

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 COMPANY, D/B/A FREEDOM  
VENTURES COMPANY, EDDY COUNTY, NEW MEXICO

APPLICATION OF THE BOARD OF COUNTY Case No. 14134  
COMMISSIONERS OF RIO ARRIBA COUNTY FOR  
CANCELLATION OR SUSPENSION OF APPLICATIONS FOR  
PERMITS TO DRILL APDs FILED BY APPROACH OPERATING, LLC,  
RIO ARRIBA COUNTY, NEW MEXICO

APPLICATION OF APPROACH OPERATING, LLC, Case No. 14141  
FOR APPROVAL OF SIX APPLICATIONS FOR PERMITS  
TO DRILL, RIO ARRIBA COUNTY, NEW MEXICO

APPLICATION OF APPROACH OPERATING, LLC, Case No. 14278  
FOR APPROVAL OF 14 APPLICATIONS FOR PERMITS TO  
DRILL, RIO ARRIBA COUNTY, NEW MEXICO

Case No. 14041: Continued to November 4, 2009  
Case No. 14365 and Case No. 14366: Continued to  
December 16, 2009

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REPORTER'S TRANSCRIPT OF PROCEEDINGS  
COMMISSIONER HEARING

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

October 7, 2009  
Santa Fe, New Mexico

1           This matter came on for hearing before the New  
2 Mexico Oil Conservation Commission, MARK E. FESMIRE,  
3 Chairman, on Wednesday, October 7, 2009, at the New  
4 Mexico Energy, Minerals and Natural Resources Department,  
5 1220 South Saint Francis Drive, Room 102, Santa Fe, New  
6 Mexico.

7           REPORTED BY: Jacqueline R. Lujan, CCR #91  
8                           Paul Baca Professional Court Reporters  
9                           500 Fourth Street, N.W., Suite 105  
10                          Albuquerque, NM 87103 505-843-9241  
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1 MR. HALL: That's all I have. Thank you.

2 CHAIRMAN FESMIRE: Good luck.

3 With this we will -- we've got one more  
4 case. The Commission will call Case Number 14365, the De  
5 Novo application of COG Operating, LLC, for designation  
6 of a nonstandard spacing unit and compulsory pooling in  
7 Eddy County, New Mexico, on the Blackhawk 11 Federal Com  
8 No. 1H. That case has been continued to the December  
9 16th meeting.

10 And, lastly, we have Case Number 14366, the De  
11 Novo application of COG Operating, LLC, for designation  
12 of a nonstandard spacing unit, unauthorized well location  
13 and for compulsory pooling in Eddy County, New Mexico, on  
14 the Blackhawk 11 Federal Com No. 2H. That case has also  
15 been continued until the December 16th meeting. Is there  
16 any further action before the Commission today?

17 COMMISSIONER BAILEY: Don't we have to go  
18 into the executive session for one more decision on that  
19 first case?

20 CHAIRMAN FESMIRE: Oh, yes. That is  
21 correct.

22 CHAIRMAN FESMIRE: At this time the  
23 Commission will go into executive session in Case Number  
24 14055.

25 (The Commission went into executive session.)

1                   CHAIRMAN FESMIRE: Let's go back on the  
2 record. The record should reflect that the Commission  
3 has emerged from executive session where we considered  
4 case Number 14055 -- that is the correct number; right --  
5 the compliance or order against C&D Management Company.  
6 The Commission has reached a decision, and we have  
7 communicated that decision to counsel and instructed him  
8 to draft an order reflecting that decision for  
9 presentation and signature at the next  
10 regularly-scheduled meeting of the New Mexico Oil  
11 Conservation Division.

12                   With that, is there any further business  
13 before the Commission today?

14                   COMMISSIONER BAILEY: I move that we  
15 adjourn.

16                   COMMISSIONER OLSON: I'll second.

17                   CHAIRMAN FESMIRE: All those in favor  
18 signify by saying aye.

19                   Let the record reflect that the Commission  
20 meeting was adjourned at 12:30 p.m.

21                                           \* \* \*

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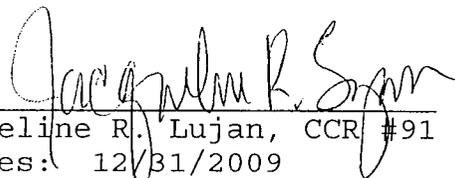
REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO  
HEREBY CERTIFY that on October 7, 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 21st day of October, 2009.

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