

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

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

APPLICATION OF CIMAREX ENERGY CO.  
TO AMEND ORDER NO. 21324-A, CASE NO. 22263  
EDDY COUNTY, NEW MEXICO.

APPLICATION OF CIMAREX ENERGY CO.  
TO AMEND ORDER NO. 21325-A, CASE NO. 22264  
EDDY COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
DECEMBER 16 2021  
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before  
the New Mexico Oil Conservation Division, HEARING OFFICER  
WILLIAM BRANCARD and TECHNICAL EXAMINER KATHLEEN MURPHY on  
Thursday, December 16, 2021, through the Webex Platform.

Reported by: PAUL BACA  
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A P P E A R A N C E S

For the Applicant:

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1 HEARING EXAMINER BRANCARD: All right. We will  
2 call our first hearing for today, Items 31 and 32 on the  
3 worksheet, Cases 22263, 22264, Cimarex Energy Company.

4 MS. BENNETT: Good morning, Mr. Examiner. Deana  
5 Bennett on behalf of Cimarex Energy Company.

6 HEARING EXAMINER BRANCARD: And I see EOG  
7 Resources has entered an appearance.

8 MR. RITTENHOUSE: Yes, sir. This is Joby  
9 Rittenhouse from Beatty & Wozniak appearing on behalf of  
10 EOG.

11 HEARING EXAMINER BRANCARD: Thank you. Are there  
12 any other entries of appearance for Cases 22263, 22264?

13 (No audible response.)

14 HEARING EXAMINER BRANCARD: Hearing none, Ms.  
15 Bennett, you may proceed.

16 MS. BENNETT: Thank you very much, Mr. Examiner.  
17 EOG did enter an appearance in these cases before they were  
18 set for the original hearing, and we continued the cases  
19 before the original hearing, and now they were set for  
20 today's date, and I haven't heard any objection from EOG to  
21 present those cases by affidavit, so that's my intention  
22 today.

23 HEARING EXAMINER BRANCARD: Mr. Rittenhouse?

24 MR. RITTENHOUSE: No objection. Please continue.

25 MS. BENNETT: Thank you. Thank you. So in these

1 two cases Cimarex is seeking an extension of time to  
2 commence drilling under the orders, and in both cases, I  
3 submitted exhibits in both cases that are essentially  
4 identical.

5 The first exhibit in the case packet is the  
6 declaration of Riley Morris. He is the land professional  
7 for Cimarex Energy Company, and he has been -- he has  
8 testified before the Division and his credentials have been  
9 accepted as a matter of record.

10 And in his declaration he describes the reasons  
11 for needing the extension of time, which are due to the  
12 disruptions in the market and Covid and the disruption in  
13 drilling schedules that hopefully are coming to an end, but  
14 these orders are also coming to an end, so that's the reason  
15 why Cimarex is seeking a one-year extension of time for  
16 these two orders.

17 And the two orders are in Case Number 22263, it's  
18 Order R-21324. And in case Number 22264, it's Order Number  
19 R-21325. And as I mentioned, in each case Cimarex is  
20 seeking a one year extension of time to commence drilling.

21 Behind Mr. Morris's declaration, I have included  
22 our application, the two orders that we are seeking to be  
23 amended and the notice affidavit showing that notice of  
24 today's hearing was timely provided, and also affidavit of  
25 publication. And in both cases, Cimarex is seeking an

1 extension of time from March 15, 2022 to March 15, 2023.

2 And so with that, I would ask that the exhibits  
3 in Case Numbers 22263 and 22264 be accepted into the record  
4 and that these cases be taken under advisement. Thank you.

5 HEARING EXAMINER BRANCARD: Mr. Rittenhouse, any  
6 questions or comments?

7 MR. RITTENHOUSE: No, sir, thank you.

8 HEARING EXAMINER BRANCARD: Ms. Murphy, any  
9 questions.

10 TECHNICAL EXAMINER MURPHY: I do not have any  
11 questions, thank you.

12 HEARING EXAMINER BRANCARD: All right. This is  
13 the second extension, Ms. Bennett.

14 MS. BENNETT: That's correct.

15 HEARING EXAMINER BRANCARD: And the logic is  
16 problems with scheduling for Covid?

17 MS. BENNETT: Yes, yes, that's right. Mr. Morris  
18 explains in his affidavit or in his declaration that the  
19 first extension of time was, you know, due to Covid, but  
20 there's been continuing delays as a result of Covid that has  
21 caused further postponement of drilling plans and drilling  
22 schedules, so that's the reason for the second extension of  
23 time.

24 HEARING EXAMINER BRANCARD: Thank you. I guess  
25 we will start looking at these really carefully when the

1 third extensions start coming in. With that, are there any  
2 other persons here to comment on Cases 22263, or 22264?

3 (No audible response.)

4 HEARING EXAMINER BRANCARD: Hearing none, Cases  
5 22263 and 22264, the exhibits will be admitted into the  
6 record and cases will be taken under advisement.

7 MS. BENNETT: Thank you very much, Mr. Examiner.

8 (Exhibits admitted.)

9 (Taken under advisement.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3 REPORTER'S CERTIFICATE

4 I, PAUL BACA, New Mexico Certified Court  
5 Reporter, do hereby certify that I reported the foregoing  
6 virtual proceedings in stenographic shorthand and that the  
7 foregoing pages are a true and correct transcript of those  
8 proceedings to the best of my ability.

9 I FURTHER CERTIFY that I am neither employed by  
10 nor related to any of the parties or attorneys in this case  
11 and that I have no interest in the final disposition of this  
12 case.

13 I FURTHER CERTIFY that the Virtual Proceeding was  
14 of reasonable quality.

15 Dated this 16th day of December 2021.

16 /s/ Paul Baca

17 \_\_\_\_\_  
18 Paul Baca  
19 License Expires: 12-31-22

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