

1 STATE OF NEW MEXICO
2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
3 OIL CONSERVATION DIVISION

4 IN THE MATTER OF THE HEARING CALLED
5 BY THE OIL CONSERVATION DIVISION FOR
6 THE PURPOSE OF CONSIDERING:

7 APPLICATION OF OGX OPERATING, LLC CASE NO. 15603
8 FOR A NONSTANDARD SPACING AND
9 PRORATION UNIT, COMPULSORY POOLING,
10 AND AN UNORTHODOX GAS WELL LOCATION,
11 EDDY COUNTY, NEW MEXICO.

12

13 REPORTER'S TRANSCRIPT OF PROCEEDINGS

14 EXAMINER HEARING

15 December 15, 2016

16 Santa Fe, New Mexico

17

18 BEFORE: EXAMINER McMILLAN, CHIEF EXAMINER
19 DAVID K. BROOKS, LEGAL EXAMINER

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22 This matter came on for hearing before the
23 New Mexico Oil Conservation Division, Michael McMillan,
24 Chief Examiner, and David K. Brooks, Legal Examiner, on
25 Thursday, December 15, 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.

26

27 REPORTED BY: Mary C. Hankins, CCR, RPR
28 New Mexico CCR #20
29 Paul Baca Professional Court Reporters
30 500 4th Street, Northwest, Suite 105
31 Albuquerque, New Mexico 87102
32 (505) 843-9241

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APPEARANCES

FOR APPLICANT OGX OPERATING, LLC:

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EXHIBITS OFFERED AND ADMITTED

OGX Operating, LLC Exhibit Numbers 8A and 9	4
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1 (9:13 a.m.)

2 EXAMINER McMILLAN: Okay. Now I'd like to
3 call Case Number 15603, application of OGX Operating,
4 LLC for a nonstandard spacing and proration unit,
5 compulsory pooling, and an unorthodox gas well location,
6 Eddy County, New Mexico.

7 Call for appearances.

8 MR. BRUCE: Mr. Examiner, Jim Bruce of
9 Santa Fe representing the Applicant.

10 EXAMINER McMILLAN: Any other appearances?
11 Please proceed.

12 MR. BRUCE: Mr. Examiner, this case was
13 heard four weeks ago. It was continued because in
14 notifying the people being pooled, two things. If you
15 you look at Exhibit 8 -- Exhibit 8 was submitted at the
16 hearing showing that all the parties being pooled
17 received actual notice except EOG Resources. EOG
18 Resources is actually not a party being pooled, but I
19 notified them because this was a period when they were
20 taking over Yates. So I notified Yates Petroleum, and
21 they received actual notice. But I finally got a green
22 card back from EOG. So I'm just submitting Exhibit 8A
23 as a supplemental notice.

24 At the same time, I had forgotten to notify
25 OXY Y-1 Company. I did notify them of this hearing, and

1 that is submitted as Exhibit 9. And I did get the green
2 card back, and OXY -- I don't know how they do this.
3 They didn't sign it. But if you would like, I'll get
4 the Post Office notice -- the online notice that shows
5 when they did receive it for you.

6 And I'd request that Exhibits 8A and 9 be
7 admitted into the record and that the case be taken
8 under advisement subject to me providing that online
9 notification to you today.

10 EXAMINER McMILLAN: Okay. Case Number
11 15603 shall be taken under advisement with the provision
12 that the Applicant will provide relevant notice for
13 OXY Y-1. And Exhibits 8A and 9 are admitted.

14 (OGX Operating, LLC Exhibit Numbers 8A and
15 9 are offered and admitted into evidence.)

16 (Case Number 15603 concludes, 9:15 a.m.)

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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, Certified Court
6 Reporter, New Mexico Certified Court Reporter No. 20,
7 and Registered Professional Reporter, do hereby certify
8 that I reported the foregoing proceedings in
9 stenographic shorthand and that the foregoing pages are
10 a true and correct transcript of those proceedings that
11 were reduced to printed form by me to the best of my
12 ability.

13 I FURTHER CERTIFY that the Reporter's
14 Record of the proceedings truly and accurately reflects
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither
17 employed by nor related to any of the parties or
18 attorneys in this case and that I have no interest in
19 the final disposition of this case.

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22 MARY C. HANKINS, CCR, RPR
23 Certified Court Reporter
24 New Mexico CCR No. 20
25 Date of CCR Expiration: 12/31/2017
Paul Baca Professional Court Reporters

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