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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: 21025, 21026 21027, 21028

APPLICATION OF APACHE CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

FEBRUARY 6, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH and DYLAN COSS on Thursday, February 6, 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 A P P E A R A N C E S 2 For the Applicant: 3 LANCE HOUGH MODRALL SPERLING ROEHL HARRIS & SISK PA 4 500 4th Street, NW, Suite 1000 Albuquerque, NM 87102 505-848-9710 5 6 For EOG Resources, Inc. 7 MICHAEL FELDEWERT HOLLAND & HART 110 North Guadalupe, Suite 1 8 Santa Fe, NM 87501 9 505-954-7286 10 11 INDEX 12 CASE CALLED 03 13 SUMMARY OF CASE AND EXHIBITS 03 05 14 TAKEN UNDER ADVISEMENT 15 REPORTER CERTIFICATE 06 16 EXHIBIT INDEX 17 Admitted 18 Exhibits A through D and Attachments 05 19 20 21 22 23 24 25

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Page 3 HEARING EXAMINER ORTH: 21025, and presumably 26, 1 2 27 and 28. Call for appearances. MR. HOUGH: Lance Hough of Modrall Sperling on 3 4 behalf of Apache Corporation. I would like to present all 5 four of these cases you mentioned together. 6 HEARING EXAMINER ORTH: Thank you. 7 MR. HOUGH: I do have one singular package 8 consolidated for purposes of this hearing. 9 MR. FELDEWERT: May it please the Examiner, 10 Michael Feldewert of the Santa Fe office of Holland & Hart appearing on behalf of EOG Resources Inc. We have no 11 12 objection to the matter proceeding by affidavit. I have 13 conferred with counsel, and what I call a special payment 14 provision that is contained within our prehearing statement 15 filed in the case, it's my understanding that has been accepted by the applicant. 16 17 MR. HOUGH: Yes. Apache is in full agreement with that. 18 MR. FELDEWERT: We would ask that that be 19 included in the pooling orders that are issued in this 20 21 matter. 22 HEARING EXAMINER ORTH: Thank you. With that, Mr. Feldewert, Mr. Coss, do you need another copy of that in 23 24 this hearing or --25 EXAMINER COSS: If it's in the case file, we

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102 1 won't need another copy.

2 MR. FELDEWERT: It's in our prehearing statement. HEARING EXAMINER ORTH: All right. Thank you. 3 4 MR. HOUGH: Within the packet there, and this is obviously an application for compulsory pooling. Behind Tab 5 A we have the checklist, behind Tab C -- actually there are 6 four checklists because there is four case, and behind Tab B 7 8 is the affidavit of the landman and corresponding 9 attachments. In Exhibit C is the geologist affidavit, the 10 corresponding attachments. And Exhibit D is my affidavit regarding notice. 11 12 These applications do comply with the notice 13 requirements for the application and hearing, of course the 14 affidavit of publication is behind D-4 there, noting the 15 same date of publication as previously mentioned, January 22. 16 And with that, unless the Division has any 17 questions, I just request the admission of the Exhibit A 18 checklist, and the affidavits and corresponding attachments 19 and ask that the cases be taken under advisement -- these 20 cases be taken under advisement. 21 22 HEARING EXAMINER ORTH: Mr. Coss? 23 EXAMINER COSS: No questions. 24 HEARING EXAMINER ORTH: All right. Thank you 25 very much, Mr. Hough. The packet is accepted and the

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1	matter	all four matters will be taken under advisement.
2		(Exhibits A through D admitted.)
3		(Cases taken under advisement.)
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1	STATE OF NEW MEXICO))SS
2	COUNTY OF SANTA FE)
3	I, IRENE DELGADO, certify that I reported the
4	proceedings in the above-transcribed pages, that pages
5	numbered 1 through 5 are a true and correct transcript of my
6	stenographic notes and were reduced to typewritten
7	transcript through Computer-Aided Transcription, and that on
8	the date I reported these proceedings I was a New Mexico
9	Certified Court Reporter.
10	Dated at Santa Fe, New Mexico, this 6th day of
11	February 2020.
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14	Irene Delgado, NMCCR 253 Expires: 12-31-20
15	Expires: 12-31-20
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