

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 NOS: 21699

APPLICATION OF CIMAREX ENERGY COMPANY
TO AMEND ORDER NO R-21295,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
March 4, 2021
Santa Fe, New Mexico

This matter came on for virtual hearing before
the New Mexico Oil Conservation Division, HEARING OFFICER
FELICIA ORTH and TECHNICAL EXAMINER BAYLEN LAMKIN on
Thursday, March 4, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

For the Applicant:

LANCE HOUGH
MODRALL SPERLING ROEHL HARRIS & SISK PA
500 4th Street, NW, Suite 1000
Albuquerque, NM 87102
505-848-9710

For EOG:

ADAM RANKIN
HOLLAND & HART
110 North Guadalupe, Suite 1
Santa Fe, NM 87501
505-954-7286

I N D E X

CASE CALLED	
SUMMARY OF CASE AND EXHIBITS	03
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E X H I B I T I N D E X

	Admitted All
Exhibits and Attachments	06

1 HEARING EXAMINER ORTH: Let's move to Case 21699,
2 Cimarex Energy is the applicant. Another request to amend
3 an order. James is the name of the well. Mr. Hough, are
4 you here for Cimarex?

5 MR. HOUGH: Yes, Madam Hearing Examiner.

6 HEARING EXAMINER ORTH: And Mr. Rankin, you are
7 hearing for EOG?

8 MR. RANKIN: Morning, Madam Hearing Officer,
9 appearing on behalf of EOG, Adam Rankin of the law firm of
10 Holland & Hart, and EOG does not oppose this case proceeding
11 by affidavit.

12 HEARING EXAMINER ORTH: Thank you very much,
13 Mr. Hough.

14 MR. HOUGH: So this is to amend Order R-21295 to
15 allow for a one-year extension of time to commence drilling
16 operations. That would extend the deadline out to April 28,
17 2022. And this order pools the Bone Spring formation in the
18 E/2 W/2 of Sections 20 and 29 in Township 23 South, Range --
19 I'm sorry -- Range 32 East, that's Lea County, and this is
20 dedicated to well James 20-29 Fed Com to 38H and 39H.

21 And as provided in the packet, Exhibit A is the
22 self-affirmed declaration of Kelsi Henriques. The only
23 thing I wanted to add here is Kelsi has not previously
24 testified before the Division, so as she testified here in
25 her self-affirmed declaration, she provided that she

1 attended the University of Tulsa, received a bachelor's
2 degree in Energy Management with a double concentration of
3 upstream and midstream and minor in finance. She graduated
4 cum laude in May 2017.

5 She has worked as a landman since June of 2017.
6 She also has some prior experience that dates back to 2014
7 on land matters which included intern work at Concho for
8 several summers that are related to the Permian Basin of New
9 Mexico.

10 She first worked as a landman at Concho from June
11 2017 to October 2020, and she worked as a landman at Cimarex
12 from December of 2020. She also provides that she is
13 working on behalf of Cimarex in New Mexico, primarily in the
14 Delaware Basin and she is familiar with these applications.
15 So at this time, I would tender Ms. Henriques as an expert
16 in petroleum land matters.

17 HEARING EXAMINER ORTH: Any questions,
18 Mr. Rankin, about that?

19 MR. RANKIN: no questions.

20 HEARING EXAMINER ORTH: All right. Thank you.
21 She is so recognized.

22 MR. HOUGH: I will add, her resume is attached to
23 her declaration. So as she provides in her declaration, she
24 states good cause exists for the extension of time due to
25 the market conditions. Cimarex has adjusted its drilling

1 schedule for this development area as well.

2 It is further provided in the hearing packet
3 Exhibits A-1 and A-2 are the applications in this case and
4 the orders I have discussed.

5 Exhibit B is my affidavit of notice, and I have
6 reflected in B-1 through B-3 that notice was timely mailed
7 to the interested parties, as well as published in a
8 newspaper of local circulation timely.

9 So unless there are any questions, I would ask
10 that these exhibits be admitted into the record and this
11 matter be taken under advisement.

12 HEARING EXAMINER ORTH: Thank you, Mr. Hough.
13 Mr. Rankin, any questions?

14 MR. RANKIN: No questions and no objection to the
15 exhibits being admitted into the record.

16 HEARING EXAMINER ORTH: Thank you. Mr. Lamkin,
17 any questions?

18 TECHNICAL EXAMINER LAMKIN: I have no questions.
19 Thank you.

20 HEARING EXAMINER ORTH: All right. Thank you.
21 Mr. Hough, the exhibits are admitted and the matter is taken
22 under advisement.

23 (Exhibits admitted.)

24 (Taken under advisement.)

25

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court
7 Reporter, CCR 253, do hereby certify that I reported the
8 foregoing virtual proceedings in stenographic shorthand and
9 that the foregoing pages are a true and correct transcript
10 of those proceedings to the best of my ability.

11 I FURTHER CERTIFY that I am neither employed by
12 nor related to any of the parties or attorneys in this case
13 and that I have no interest in the final disposition of this
14 case.

15 I FURTHER CERTIFY that the Virtual Proceeding was
16 of poor to good quality.

17 Dated this 4th day of March 2021.

18

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-21

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