

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:

CASE NOS: 20946, 20948
20949, 20950

APPLICATION OF MARATHON OIL PERMIAN
LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING
December 12, 2019
SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS LEONARD LOWE, DEAN McCCLURE, DYLAN COSS and LEGAL EXAMINER ERIC AMES, on Thursday, December 12, 2019, 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: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

For the Applicant:

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I N D E X

CASE NO. 20946, 20948, 20949, 20950 CALLED	03
SUMMARY OF CASE AND EXHIBITS	03
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E X H I B I T I N D E X

	Admitted
Exhibits A, B (All attachments)	05

1 HEARING EXAMINER COSS: Case Number 20943 will be
2 heard at a later point during the day, and we would now like
3 to move on to case Number 20946, Marathon Oil, compulsory
4 pooling.

5 MS. BENNETT: Good morning, Mr. Examiner. Deana
6 Bennett on behalf of Marathon Oil Permian LLC. I would like
7 to present these cases by affidavit. I would ask that I be
8 allowed to consolidate the four cases, 20946, 20948, 20949
9 and 20950, for hearing purposes.

10 HEARING EXAMINER COSS: That will be allowed.
11 Are there any other entries of appearance?

12 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe
13 entering an appearance for ConocoPhillips Company. I have
14 no witnesses, and I do not an object to the cases being
15 presented by affidavit.

16 HEARING EXAMINER COSS: Very well, you may
17 proceed.

18 MS. BENNETT: Thank you. The application
19 materials that I placed in front of you are for the Marathon
20 Mead West 32 SB State 1H Well, SB State 2H well, WFB State
21 5H, which stands for Wolfbone, and the WFB State 6H well.

22 These applications are for Second Bone Spring
23 wells and Wolfbone wells. You will see in the materials I
24 have included a summary of a discussion with Mr. Paul Koutz
25 regarding the Wolfbone pool.

1 These cases are companion cases to some Mead
2 cases that were heard by the Division earlier this year that
3 covered the E/2 of the -- of Section 32.

4 And in these cases all four cases here cover the
5 W/2 of Section 32, and it's the W/2 of Section 32, Township
6 19 South, Range 35 East. And so -- but there are four
7 proposed spacing units W/2 W/2, E/2 W/2 for the Bone Spring
8 W/2 W/2 and W/2 E/2 for the Wolfbone.

9 In my materials behind Tab 8 -- I'm sorry -- Tab
10 9 is my affidavit of notice showing the copy of the letter
11 that I sent out, a copy of the parties to whom notice was
12 mailed, and then an affidavit of publication, for what it's
13 worth in this case. The only party that Marathon is seeking
14 to pool is ConocoPhillips, and ConocoPhillips has notice as
15 evidenced by the fact that we mailed it to them and the fact
16 that they are here today.

17 The materials I handed to you have an affidavit
18 prepared by a landman in the exhibits and an affidavit
19 prepared by a geologist and corresponding exhibits.

20 And with that, I would ask that Exhibits A and B
21 and their attachments be admitted into the record in each of
22 the following cases 20946, 20948, 20949 and 20950.

23 HEARING EXAMINER COSS: Are there any objections?

24 MR. BRUCE: No objection.

25 HEARING EXAMINER COSS: With that, the exhibits

1 for case 20946, 20948, 20949 and 20950 will be admitted and
2 also the cases will be taken under advisement.

3 (Exhibits 20946, 20948, 20949, 20950 admitted.)

4 MS. BENNETT: Thank you very much.

5 (Cases 20946, 20948, 20949 and 20950 taken under
6 advisement. Adjourned.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court
7 Reporter, CCR 253, do hereby certify that I reported the
8 foregoing proceedings in stenographic shorthand and that the
9 foregoing pages are a true and correct transcript of those
10 proceedings that were reduced to printed form by me to the
11 best of my ability.

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

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

19 Dated this 12th day of December 2019.

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Irene Delgado, NMCCR 253
License Expires: 12-31-19

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