

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:

ORIGINAL

APPLICATION OF COG OPERATING, LLC CASE NO. 15163
FOR A NONSTANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO. CONSOLIDATED WITH:

APPLICATION OF COG OPERATING, LLC CASE NO. 15164
FOR A NONSTANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

APPLICATION OF COG OPERATING, LLC CASE NO. 15165
FOR A NONSTANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

August 21, 2014

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER

This matter came on for hearing before the
New Mexico Oil Conservation Division, Michael McMillan,
Chief Examiner, on Thursday, August 21, 2014, 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.

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

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APPEARANCES

FOR APPLICANT COG OPERATING, LLC:

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1 (8:44 a.m.)

2 EXAMINER McMILLAN: Good morning. At this
3 time I would like to call Case 15163, application of COG
4 Operating, LLC for a nonstandard spacing and proration
5 unit and compulsory pooling, Lea County, New Mexico.

6 Call for appearances.

7 MS. KESSLER: Jordan Kessler for the
8 Applicant.

9 EXAMINER McMILLAN: Any other appearances?

10 MS. KESSLER: Mr. Examiner, I'd like to
11 note that at the July 24th hearing, Cases 15163, 15164
12 and 15165 were consolidated.

13 EXAMINER McMILLAN: Okay.

14 MS. KESSLER: So at the time, we ask the
15 Hearing Examiner to continue that for notice purposes.
16 We needed to notice just the offset interests. So what
17 I've prepared for you today is a notice packet for all
18 three of those cases. So, Mr. Examiner, if you would be
19 willing to call the other two cases so that we could
20 address all three of these cases together, then I'll
21 move to have this exhibit accepted for all three cases.

22 EXAMINER McMILLAN: Okay. These three
23 cases will be combined. So Case 15163, Case 15164 and
24 Case 15165 are combined.

25 MS. KESSLER: Thank you, Mr. Examiner.

1 With that, I would like to have admitted
2 this notice packet, which I'd like to label as Concho's
3 Exhibit A so as not to confuse it with Exhibits 1
4 through, I think, 20 that were in the last case.

5 EXAMINER McMILLAN: So accepted.

6 (COG Operating, LLC Exhibit Letter A
7 was offered and admitted into evidence.)

8 MS. KESSLER: And if you'll look through
9 this, this is an affidavit I prepared ensuring that all
10 of the parties received notice, and it's also a letter
11 that we sent on the 29th of July to all offset parties
12 in the tract, in the nonstandard project area. This
13 also contains the prior letters that we had sent to the
14 pooled parties, and so there are three letters, one to
15 the 2H, the 3H and 4H, all to offset parties.

16 EXAMINER McMILLAN: Okay. So Exhibit A is
17 so accepted into the record for Cases 15163, 164 and
18 165.

19 MS. KESSLER: Thank you. And with that, I
20 would ask that these three cases be taken under
21 consideration.

22 EXAMINER McMILLAN: Thank you. These cases
23 will be taken under advisement.

24 The only thing I'm asking is go ahead and
25 make two other copies, so we can have it for our

1 records.

2 MS. KESSLER: Oh, I do have them right
3 here.

4 EXAMINER McMILLAN: Yeah. I'd like to have
5 them for our records.

6 (Case Numbers 15163, 15164 and 15165
7 conclude, 9:48 a.m.)

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

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_____, Examiner
Oil Conservation Division

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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.

19 
20

21 MARY C. HANKINS, CCR, RPR
22 Paul Baca Court Reporters, Inc.
23 New Mexico CCR No. 20
24 Date of CCR Expiration: 12/31/2014
25