

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 CIMAREX ENERGY COMPANY CASE NO. 14507
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO

APPLICATION OF CIMAREX ENERGY COMPANY CASE NO. 14508
FOR A NON-STANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO

APPLICATION OF COG OPERATING, LLC, CASE NO. 14500
FOR DESIGNATION OF A NON-STANDARD SPACING
UNIT AND FOR COMPULSORY POOLING, CHAVES
COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, Technical Examiner
DAVID K. BROOKS, Legal Examiner

September 16, 2010

Santa Fe, New Mexico

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This matter came on for hearing before the
New Mexico Oil Conservation Division, WILLIAM V. JONES,
Technical Examiner, and DAVID K. BROOKS, Legal Examiner,
on Thursday, September 16, 2010, at the New Mexico
Energy, Minerals and Natural Resources Department, 1220
South St. Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: Jacqueline R. Lujan, CCR #91
Paul Baca Professional Court Reporters
500 Fourth Street, N.W., Suite 105

A P P E A R A N C E S

FOR CIMAREX ENERGY CO.:

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

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CIMAREX EXHIBIT 8 WAS ADMITTED

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REPORTER'S CERTIFICATE

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1 EXAMINER JONES: Let's get started this
2 morning. We have three cases that were heard previously
3 that are scheduled today. Let's call Case 14500, Case
4 14507, and case 14508. Call for appearances in each.

5 MR. BRUCE: Mr. Examiner, Jim Bruce of
6 Santa Fe. I represent Cimarex Energy Company in those
7 cases. Mr. Hall represents COG, and Ocean Munds-Dry
8 represents Chesapeake in those matters. They have been
9 heard. They were just continued today for notice
10 purposes, so the other Counsel aren't showing up.

11 And I've just handed you Exhibit 8. I think
12 that's the right -- there are so many exhibits in those
13 cases. I think that's the right sequence. It's just my
14 Notice of Affidavit showing that notice was given to
15 additional parties. I'd ask that that be admitted as
16 part of the record.

17 EXAMINER JONES: So Cimarex Exhibit Number
18 8 will be admitted into the record.

19 (Exhibit 8 was admitted.)

20 EXAMINER BROOKS: And that's in Cases
21 14507 and 14508?

22 MR. BRUCE: Yes. Mr. Examiner, if you
23 look at Attachment A, the first few pages, that is for
24 Case 14507, the west half/east half of Section 3. And
25 then Attachment B to the Affidavit is for Case 14508, the

1 east half/east half of Section 3.

2 EXAMINER BROOKS: Okay. And you gave the
3 court reporter two copies?

4 MR. BRUCE: I can.

5 EXMAMINER JONES: Is it true that the
6 landmen have come to a consensus on who owns what?

7 MR. BRUCE: I don't think so.

8 EXMAMINER JONES: Okay. Is there any
9 other -- do we continue these further?

10 MR. BRUCE: No. They can be taken under
11 advisement.

12 EXAMINER JONES: We'll take Cases 14500,
13 14507, and 14508 under advisement.

14 * * *

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18 I do hereby certify that the foregoing is
19 a complete record of the proceedings in
20 the Examiner hearing of Case No. _____
21 heard by me on _____
22 _____, Examiner
23 Oil Conservation Division
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REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO
HEREBY CERTIFY that on September 16, 2010, proceedings in
the above captioned case were taken before me and that I
did report in stenographic shorthand the proceedings set
forth herein, and the foregoing pages are a true and
correct transcription to the best of my ability.

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

WITNESS MY HAND this 29h day of September,
2010.

Jacqueline R. Lujan, CCR #91
Expires: 12/31/2010

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:

APPLICATION OF DEVON ENERGY PRODUCTION CASE NO. 14528
COMPANY, L.P., FOR A NON-STANDARD GAS
SPACING AND PRORATION UNIT, UNORTHODOX OIL
WELL LOCATION, AND COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO

APPLICATION OF DEVON ENERGY PRODUCTION CASE NO. 14534
COMPANY, L.P., FOR A NON-STANDARD GAS
SPACING AND PRORATION UNIT, UNORTHODOX OIL
WELL LOCATION, AND COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, Technical Examiner
DAVID K. BROOKS, Legal Examiner

September 16, 2010

Santa Fe, New Mexico

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REPORTED BY: Jacqueline R. Lujan, CCR #91
Paul Baca Professional Court Reporters
500 Fourth Street, N.W., Suite 105
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A P P E A R A N C E S

FOR THE APPLICANT:

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

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REPORTER'S CERTIFICATE

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1 EXAMINER JONES: There are two other cases
2 on this docket that have been heard, I think, before, and
3 what I'd like to do is call them right now and get them
4 out of the way. Let's call Case 14528. Call for
5 appearances.

6 MR. BRUCE: Mr. Examiner, Jim Bruce of
7 Santa Fe, representing the applicant. This case and the
8 next case, 14534, have been heard. They were simply
9 continued and re-advertised to correct a notice in the
10 ad. So nothing further needs to be done in either case.

11 EXAMINER JONES: Okay. Any other
12 appearances? We were calling 14528 and 14534. Okay.
13 With that, we'll take those cases under advisement.

14 * * *

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17 I do hereby certify that the foregoing is
18 a complete record of the proceedings in
19 the Examiner hearing of Case No. _____
heard by me on _____

20 _____, Examiner
21 Oil Conservation Division
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REPORTER'S CERTIFICATE

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