

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

IN THE MATTTTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 21410

APPLICATION BY COG OPERATING FOR  
COMPULSORY POOLING IN EDDY COUNTY  
NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING  
(Request for Continuance)

THURSDAY, SEPTEMBER 10, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Felicia Orth,  
Hearing Examiner, Scott Cox, Technical Examiner, on  
Thursday, September 10, 2020 by Webex  
Videoconferencing Platform

Reported by: Mary Therese Macfarlane  
New Mexico CCR No. 122  
PAUL BACA PROFESSIONAL COURT REPORTERS  
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1 A P P E A R A N C E S.

2 For the Applicant: Kaitlyn A. Luck, Esq.  
3 Holland & Hart  
4 P.O. Box 2208  
5 Santa Fe, NM 87504-2208  
6 (505) 988-4421  
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C O N T E N T S

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1 (Time noted 9:11 a.m.)

2 HEARING EXAMINER ORTH: Okay. Let's move, then,  
3 to the next matter. This is 21410, COG Operating,  
4 Compulsory Pooling Application for a well named Boo  
5 Radley.

6 Someone is a Mocking Bird fan.

7 Who here from is from Holland & Hart for  
8 the Applicant?

9 MS. LUCK: Good morning, Madam Examiner.  
10 Kaitlyn Luck from the Santa Fe office of Holland & Hart  
11 for the Applicant COG Operating, LLC.

12 HEARING EXAMINER ORTH: All right. Let me pause  
13 a moment to see if there are other appearance this  
14 morning.

15 Okay. Hearing nothing, if you would please  
16 go ahead.

17 MS. LUCK: Thank you, Madam Examiner.

18 In this case we sent an email to the  
19 Division on Tuesday requesting to file a late continuance  
20 because we learned that this case involves a depth  
21 severance, and for that reason we would ask that the  
22 Division set this to September 24th.

23 COG has been working with the two affected  
24 parties related to this depth severance. Those two  
25 parties are also included in the horizontal spacing unit

1 subject. COG would request additional time to continue  
2 working out a contractual agreement with those parties  
3 related to the severance in the middle of the Formation.

4 For that reason, I ask the Division to  
5 consider --

6 HEARING EXAMINER ORTH: Ms. Luck, your audio  
7 has been cutting out. We lost you.

8 MS. LUCK: Would you like me to repeat what I  
9 said?

10 HEARING OFFICER ORTH: Would you like me to  
11 repeat what I said?

12 HEARING OFFICER ORTH: Uh, yeah. It might --  
13 great, you're calling in. Okay.

14 MS. LUCK: Yes. On my phone.

15 HEARING EXAMINER ORTH: Okay. Good.

16 So I heard that you have discovered a depth  
17 severance that you need to negotiate.

18 MS. LUCK: That is correct. And COG is  
19 currently working with the parties that are affected by  
20 the depth severance, because the depth severance is in the  
21 middle of the spacing unit in this case. So COG would  
22 like additional time to continue working out a contractual  
23 agreement with those parties to be able to provide the  
24 Division with more complete information when the case is  
25 taken under advisement.

1 HEARING EXAMINER ORTH: Okay. And so the depth  
2 severance was simply discovered late?

3 MS. LUCK: That's correct. It was not included  
4 in our application in this case, and so when we were  
5 preparing the exhibits for this case and we reviewed the  
6 information of the landman, we were advised that there was  
7 a depth severance, even though COG had been working behind  
8 the scenes on the depth severance with those parties.

9 HEARING EXAMINER ORTH: I see.

10 MS. LUCK: Yes.

11 HEARING EXAMINER ORTH: I'm sorry. I didn't  
12 mean to interrupt you.

13 MS. LUCK: On, no, it's okay. I just wanted to  
14 mention that COG would request, you know, the additional  
15 time just to complete the contractual negotiations with  
16 the affected parties, and so that's why an additional two  
17 weeks is requested.

18 HEARING EXAMINER ORTH: I see. All right. So  
19 if you would please -- you have already made that request  
20 through the fee portal?

21 MS. LUCK: I have not. We submitted an email  
22 request and Marlene let us know that we had to provide  
23 this information this morning at the hearing.

24 So we can submit that payment via the fee  
25 portal if the Division would like us to do it at this

1 point.

2 HEARING EXAMINER ORTH: Yeah. That would be  
3 necessary regardless.

4 All right. We just wanted to understand  
5 why the continuance was not made timely, I guess, is what  
6 we were hoping to understand.

7 MS. LUCK: Thank you. And we appreciate the  
8 Division allowing us additional time in this case.

9 HEARING EXAMINER ORTH: Okay. And in particular  
10 you're requesting September 24th?

11 MS. LUCK: That's correct.

12 HEARING EXAMINER ORTH: Okay. All right. If  
13 you would then send that through the portal.

14 MS. LUCK: Thank you.

15 (Time noted 9:14 a.m.)

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1 STATE OF NEW MEXICO )

2 : SS

3 COUNTY OF TAOS )

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REPORTER'S CERTIFICATE

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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CCR No. 122, DO HEREBY CERTIFY that on Thursday, September

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10, 2020, the proceedings in the above-captioned matter

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were taken before me; that I did report in stenographic

10

shorthand the proceedings set forth herein, and the

11

foregoing pages are a true and correct transcription to

12

the best of my ability and control.

13

I FURTHER CERTIFY that I am neither employed by

14

nor related to nor contracted with (unless excepted by the

15

rules) any of the parties or attorneys in this case, and

16

that I have no interest whatsoever in the final

17

disposition of this case in any court.

18

/s/ Mary Macfarlane

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MARY THERESE MACFARLANE, CCR

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NM Certified Court Reporter No. 122

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License Expires: 12/31/2020

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