARING EXAMINER ORTH: Good morning.
- MR. HOUGH: I will state up front, we are not
- 15 going to be opposed to the presentation by affidavit.
- 16 HEARING EXAMINER ORTH: Thank you very much. I
- 17 was going to ask that. Let me pause for a moment in the
- 18 event there are other appearances.
- 19 (No audible response.)
- 20 HEARING EXAMINER ORTH: No? Okay.
- 21 MS. MUNDS-DRY: Thank you, Madam Hearing
- 22 Examiner. In these two cases COG in Case 21667 seeks to
- 23 pool all uncommitted interest owners in the Wolfcamp
- 24 formation within the Purple Sage Wolfcamp Gas Pool,
- 25 underlying a standard 640 acre horizontal spacing unit

Page 4

1 comprised of the E/2 of Sections 7 and 18 in Township 26

- 2 South, Range 28 East in Eddy County, New Mexico.
- 3 And in Case 21668 COG also seeks to pool all
- 4 uncommitted interest owners in the Wolfcamp formation also
- 5 within the Purple Sage Wolfcamp Gas Pool, underlying a
- 6 standard 958.16 acre spacing -- horizontal spacing unit, and
- 7 that number is because part of it is comprised of lots, so
- 8 it's Lots 1, 2, 3, 4 in the E/2 W/2 of Section 6, 7, and 18
- 9 in Township 26 South and Range 28 East in Eddy County, New
- 10 Mexico.
- 11 We do have two case packets that have been
- 12 submitted for your review, and the landman and geologist
- 13 have both testified before the Division and their
- 14 credentials were accepted and made a matter of record.
- 15 Both cases contain similar exhibits including the
- 16 application, the compulsory pooling checklist which, by the
- 17 way, I haven't done in a while, so I really enjoyed that.
- 18 That was fun for me.
- 19 It's just a side note. Also in the packet is
- 20 Exhibit 1, which is the landman affidavit and the related
- 21 supporting attachments.
- 22 Exhibit 2, which is the geologist affidavit, and
- 23 his supporting attachments.
- 24 And then finally Exhibit 3, which is my notice
- 25 affidavit and affidavit of publication reflecting that all

Page 5 notice requirements were met for these cases. 2 And with that, I would ask that Exhibits 1 through 3 be admitted into the record and that these cases 3 be taken under advisement. 5 HEARING EXAMINER ORTH: All right. Thank you, 6 Ms. Munds-Dry. Mr. Lamkin, do you have any questions on these two cases? 8 TECHNICAL EXAMINER LAMKIN: No questions from me. 9 HEARING EXAMINER ORTH: All right, thank you. So 10 Exhibits 1 through 3 are admitted and the matters will be taken under advisement. Thank you both. 11 12 MS. MUNDS-DRY: Thank you. 13 (Exhibits admitted.) 14 (Taken under advisement.) 15 16 17 18 19 20 2.1 22 23 24 25

Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 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. I FURTHER CERTIFY that I am neither employed by 11 nor related to any of the parties or attorneys in this case 12 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of poor to good quality. 16 Dated this 4th day of March 2021. 17 18 /s/ Irene Delgado 19 Irene Delgado, NMCCR 253 20 License Expires: 12-31-21 2.1 22 23 2.4 25