Page 1 ACCELED OCD ORIGINAL 3 4 2012 JUN 11 P 4: 30 5 6 7 8 REPORTER'S TRANSCRIPT OF PROCEEDINGS 9 PRE-HEARING TRANSCRIPT 10 11 12 **BEFORE**: DAVID K. BROOKS, Chief Examiner TERRY WARNELL, Technical Examiner 13 14 May 24, 2012 Santa Fe, New Mexico 15 16 17 This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, 18 Chief Examiner, and TERRY WARNELL, Technical Examiner, on Thursday, May 24, 2012, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South 19 St. Francis Drive, Porter Hall, Room 102, Santa Fe, 20 New Mexico. 21 22 REPORTED BY: Mary C. Hankins, CCR, RPR New Mexico CCR #20 23 Paul Baca Professional Court Reporters 500 4th Street, Northwest, Suite 105 24 Albuquerque, New Mexico 87102 25

PAUL BACA PROFESSIONAL COURT REPORTERS

Page 2 1 (8:20 a.m.) 2 EXAMINER BROOKS: Good morning, ladies and gentlemen. Sorry for the delay here. 3 4 This is Docket -- Oil Conservation Division Docket Number 16-12. 5 Ĝ And it is the swan song for Mr. Warnell 7 here. He is leaving us to join Ray Powell, and I will still be here. 8 9 MR. FELDEWERT: We will miss you. 10 EXAMINER BROOKS: Okay. The first order of business is to call the continuances and the dismissals. 11 12 Page 2 of the docket, Case Number 14837 is dismissed. Case Number 14838 is dismissed. Case Number 13 14840 is continued to June the 7th. Case Number 14841 14 is continued to June the 7th. Case Number 14826 is 15 continued to June the 7th. Case Number 14842 is 16 continued to June the 7th. 17 18 Proceeding to page 4: Case Number 14843 is continued to June 7th. Case Number 14844 is continued 19 20 to June the 25th. Case Number 14845 is continued to 21 June the 25th. Case Number 14846 is continued to June 22 the 7th. Case Number 14847 is continued to June the 7th. 23 24 Continuing on to page 5: Case Number 14849 is continued to June the 25th. Case Number 14850 is 25

PAUL BACA PROFESSIONAL COURT REPORTERS

1 continued to June the 25th.

2 Continuing to page 6: Case Number 14819 is 3 continued to July the 12th. Case Number 14820 is 4 continued to July the 12th. Case Number 14821 is 5 continued to July the 12th. Case Number 14822 is 6 continued to July the 12th. Case Number 14823 is 7 continued to July the 12th.

Case Number 13940, finally -- this is on 8 page 7. Case Number 14930 [sic] is continued to June 9 the 21st. That will be June the 25th, though, because 10 that docket has been moved due to the Pit Rule. And I 11 would say, in regard to Case Number 13940, that it is 12 not exempt from the new rule, that you can only have 13 three continuances after March 1st, 2012, and this is 14 the second one. No, this is the first one. Well, I 15 don't have the file here. Anyway, when it has been 16 17 continued the third time, after March 1st, 2012, it will 18 be dismissed, just as any other case would be, even 19 though it has been on the docket for so long that people 20 recognize it without it. Okay. 21 MR. HALL: Mr. Examiner? 22 EXAMINER BROOKS: Yes, sir. 23 MR. HALL: Page 1, case one, you continued 24 that one to June 27th -- I'm sorry -- June 7th. It's

25 Case 14836.

PAUL BACA PROFESSIONAL COURT REPORTERS

Page 3

Page 4 EXAMINER BROOKS: Yeah. Is there anyone 1 else in that? 2 Okay. Case Number 14836 is continued to 3 when? 4 5 MR. HALL: June 7th. EXAMINER BROOKS: Any other additions or 6 corrections? 7 Mr. Feldewert. 8 MR. FELDEWERT: Mr. Examiner, on the last 9 page, page 7, Case Number 14852, this is a case that's 10 been reopened at the request of my client, Nearburg 11 Exploration Company, LLC. The parties have been 12 diligently working this week to reach an agreement, and 13 we have a tentative agreement in place. It has yet to 14 be signed. So we ask that this matter be continued 15 until the June 7th docket. 16 17 EXAMINER BROOKS: Mr. Kellahin. 18 MR. KELLAHIN: Mr. Examiner, on behalf of 19 Cimarex, we concur in the continuance. EXAMINER BROOKS: Very good. Case Number 20 145- -- 14852 -- 14852 --21 MR. FELDEWERT: I think it's 14582. 22 23 EXAMINER WARNELL: You need to get your 24 glasses. 25 EXAMINER BROOKS: Well, I have the file for

PAUL BACA PROFESSIONAL COURT REPORTERS

Page 5 1 14852, and it is 14582 on the docket, and the -- the someone made a mistake here, because 14852 is the 2 application of COG Operating, LLC for nonstandard, 3 et cetera, et cetera. Case Number 14582 is the 4 application of Cimarex Energy Company for approval of a 5 6 nonstandard, et cetera, et cetera, motion to reopen. So 14582 is continued to June the 7th. And 14852, 7 presumably, is not even on the docket. 8 9 EXAMINER WARNELL: No, it is. It is. 10 EXAMINER BROOKS: It is? 11 EXAMINER WARNELL: It's on page 5. 12 MR. FELDEWERT: And we are going to hear 13 that. 14 EXAMINER BROOKS: That's number 21. Okay. 15 I do not have the file for 14582, but presumably it's somewhere. 16 17 EXAMINER WARNELL: You should have. 18 EXAMINER BROOKS: Here it is. It's just 19 out of order. It's marked number 12 [sic]. What's 20 actually number 12 -- number 12 [sic] is 14844. I don't 21 know that I have the file for 14844, though. 22 MR. BRUCE: Mr. Examiner, 14844 was 23 continued a few days ago, so you wouldn't have that case file. 24 25 EXAMINER BROOKS: Okay. That's why I don't

PAUL BACA PROFESSIONAL COURT REPORTERS

	Page 6
1	have the file for 14844. It was continued. And the
2	same is true for 14843, which actually is number 12.
3	Okay.
4	(The pre-hearing docket concluded, 8:30
5	a.m.)
6	
7	
8	
9	and the second and the
10	 Construction of the state of th
11	Ban and the formation of the second
12	enter a second
13	Oll Concervation Division
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

and the second second second

Г

- ---.

.. .

PAUL BACA PROFESSIONAL COURT REPORTERS

Pa	ge 7
1 STATE OF NEW MEXICO	
2 COUNTY OF BERNALILLO	
3	
4 CERTIFICATE OF COURT REPORTER	
5 I, MARY C. HANKINS, New Mexico Certified	
6 Court Reporter No. 20, and Registered Professional	
7 Reporter, do hereby certify that I reported the	
8 foregoing proceedings in stenographic shorthand and that	2
9 the foregoing pages are a true and correct transcript of	E
10 those proceedings that were reduced to printed form by	
11 me to the best of my ability.	
12 I FURTHER CERTIFY that the Reporter's	
13 Record of the proceedings truly and accurately reflects	
14 the exhibits, if any, offered by the respective parties	
15 I FURTHER CERTIFY that I am neither	
16 employed by nor related to any of the parties or	
17 attorneys in this case and that I have no interest in	
18 the final disposition of this case.	
20 Mary C. Hankin	
20 MARY C. HANKINS, CCR, RPR	
21 Paul Baca Professional Court Reporters New Mexico CCR No. 20	5
22 Date of CCR Expiration: 12/31/2012	
23	
24	
25	

PAUL BACA PROFESSIONAL COURT REPORTERS

fa336602 6007 4036 0200 odb40200252d