

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

APPLICATION OF COG OPERATING, LLC  
FOR A NONSTANDARD OIL SPACING AND  
PRORATION UNIT AND COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 15557

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

November 17, 2016

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER  
GABRIEL WADE, LEGAL EXAMINER

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Michael McMillan,  
Chief Examiner, and Gabriel Wade, Legal Examiner, on  
Thursday, November 17, 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: Mary C. Hankins, CCR, RPR  
New Mexico CCR #20  
Paul Baca Professional Court Reporters  
500 4th Street, Northwest, Suite 105  
Albuquerque, New Mexico 87102  
(505) 843-9241

1 APPEARANCES

2 FOR APPLICANT COG OPERATING, LLC:

3 GARY W. LARSON, ESQ.  
 4 HINKLE SHANOR, LLP  
 218 Montezuma Avenue  
 Santa Fe, New Mexico 87501  
 5 (505) 982-4554  
 glarson@hinklelawfirm.com  
 6  
 7

8 INDEX

9		PAGE
10	Case Number 15557 Called	3
11	Exhibits Presented	3
12	Proceedings Conclude	4
13	Certificate of Court Reporter	5

14		
15		
16	EXHIBITS OFFERED AND ADMITTED	
17	COG Operating, LLC Exhibit Numbers 11 and 12	4

18  
 19  
 20  
 21  
 22  
 23  
 24  
 25

1 (8:18 a.m.)

2 EXAMINER McMILLAN: Okay. We're just going  
3 to go through the docket. The first case I will call  
4 will be Case Number 15557, application of COG Operating,  
5 LLC for a nonstandard oil spacing and proration unit and  
6 compulsory pooling, Eddy County, New Mexico.

7 Call for appearances.

8 MR. LARSON: Good morning, Mr. Examiner.  
9 Gary Larson of the Santa Fe office of Hinkle Shanor for  
10 the Applicant, COG Operating.

11 EXAMINER McMILLAN: Any other appearances?  
12 Please proceed.

13 MR. LARSON: I do not have any witnesses.

14 EXAMINER McMILLAN: Okay.

15 MR. LARSON: May I proceed, Mr. Examiner?

16 EXAMINER McMILLAN: Please do.

17 MR. LARSON: At the previous hearing in  
18 this case on October 27th, COG requested a continuance  
19 based on the timing of its notice to a group of recently  
20 identified offset interest owners, all of whom own  
21 interest in the northwest quarter-northwest quarter, in  
22 Lot 1 of Section 32, Township 26 South, Range 20 East.

23 As COG's landman, Patrick Godwin, testified  
24 at the previous hearing, COG had sent notice letters to  
25 the offset interest owners on October 21st and had

1 published notice on October 23rd.

2 I have two exhibits to add to the record  
3 regarding the certified mail and publication notice.  
4 Marked as COG Exhibit 11 is a list of the offset  
5 interest owners who were notified, an example of the  
6 hearing notice letter that was sent to each of them and  
7 accompanying U.S. mail receipts green cards.

8 And marked as COG Exhibit 12 is an  
9 affidavit affirming that the notice was published in the  
10 Carlsbad Current-Argus on October 23rd, which is 18  
11 business days prior to today's hearing.

12 And I move the admission of COG Exhibit  
13 Numbers 11 and 12.

14 EXAMINER McMILLAN: Exhibits 11 and 12 may  
15 now be accepted as part of the record.

16 (COG Operating, LLC Exhibit Numbers 11 and  
17 12 are offered and admitted into evidence.)

18 MR. LARSON: And with that, I request that  
19 this case be taken under advisement.

20 EXAMINER McMILLAN: All right. Case Number  
21 15557 shall be taken under advisement. Thank you.

22 MR. LARSON: Thank you.

23 (Case Number 15557 concludes, 8:21 a.m.)  
24  
25


1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO  
3

4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
7 and Registered Professional Reporter, do hereby certify  
8 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 that  
11 were reduced to printed form by me to the best of my  
12 ability.

13 I FURTHER CERTIFY that the Reporter's  
14 Record of the proceedings truly and accurately reflects  
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither  
17 employed by nor related to any of the parties or  
18 attorneys in this case and that I have no interest in  
19 the final disposition of this case.

20   
21  
22 MARY C. HANKINS, CCR, RPR  
23 Certified Court Reporter  
24 New Mexico CCR No. 20  
25 Date of CCR Expiration: 12/31/2016  
Paul Baca Professional Court Reporters