

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:

APPLICATION OF CIMAREX ENERGY CO. CASE NO. 16294
FOR A NONSTANDARD SPACING AND
PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

September 6, 2018

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the
New Mexico Oil Conservation Division, Michael McMillan,
Chief Examiner, and David K. Brooks, Legal Examiner, on
Thursday, September 6, 2018, 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 CIMAREX ENERGY CO.:

JENNIFER L. BRADFUTE, ESQ.
MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.
500 4th Street, Northwest, Suite 1000
Albuquerque, New Mexico 87102
(505) 848-1800
jlb@modrall.com

FOR INTERESTED PARTY MRC DELAWARE RESOURCES, LLC:

ADAM RANKIN, ESQ.
HOLLAND & HART, LLP
110 North Guadalupe, Suite 1
Santa Fe, New Mexico 87501
(505) 988-4421
agrarkin@hollandhart.com

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EXHIBITS OFFERED AND ADMITTED

Cimarex Energy Co. Exhibit Number 11	4
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1 (9:57 a.m.)

2 EXAMINER McMILLAN: Case Number 16294
3 application of Cimarex Energy Company for a nonstandard
4 spacing and proration unit and compulsory pooling, Lea
5 County, New Mexico.

6 Call for appearances.

7 MS. BRADFUTE: Jennifer Bradfute with the
8 Modrall, Sperling Law Firm, on behalf of the Applicant.

9 EXAMINER McMILLAN: Any other appearances
10 for this case?

11 MR. RANKIN: Mr. Examiner, Adam Rankin, of
12 the Santa Fe office of Holland & Hart, on behalf of MRC
13 Delaware Resources, LLC.

14 MS. BRADFUTE: Mr. Examiner, this case was
15 actually heard on the July 26th, 2018 docket. It was
16 continued to this date in order to provide notice to
17 overriding royalty interest owners. That notice has
18 been provided. In the packet I just handed you, Exhibit
19 Number 11 is contained therein, and Exhibit Number 11
20 includes an affidavit confirming that notice was given
21 to overriding royalty interest owners. Cimarex looked
22 for addresses of record and sent out certified mailings.
23 A copy of the certified mailing numbers is included and
24 attached to my affidavit, along with a copy of the
25 notice letter that was sent to overriding royalty

1 interest owners and copies of the green cards that were
2 received.

3 In addition, there were a couple of
4 returned mailings, so Cimarex did also publish notice.
5 And I apologize. I don't see the Affidavit of
6 Publication attached hereto, so we will need to submit
7 that separately to confirm notice was also published in
8 this matter.

9 I would tender Exhibit 11 into the record
10 for this case.

11 EXAMINER McMILLAN: Any objections?

12 MR. RANKIN: No objections.

13 EXAMINER McMILLAN: Exhibit 11 may now be
14 accepted as part of the record.

15 (Cimarex Energy Co. Exhibit Number 11 is
16 offered and admitted into evidence.)

17 EXAMINER McMILLAN: And you will supply --

18 MS. BRADFUTE: The Affidavit of Publication
19 from the newspaper.

20 EXAMINER McMILLAN: Yes, to the OCD and the
21 other party.

22 MS. BRADFUTE: And the other party, yes.

23 EXAMINER McMILLAN: Excuse me. Is that
24 okay?

25 MR. RANKIN: There's no problem with that

1 from my perspective, Mr. Examiner.

2 EXAMINER McMILLAN: Okay.

3 MS. BRADFUTE: And we ask this case be
4 taken under advisement after that information's
5 received.

6 MR. RANKIN: No objection.

7 EXAMINER McMILLAN: Okay. Case Number
8 16294 may now be taken under advisement with the
9 required information to the affected parties.

10 MS. BRADFUTE: Thank you.

11 (Case Number 16294 concludes, 10:00 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.

20 DATED THIS 28th day of September 2018.
21

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23 MARY C. HANKINS, CCR, RPR
24 Certified Court Reporter
25 New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2018
Paul Baca Professional Court Reporters