

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:

ORIGINAL

(Cont'd from Feb 4, 2016)

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY, LP, FOR SPECIAL POOL RULES  
FOR THE BRINNINSTOOL-BONE SPRING POOL, Case 15438  
LEA COUNTY, NEW MEXICO.

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY, LP, FOR SPECIAL POOL RULES  
FOR THE TRIPLE X-BONE SPRING POOL, Case 15439  
LEA COUNTY, NEW MEXICO.

APPLICATION OF DEVON ENERGY PRODUCTION  
COMPANY, LP, FOR SPECIAL POOL RULES  
FOR THE CRUZ-BONE SPRING POOL, Case 15440  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
EXAMINER HEARING  
MARCH 3, 2016

Santa Fe, New Mexico

BEFORE: SCOTT DAWSON, CHIEF EXAMINER  
MICHAEL McMILLAN, EXAMINER  
DAVID BROOKS, LEGAL COUNSEL

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Scott Dawson,  
Chief Examiner, Michael McMillan, Examiner, and David  
Brooks, Legal Counsel, on March 3, 2016, at the New  
Mexico Energy, Minerals, and Natural Resources  
Department, Wendell Chino Building, 1220 South St.  
Francis Drive, Porter Hall, Room 102, Santa Fe, New  
Mexico.

REPORTED BY: ELLEN H. ALLANIC  
NEW MEXICO CCR 100  
CALIFORNIA CSR 8670  
PAUL BACA COURT REPORTERS  
500 Fourth Street, NW  
Suite 105

2016 MAR 22 P 1:14  
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A P P E A R A N C E S

For the Applicant:

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For COG Operating, LLC, in case No. 15439:

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I N D E X

CASE NUMBERS 15438, 15439, and 15440 (Cont'd)

DEVON ENERGY PRODUCTION COMPANY, LP,  
CASE-IN-CHIEF

Reporter's Certificate

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

Exhibits Offered and Admitted

DEVON ENERGY PRODUCTION COMPANY, LP, EXHIBIT 16

PAGE  
4

1 (Time noted 8:52 a.m.)

2 EXAMINER DAWSON: At this time, we are  
3 calling cases 15438, 15439, and 15440. They will be  
4 consolidated. These are all Devon Energy Production  
5 Company, LP, cases for special pool rules for the  
6 Brinninstool-Bone Spring Pool, Triple X-Bone Spring  
7 Pool, and the Cruz-Bone Spring Pools.

8 And Mr. Bruce will provide affidavits of  
9 notice. Is that --

10 MR. BRUCE: That's correct. Mr. Examiner,  
11 and I am entering an appearance for the applicant Devon  
12 Energy.

13 MS. KESSLER: This is Jordan Kessler on  
14 behalf of COG Operating, LLC. And I would like to enter  
15 an appearance.

16 EXAMINER DAWSON: Okay.

17 MR. BRUCE: Mr. Examiner, this matter was  
18 heard four weeks ago, and at that time, Examiner  
19 Jones -- in this case, Devon is seeking 320 acre spacing  
20 for horizontal Bone Spring wells and an increase in the  
21 allowable for a 320 acre unit of 6,400 barrels of oil  
22 per day.

23 At the last hearing, Examiner Jones  
24 requested that we amend the application and give new  
25 notice to request a vertical oil well allowable of 800  
26 barrels a day -- which we did not do the first  
27 go-around. So we amended the application and sent  
28 written notice to everyone.

29 And submitted as Exhibit 16 is my affidavit  
30 of notice. Everyone received notice except Angelo  
31 Holdings, LLC -- well, I haven't gotten a green card  
32 back. They did receive actual notice of the original  
33 application, so we do have the correct address.

34 I don't know how you want to handle it. But  
35 I can always come back with a green card. It's probably  
36 sitting at the post office right now.

37 EXAMINER DAWSON: Okay.

38 MR. BRUCE: And, if necessary, it could be  
39 continued for two weeks.

40 EXAMINER DAWSON: Okay. We will continue  
41 this --

42 MR. BROOKS: Well, if you want to go to the  
43 post office and come back later in the day, we could  
44 take it under advisement, but that's up to you,  
45 Mr. Bruce.

46 MR. BRUCE: Well, why don't we just continue  
47 it at this point.

48 MR. BROOKS: That sounds good to me.

49 EXAMINER DAWSON: Okay. The request for

1 MR. BRUCE: And I move the admission of  
Exhibit 16.

2 EXAMINER DAWSON: First you are requesting  
Exhibit 16 to be part of the record, correct?

3 MR. BRUCE: That is correct.

4 EXAMINER DAWSON: Okay. Exhibit 16 will be  
admitted as part of the record.

5 MS. KESSLER: No objection.

6 (Devon Energy Production Company, LP,  
Exhibit 16 was offered and admitted.)

7 EXAMINER DAWSON: Okay. We will continue  
this case for two weeks to March 17th, 2016.

8 MR. BRUCE: You have an ambiguity in the  
record. Maybe you should read the numbers, and say, We  
continue case nos. --

9 EXAMINER DAWSON: Okay. To avoid ambiguity  
in the record, we continue case numbers 15438, 15439,  
and 15440 until March 17th, and that will enable  
10 Mr. Bruce to provide the affidavits to notice. So this  
case will be continued -- these three cases will be  
11 continued until March 17th, 2016.

12 (Time noted 8:59 a.m.)

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I do hereby certify that the foregoing is  
a true and correct record of the proceedings in  
the examiner hearing of Case No. \_\_\_\_\_  
heard by me on \_\_\_\_\_

\_\_\_\_\_, Examiner  
Oil Conservation Division

1 STATE OF NEW MEXICO )  
2 COUNTY OF BERNALILLO ) ss.

3  
4  
5 REPORTER'S CERTIFICATE  
6

7 I, ELLEN H. ALLANIC, New Mexico Reporter CCR  
8 No. 100, DO HEREBY CERTIFY that on Thursday, March 3,  
9 2016, the proceedings in the above-captioned matter were  
10 taken before me, that I did report in stenographic  
11 shorthand the proceedings set forth herein, and the  
12 foregoing pages are a true and correct transcription to  
13 the best of my ability and control.

14 I FURTHER CERTIFY that I am neither employed by  
15 nor related to nor contracted with (unless excepted by  
16 the rules) any of the parties or attorneys in this case,  
17 and that I have no interest whatsoever in the final  
18 disposition of this case in any court.

19 

20 ELLEN H. ALLANIC, CSR  
21 NM Certified Court Reporter No. 100  
22 License Expires: 12/31/16  
23  
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