

1 STATE OF NEW MEXICO
2 ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
3 OIL CONSERVATION DIVISION
4 IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

ORIGINAL

(Cont'd from Feb 4, 2016)

5 APPLICATION OF DEVON ENERGY PRODUCTION
6 COMPANY, LP, FOR SPECIAL POOL RULES
7 FOR THE BRINNINSTOOL-BONE SPRING POOL, Case 15438
LEA COUNTY, NEW MEXICO.

8 APPLICATION OF DEVON ENERGY PRODUCTION
9 COMPANY, LP, FOR SPECIAL POOL RULES
10 FOR THE TRIPLE X-BONE SPRING POOL, Case 15439
LEA COUNTY, NEW MEXICO.

11 APPLICATION OF DEVON ENERGY PRODUCTION
12 COMPANY, LP, FOR SPECIAL POOL RULES
13 FOR THE CRUZ-BONE SPRING POOL, Case 15440
LEA COUNTY, NEW MEXICO.

14 REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING
MARCH 3, 2016

Santa Fe, New Mexico

15 BEFORE: SCOTT DAWSON, CHIEF EXAMINER
16 MICHAEL McMILLAN, EXAMINER
17 DAVID BROOKS, LEGAL COUNSEL

18 This matter came on for hearing before the
19 New Mexico Oil Conservation Division, Scott Dawson,
20 Chief Examiner, Michael McMillan, Examiner, and David
21 Brooks, Legal Counsel, on March 3, 2016, 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.

22 REPORTED BY: ELLEN H. ALLANIC
23 NEW MEXICO CCR 100
CALIFORNIA CSR 8670
24 PAUL BACA COURT REPORTERS
500 Fourth Street, NW
25 Suite 105

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A P P E A R A N C E S

For the Applicant:

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For COG Operating, LLC, in case No. 15439:

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I N D E X

CASE NUMBERS 15438, 15439, and 15440 (Cont'd)

DEVON ENERGY PRODUCTION COMPANY, LP,
CASE-IN-CHIEF

Reporter's Certificate

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E X H I B I T I N D E X

Exhibits Offered and Admitted

DEVON ENERGY PRODUCTION COMPANY, LP, EXHIBIT 16

PAGE
4

1 (Time noted 8:52 a.m.)

2 EXAMINER DAWSON: At this time, we are
3 calling cases 15438, 15439, and 15440. They will be
4 consolidated. These are all Devon Energy Production
5 Company, LP, cases for special pool rules for the
6 Brinninstool-Bone Spring Pool, Triple X-Bone Spring
7 Pool, and the Cruz-Bone Spring Pools.

8 And Mr. Bruce will provide affidavits of
9 notice. Is that --

10 MR. BRUCE: That's correct. Mr. Examiner,
11 and I am entering an appearance for the applicant Devon
12 Energy.

13 MS. KESSLER: This is Jordan Kessler on
14 behalf of COG Operating, LLC. And I would like to enter
15 an appearance.

16 EXAMINER DAWSON: Okay.

17 MR. BRUCE: Mr. Examiner, this matter was
18 heard four weeks ago, and at that time, Examiner
19 Jones -- in this case, Devon is seeking 320 acre spacing
20 for horizontal Bone Spring wells and an increase in the
21 allowable for a 320 acre unit of 6,400 barrels of oil
22 per day.

23 At the last hearing, Examiner Jones
24 requested that we amend the application and give new
25 notice to request a vertical oil well allowable of 800
26 barrels a day -- which we did not do the first
27 go-around. So we amended the application and sent
28 written notice to everyone.

29 And submitted as Exhibit 16 is my affidavit
30 of notice. Everyone received notice except Angelo
31 Holdings, LLC -- well, I haven't gotten a green card
32 back. They did received actual notice of the original
33 application, so we do have the correct address.

34 I don't know how you want to handle it. But
35 I can always come back with a green card. It's probably
36 sitting at the post office right now.

37 EXAMINER DAWSON: Okay.

38 MR. BRUCE: And, if necessary, it could be
39 continued for two weeks.

40 EXAMINER DAWSON: Okay. We will continue
41 this --

42 MR. BROOKS: Well, if you want to go to the
43 post office and come back later in the day, we could
44 take it under advisement, but that's up to you,
45 Mr. Bruce.

46 MR. BRUCE: Well, why don't we just continue
47 it at this point.

48 MR. BROOKS: That sounds good to me.

49 EXAMINER DAWSON: Okay. The request for

1 MR. BRUCE: And I move the admission of
Exhibit 16.

2 EXAMINER DAWSON: First you are requesting
Exhibit 16 to be part of the record, correct?

3 MR. BRUCE: That is correct.

4 EXAMINER DAWSON: Okay. Exhibit 16 will be
admitted as part of the record.

5 MS. KESSLER: No objection.
(Devon Energy Production Company, LP,
Exhibit 16 was offered and admitted.)

6 EXAMINER DAWSON: Okay. We will continue
this case for two weeks to March 17th, 2016.

7 MR. BRUCE: You have an ambiguity in the
record. Maybe you should read the numbers, and say, We
8 continue case nos. --

9 EXAMINER DAWSON: Okay. To avoid ambiguity
in the record, we continue case numbers 15438, 15439,
and 15440 until March 17th, and that will enable
10 Mr. Bruce to provide the affidavits to notice. So this
case will be continued -- these three cases will be
11 continued until March 17th, 2016.

12 (Time noted 8:59 a.m.)

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I do hereby certify that the foregoing is
a copy true record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____

_____, Examiner
Oil Conservation Division

1 STATE OF NEW MEXICO)
)
2 COUNTY OF BERNALILLO) ss.

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REPORTER'S CERTIFICATE

I, ELLEN H. ALLANIC, New Mexico Reporter CCR No. 100, DO HEREBY CERTIFY that on Thursday, March 3, 2016, the proceedings in the above-captioned matter were taken before me, 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 and control.

I FURTHER CERTIFY that I am neither employed by nor related to nor contracted with (unless excepted by the rules) 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.

Ellen Allanic

ELLEN H. ALLANIC, CSR
NM Certified Court Reporter No. 100
License Expires: 12/31/16