

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:

CASE NO. 21622

Application of COG Operating, LLC
to Amend Order R-21473 to reassign
the defining well,
Lea County, New Mexico

THURSDAY, JANUARY 7, 2020

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Hearing Examiner, Dylan Rose-Coss,
Technical Examiner Dean McClure, Technical
Examiner, via Cisco Webex Virtual Meeting Platform

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street NW, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

For the Applicant COG Operating, LLC:

Michael Rodriguez, Esq.
COG Operating, LLC
1048 Paseo de Peralta
Santa Fe, NM 87501
(505) 780-8000
mrodriguez@concho.com

I N D E X

CASE NUMBER 21622	PAGE
CASE CALLED:	3
STATEMENT BY MR. RODRIGUEZ:	3
STATEMENT BY EXAMINER ROSE-COSS:	5
TAKEN UNDER ADVISEMENT:	6

E X H I B I T I N D E X

APPLICANT COG OPERATING, LLC EXHIBITS	ADMITTED
1 Landman's Affidavit w/attachments	6
2 Notice Affidavit	6

1 (Time noted 9:25 a.m.)

2 HEARING EXAMINER BRANCARD: Case No. 29. We are
3 skipping ahead here to 21622, COG Operating, LLC.

4 MR. RODRIGUEZ: Good morning. Michael Rodriguez
5 with COG Operating, LLC.

6 HEARING EXAMINER BRANCARD: Excellent. Do we
7 have any other appearances in this case?

8 Hearing none, you may proceed,
9 Mr. Rodriguez.

10 MR. RODRIGUEZ: Thank you.

11 In Case No. 21622 COG is requesting that
12 Order No. R-21473 be reopened to reassign the proximity
13 defining well to the Bedlington 10 Federal Com. 502H well.

14 The Division issued the Order R-21473,
15 which created a 640-acre spacing unit comprised of the
16 West Half of Sections 26 and 35, Township 23 South, Range
17 32 East in Lea County, New Mexico and designated COG as
18 the operator of the unit.

19 The Order further pooled all uncommitted
20 interests within the Bone Spring Formation and dedicated
21 the unit to eight Bedlington Federal Com. wells, including
22 the Bedlington 302H and 502H wells.

23 Exhibit A of the Order designated
24 Bedlington Federal Com. No. 302H well as the ace
25 proximity-defining well, and this well is, uh, planning to

1 be located in the Avalon Interval within the Bone Spring
2 Formation. However, due to recent monitoring results in
3 the surrounding area, COG now plans to initially develop
4 the Second Bone Spring instead of the Avalon Interval
5 where the Bedlington 302H well is planned for. As such,
6 the Bedlington 302H is precluded from being the
7 proximity-defining well, will no longer be an initial
8 well, and COG is concerned that the proximity acreage held
9 will no longer be included in the unit.

10 COG initially plans to drill the Bedlington
11 502H well within the Second Bone Spring, which is a
12 qualified proximity defining well and would hold the same
13 proximity acreage as the 302H well.

14 I believe a couple of months ago I spoke
15 with Examiner Garcia about how COG can redesignate the
16 proximity defining well and was advised that such change
17 has to go through the hearing process, which is how we
18 arrived here today.

19 There are no other changes to anything
20 within the current Order or the Compulsory Pooling
21 Checklist.

22 And with that I would like to move on to
23 the case packet which contains the application, a revised
24 Compulsory Pooling Checklist designated for the Bedlington
25 502H well as proximity-defining well.

1 Exhibit 1, which is the landman's
2 Affidavit. Attachment A, which includes a true and
3 accurate copy of Division Order No. R-21442. Attachment B
4 is the C-102 for the Bedlington 502H well, demonstrating
5 that it is qualifying proximity-defining well;

6 And Exhibit 2 is my Notice of Affidavit and
7 Affidavit of Publication reflecting that all Notice
8 requirements have been met

9 And with that I ask that the case packet
10 containing Exhibits 1 and 2 be admitted into the record
11 and Case No. 21622 be taken under advisement.

12 And with that, I stand for any questions.

13 HEARING EXAMINER BRANCARD: Thank you. Any
14 questions?

15 Any questions from the examiners?

16 (Note: Reporter inquiry.)

17 EXAMINER ROSE-COSS: Thank for the heads-up, Ms.
18 Macfarlane.

19 Mr. Rodriguez, thanks for your
20 presentation. I will alert Mr. Garcia to the case, and
21 I'm sure he'll know what to do with it, if you have spoken
22 with him before.

23 But other than that, I do not have any
24 questions.

25 MR. RODRIGUEZ: Great. Thank you.

1 EXAMINER McCLURE: No questions at this point
2 either. Examiner McClure.

3 HEARING EXAMINER BRANCARD: Okay. We are on
4 Case 21622, COG Operating.

5 Are there any other comments?

6 Hearing none, we will admit the exhibits
7 and take 21622 under advisement.

8 (Time noted 9:30 a.m.)

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)

4

5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday,
8 January 7, 2021, the proceedings in the above-captioned
9 matter were taken before me; that I did report in
10 stenographic shorthand the proceedings set forth herein,
11 and the foregoing pages are a true and correct
12 transcription to 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

19

20 _____
21 Mary Therese Macfarlane, CCR
 NM Certified Court Reporter No. 122
 License Expires: 12/31/2021

22

23

24

25