

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,
7 L.L.C. TO AMEND ORDER R-13744
8 TO CHANGE THE INITIAL WELL
9 DEDICATED TO THE APPROVED
10 SPACING AND PRORATION UNIT,
11 LEA COUNTY, NEW MEXICO.

CASE NO. 15027

- Rec'd

ORIGINAL

9 REPORTER'S TRANSCRIPT OF PROCEEDINGS

10 EXAMINER HEARING

11 May 1, 2014

12 Santa Fe, New Mexico

14 BEFORE: PHILLIP GOETZE, CHIEF EXAMINER

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17 This matter came on for hearing before the
18 New Mexico Oil Conservation Division, Phillip Goetze,
19 Chief Examiner, on Thursday, May 1, 2014, at the New
20 Mexico Energy, Minerals and Natural Resources
21 Department, 1220 South St. Francis Drive, Porter Hall,
22 Room 102, Santa Fe, New Mexico.

22 REPORTED BY: Mary C. Hankins, CCR, RPR
23 New Mexico CCR #20
24 Paul Baca Professional Court Reporters
25 500 4th Street, Northwest, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

1 APPEARANCES

2 FOR APPLICANT COG OPERATING, L.L.C.:

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8 INDEX

	PAGE
9 Case Number 15027 Called	3
10 Case Presented by Affidavits (2 Exhibits)	3
11 Proceedings Conclude	5
12 Certificate of Court Reporter	6

15 EXHIBITS OFFERED AND ADMITTED

16 COG Operating, L.L.C. Exhibit Numbers 1 and 2	5
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1 (9:09 a.m.)

2 EXAMINER GOETZE: Case 15027 re-opened,
3 application of COG Operating, L.L.C. to amend Order
4 R-13744 to change the initial well dedicated to the
5 approved spacing and proration unit, Lea County, New
6 Mexico.

7 Call for appearances.

8 MR. FELDEWERT: May it please the Examiner,
9 Michael Feldewert on behalf of the Applicant. I have no
10 witnesses here today. I have an affidavit.

11 EXAMINER GOETZE: Very good.

12 MR. FELDEWERT: Mr. Examiner, this case
13 seeks to amend the Division's order that created a north
14 half-north half spacing unit in Section 9 of Township 17
15 South, 32 East in Lea County. And the only change that
16 is sought is to change the well that was initially
17 dedicated for this spacing unit under the order. The
18 company has decided to move the initial well in this
19 case a little bit further south and change, therefore,
20 the dedicated well from what was approved as the Sneed 9
21 Federal #1H to the Sneed 9 Federal #2H.

22 COG Exhibit Number 1 is an affidavit of
23 Sean Johnson. Paragraph two describes the current order
24 from the Division and the current well that is listed in
25 that order as dedicated to the spacing unit. Paragraph

1 three identifies the location and the name of the well
2 that they now wish to have initially dedicated to the
3 spacing unit.

4 As part of the process and attached to this
5 affidavit is Attachment A is a copy of the well-proposal
6 letter that went out to all of the interest owners in
7 the north half-north half spacing unit for the new well.

8 Paragraph five discusses Attachment B,
9 which is the APD, which has been approved, or what will
10 now be the Sneed 9 Federal Com #2H well, and that
11 describes the location and the footages.

12 Attachment C to this affidavit, as
13 reflected in paragraph 6 of the affidavit, is the list
14 of the parties that remain subject to the pooling order.

15 And as result, then, Exhibit 2 in our
16 package is the affidavit providing notice of this
17 hearing to the addresses for these remaining parties.

18 So the only thing that the company seeks to
19 change here, Mr. Examiner, is the initial dedicated
20 well.

21 So we would submit COG Exhibits 1 and 2 in
22 this case and ask that the Division amend the order to
23 state that the initial dedicated well is the Sneed 9
24 Federal #2H as reflected in the affidavit.

25 EXAMINER GOETZE: And we're not seeing any

1 type of change in the completed interval? It's to
2 remain the same?

3 MR. FELDEWERT: The interval will meet the
4 setback requirements.

5 And one point, Your Honor, I forgot --
6 Mr. Examiner -- it's catching -- as reflected in
7 paragraph four of the affidavit, the AFE costs will also
8 not change. The only thing that will change to the
9 order is just changing this initially dedicated well,
10 but other than that, nothing will change.

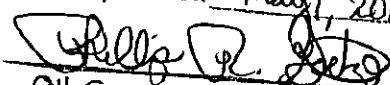
11 EXAMINER GOETZE: So you wish to submit
12 your affidavit?

13 MR. FELDEWERT: If you have no further
14 questions, I'd ask that you take into evidence COG
15 Exhibits 1 and 2.

16 EXAMINER GOETZE: Exhibits 1 and 2 are
17 accepted, and we will take Case Number 15027 under
18 advisement.

19 (COG Operating, L.L.C. Exhibit Numbers 1
20 and 2 were offered and admitted into
21 evidence.)

22 (Case Number 15027 concludes, 9:13 a.m.)

23 I do hereby certify that the foregoing is
24 a complete record of the proceedings in
the Examiner hearing of Case No. 15027
25 heard by me on May 1, 2014. *Refined*
 , Examiner
Oil Conservation Division

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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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.

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MARY C. HANKINS, CCR, RPR
Paul Baca Court Reporters, Inc.
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2014