

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. 14679

APPLICATION OF CIMAREX ENERGY COMPANY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING

BEFORE: TERRY G. WARNELL, Hearing Examiner .

July 21, 2011

Santa Fe, New Mexico

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This matter came on for hearing before the
New Mexico Oil Conservation Division, TERRY G. WARNELL,
Hearing Examiner on Thursday, July 21, 2011, at the
New Mexico Energy, Minerals and Natural Resources
Department, 1220 South Street Francis Drive, Room 102,
Santa Fe, New Mexico.

REPORTED BY: Lisa Reinicke
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102

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A P P E A R A N C E S

For the Applicant:

JAMES GARRETT BRUCE
ATTORNEY AT LAW
P.O. Box 1056
Santa Fe, New Mexico 87504-1056
(505) 982-2043

I N D E X

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CERTIFICATE OF COMPLETION OF DEPOSITION 6

EXHIBITS MARKED/IDENTIFIED

1. Land Plat 4

2. Application for Permit to Drill 4

3. April 8, 2011 Letter 4

4. May 4, 2011 E-Mail 4

5. Authorization for Expenditure 4

6. Affidavit of Notice 4

1 HEARING OFFICER WARNELL: Then we're ready
2 to call Case Number 14679, application of Cimarex Energy
3 for compulsory pooling, Eddy County, New Mexico.

4 Call for appearances.

5 MR. BRUCE: Mr. Examiner, Jim Bruce of
6 Santa Fe representing the applicant. I have one
7 witness, and let the reflect that Mr. Tresner was
8 previously sworn and qualified.

9 HAYDEN TRESNER
10 after having been first duly sworn under oath,
11 was questioned and testified as follows:

12 DIRECT EXAMINATION

13 BY MR. BRUCE:

14 Q. Mr. Tresner, looking at this batch of exhibits,
15 could you just identify the well unit and the well name
16 for this case?

17 A. Yes. The spacing unit that will be dedicated to
18 the Alaska 29 Fee Number 2 Well is the northwest quarter
19 of the southeast quarter of section 29.

20 Q. And, again, the ownership is the same as in the
21 prior case?

22 A. That is correct.

23 Q. And your exhibit package contains your
24 correspondence and e-mails with COG/Pitch Energy?

25 A. Yes.

1 Q. And those are the two parties you're seeking to
2 pool?

3 A. Yes.

4 Q. And the well costs and overhead rates are the
5 same as in the prior case?

6 A. 4500 and 450, yes.

7 MR. BRUCE: Unless you want more,
8 Mr. Examiner, I just move the admission of --

9 Q. (By Mr. Bruce) And were Exhibits 1 through 6
10 prepared by you or under your supervision or compiled
11 from company business?

12 A. Yes, they were.

13 MR. BRUCE: With that, Mr. Examiner, I move
14 the Exhibits 1 through 6.

15 HEARING OFFICER WARNELL: Exhibits 1 through
16 6 are admitted.

17 [Exhibits 1 through 6 admitted.]

18 Q. (By Mr. Bruce) And in your opinion, is the
19 granting of this application in the interest of
20 conservation and the prevention of waste?

21 A. Yes.

22 MR. BRUCE: That's all I have of the
23 witness, Mr. Examiner.

24 HEARING OFFICER WARNELL: Very good. Thank
25 you. I have no questions. So with that, Case 14679

1 will be taken under advisement.

2 [Case 14679 taken under advisement.]

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____, Examiner
Oil Conservation Division

REPORTER'S CERTIFICATE

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3 I, Lisa Reinicke, New Mexico Provisional
4 Reporter, License #P-405, working under the direction
5 and direct supervision of Paul Baca, New Mexico CCR
6 License #112, Official Court Reporter for the US
7 District Court, District of New Mexico, do hereby
8 certify 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 and
11 was reduced to printed form under my direct supervision.

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

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Lisa R. Reinicke,
Provisional License P-405
License expires: 8/21/2011

21

22 Ex count:

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