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STATE OF NEW MEXICO

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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, LCC FOR
DESIGNATION OF A NON-STANDARD SPACING
UNIT AND FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO

CASE NO. 14203

AMENDED APPLICATION OF COG OPERATING,
LLC FOR DESIGNATION OF A NON-STANDARD
SPACING UNIT AND FOR COMPULSORY
POOLING, CHAVES COUNTY, NEW MEXICO
(Taurus State Com Well No. 2)

CASE NO. 14204

REPORTER'S TRANSCRIPT OF PROCEEDINGSEXAMINER HEARING

BEFORE: DAVID K. BROOKS, Legal Examiner
RICHARD EZEANYIM, Technical Examiner
TERRY G. WARNELL, Technical Examiner

November 13, 2008

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico
Oil Conservation Division, DAVID K. BROOKS, Legal Examiner,
RICHARD EZEANYIM, Technical Examiner, and TERRY G. WARNELL,
Technical Examiner, on Thursday, November 13, 2008, at the
New Mexico Energy, Minerals and Natural Resources Department,
1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: JOYCE D. CALVERT, P-03
Paul Baca Court Reporters
500 Fourth Street, NW, Suite 105
Albuquerque, New Mexico 87102

A P P E A R A N C E S

FOR THE APPLICANT:

J. Scott Hall, Esq.
MONTGOMERY & ANDREWS LAW FIRM
325 Paseo De Peralta
Santa Fe, New Mexico 87501

FOR CIMAREX ENERGY COMPANY:

James G. Bruce, Esq.
ATTORNEY AT LAW
P.O. Box 1056
Santa Fe, New Mexico 87504

PAGE

EXHIBIT 20 INTRODUCED

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REPORTER'S CERTIFICATE

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1 MR. EZEANYIM: Then we go to page 5, as I said, and
2 call Case No. 14203. This is the Application of COG Operating,
3 LLC for Designation of a Non-Standard Spacing Unit for
4 Compulsory Pooling, Chaves County, New Mexico. I thought this
5 was scheduled for October 13th, and it was continued to today
6 to supply additional information.

7 Call for appearances.

8 MR. HALL: Mr. Examiner, Scott Hall, Montgomery and
9 Andrews, Santa Fe, appearing on behalf of COG Operating, LLC.

10 MR. EZEANYIM: Any other appearances?

11 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
12 representing Cimarex Energy Company.

13 MR. EZEANYIM: Any witnesses?

14 MR. HALL: No witnesses.

15 MR. EZEANYIM: Okay.

16 MR. HALL: Mr. Examiner, this case was heard two
17 weeks ago and Examiner Warnell asked us to provide supplemental
18 information which would demonstrate where the horizontal well
19 bore encounters the pool formation, the Wolfcamp formation. So
20 we had our witness at that hearing, a petroleum engineer,
21 Jessie Lawson, provide us with a synopsis of the drilling
22 profile which I'll provide to you as Exhibit 20.

23 In addition to that, Mr. Examiner, there's contained
24 in the well file the Inteq Planned Wellpath report. I'll give
25 a copy of that to Mr. Warnell. It also shows that same

1 information for the drilling profile.

2 Mr. Brooks also asked that we supplement the record
3 with the original of the certified notice, which we have here
4 today for both cases, and actually, all of the COG cases that
5 were on the docket for last week since we mailed multiple
6 notices in one envelope to the several parties. So I'll offer
7 those for the record.

8 MR. EZEANYIM: Okay.

9 MR. HALL: That's all we have, Mr. Examiner.

10 MR. EZEANYIM: Anything, Mr. Bruce?

11 MR. BRUCE: No, I have nothing. The case was heard
12 and I've entered an appearances. And I did request that these
13 matters be continued because Cimarex Energy has counter -- or
14 has competing cases set for December 4th. But I'll leave that
15 up to the Division.

16 MR. EZEANYIM: Okay. So you are not entering an
17 objection to this? Any objection to it?

18 MR. BRUCE: I don't object to the exhibits. I've
19 already received the exhibits. But we will presenting cases
20 two weeks, three weeks, from now.

21 MR. EZEANYIM: Okay. If not done already, Case
22 No. 14203 will be taken under advisement.

23 MR. HALL: With that, I'll supply the case with
24 two --

25 MR. EZEANYIM: I'm going to call that case now. Have

1 you entered an appearance on Case No. 14204?

2 MR. HALL: Well, the information on the drilling
3 profile was intended to apply to both cases. I'm sorry. I
4 should have clarified that for the record.

5 MR. EZEANYIM: Well, I intended to call it separate.
6 Have you given all the information that is required for those
7 two cases?

8 MR. HALL: Yes.

9 MR. EZEANYIM: And do you have any objection on
10 taking it under advisement, Case No. 14204, Mr. Bruce?

11 MR. BRUCE: No, Mr. Examiner.

12 MR. EZEANYIM: Okay. Case No. 14204 will also be
13 taken under advisement.

14 * * *

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16
17 I do hereby certify that the foregoing is
18 a complete record of the proceedings in
19 the Examiner hearing of Case No. 14204
20 heard by me on 11/21/08
21 [Signature], Examiner
22 Conservation Division
23
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25

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2 **REPORTER'S CERTIFICATE**

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4 I, JOYCE D. CALVERT, Provisional Court Reporter for
5 the State of New Mexico, do hereby certify that I reported the
6 foregoing proceedings in stenographic shorthand and that the
7 foregoing pages are a true and correct transcript of those
8 proceedings and was reduced to printed form under my direct
9 supervision.

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

14 DATED this 13th day of November, 2008.

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21 JOYCE D. CALVERT
22 New Mexico P-03
23 License Expires: 7/31/09
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25

1 STATE OF NEW MEXICO)

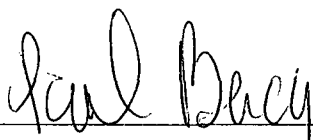
2 COUNTY OF BERNALILLO)

3
4 I, JOYCE D. CALVERT, a New Mexico Provisional
5 Reporter, working under the direction and direct supervision of
6 Paul Baca, New Mexico CCR License Number 112, hereby certify
7 that I reported the attached proceedings; that pages numbered
8 1-5 inclusive, are a true and correct transcript of my
9 stenographic notes. On the date I reported these proceedings,
10 I was the holder of Provisional License Number P-03.

11 Dated at Albuquerque, New Mexico, 13th day of
12 November, 2008.

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14 

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