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: 20986

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

JANUARY 09, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER DYLAN COSS and LEGAL EXAMINER ERIC AMES, on Thursday, January 09, 2020, 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

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

505-843-9241

		Page 2
1	APPEARANCES	
2	For the Applicant:	
3	ADAM RANKIN	
4	HOLLAND & HART 110 North Guadalupe, Suite 1	
5	Santa Fe, NM 87501 505-954-7286	
6		
7	INDEX	
8	CASE NO. 20986 CALLED	03
9	SUMMARY OF CASE AND EXHIBITS	03
10	TAKEN UNDER ADVISEMENT	06
11	REPORTER CERTIFICATE	07
12		
13		
14	EXHIBIT INDEX	
15		Admitted
16	Exhibits A, B and C, All Attachments	06
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 HEARING EXAMINER COSS: Okay. At this point we

- 2 will call Case Number 20986 Devon Energy, compulsory
- 3 pooling, and ask if you would like to consolidate Case
- 4 Number 20986 with Case Number 20987.
- 5 MR. RANKIN: What number on the docket is that --
- 6 okay, that's me. Sorry.
- 7 HEARING EXAMINER COSS: Actually --
- 8 MR. AMES: Adam, if you look at the spreadsheet,
- 9 this is the spreadsheet is what we are using.
- 10 MR. RANKIN: That's helpful.
- 11 MR. AMES: We should have announced that at the
- 12 beginning. There is actually a full list of all the
- 13 dismissed and continued cases on the back table as well, and
- 14 a spreadsheet showing the cases that are on for hearing
- 15 today in the order in which we are going to call them.
- 16 MR. RANKIN: Good morning, may it please the
- 17 Division. Adam Rankin appearing on behalf of the applicant
- 18 in this case. We'll be presenting this case by affidavit.
- 19 I would request that we consolidate both cases -- actually,
- 20 I prepared them separately, so I will be presenting them
- 21 separately.
- 22 HEARING EXAMINER COSS: Okay. Are there any
- 23 additional appearances to these cases?
- 24 (No response.)
- 25 HEARING EXAMINER COSS: You may proceed then.

- 1 MR. AMES: Not yet.
- 2 HEARING EXAMINER COSS: So was notice by
- 3 publication required for any unlocatable parties in this
- 4 case -- cases?
- 5 MR. RANKIN: I don't believe so, but we did so
- 6 out of an abundance of caution.
- 7 HEARING EXAMINER COSS: Okay. Was that notice
- 8 timely?
- 9 MR. RANKIN: That notice was timely, and the
- 10 compulsory pooling application checklist identifies the
- 11 location in the exhibit packet where that can be found. Let
- 12 me approach.
- 13 HEARING EXAMINER COSS: And do you -- is the
- 14 affidavit of publication included?
- MR. RANKIN: It is.
- 16 HEARING EXAMINER COSS: And do you have -- and
- 17 your checklist is included?
- 18 MR. RANKIN: It is.
- 19 HEARING EXAMINER COSS: And I can see that this
- 20 is tabbed and double sided to the extent practical.
- 21 MR. RANKIN: It is. The first tab -- before the
- 22 first tab, Mr. Examiner, is a table of contents which
- 23 identifies the location of each of the salient exhibits, as
- 24 well as the affidavits. And identifies the compulsory
- 25 pooling application checklist and each of the exhibits

1 attached to each of the landman affidavit and the geologist

- 2 affidavit.
- 3 HEARING EXAMINER COSS: Wonderful. Well, because
- 4 all of those points are in order, we can proceed to hear
- 5 this case by affidavit.
- 6 MR. RANKIN: Thank you very much, Mr. Examiner.
- With that, in Case Number 20986, the applicant,
- 8 Devon Energy, is requesting a standard -- standard
- 9 horizontal spacing unit in the Bone Spring formation
- 10 consisting of 480 acres, more or less, in the N/2 of Section
- 11 32 and the NW/4 of Section 33, Township 19 South, Range 29
- 12 East, Eddy County.
- 13 All the information is in the affidavits of the
- 14 landman and the geologist confirming the appropriateness for
- 15 the spacing unit and horizontal development.
- 16 So in order to keep it streamlined, if there is
- 17 anything more you want from me, let me know, otherwise all
- 18 the information is there.
- 19 HEARING EXAMINER COSS: Wonderful. So we will
- 20 take -- are you moving to admit?
- 21 MR. RANKIN: I will move to admit Exhibits A, B
- 22 and C into the record. C is the notice affidavit and the
- 23 exhibits relating to notice of publication and distribution
- 24 of those by certified mail. With that I ask that A, B and C
- 25 be accepted into the record.

	Page 6	
1	HEARING EXAMINER COSS: Exhibits A, B and C will	
2	be accepted into the record, and Case Number 20986 will be	
3	taken under advisement.	
4	(Exhibits A, B and C admitted.)	
5	MR. RANKIN: Thank you very much, Mr. Hearing	
6	Examiner.	
7	(Case 20986 taken under advisement.)	
8	(Adjourned.)	
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

Page 7 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 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 best of my ability. 11 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 nor related to any of the parties of attorneys in this case 16 and that I have no interest in the final disposition of this 17 18 case. Dated this 9th day of January 2020. 19 20 2.1 Irene Delgado, NMCCR 253 License Expires: 12-31-20 22 23 2.4 25