

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:

JORDAN L. KESSLER, ESQ.  
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# EXHIBITS OFFERED AND ADMITTED

COG Operating, LLC Exhibit Letter A	4
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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.

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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  
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