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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: 21062

APPLICATION OF TAP ROCK RESOURCES LLC FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

FEBRUARY 20, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH and LEONARD LOWE on Thursday, February 20, 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 JAMES BRUCE P.O. Box 1056 4 Santa Fe, NM 87504-1056 505-982-2151 5 jamesbruce@aol.com б For EOG Resources Inc.: 7 MICHAEL FELDEWERT HOLLAND & HART 8 110 North Guadalupe, Suite 1 Santa Fe, NM 87501 9 505-954-7286 10 11 INDEX 12 CASE CALLED 03 13 SUMMARY OF CASE AND EXHIBITS 03 04 14 TAKEN UNDER ADVISEMENT 05 15 REPORTER CERTIFICATE 16 EXHIBIT INDEX 17 Admitted 04 18 Tap Rock A - F and Attachments 19 EOG Exhibit 1 Submitted 03 20 21 22 23 24 25

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Page 3 HEARING EXAMINER ORTH: In that case we will move 1 2 on to -- that was matter 16, and we'll move on to matter 17. That is Tap Rock, the applicant, and the name of the well is 3 4 Poseidon State. 5 MR. BRUCE: Jim Bruce representing the applicant 6 and submitting this case by affidavit. 7 HEARING EXAMINER ORTH: Mr. Feldewert? 8 MR. FELDEWERT: Madam Examiner, Michael Feldewert with the Santa Fe office of Holland & Hart appearing on 9 10 behalf of EOG Resource Inc., and we're appearing for the purpose of obtaining special payment provisions which I 11 12 understand with Mr. Bruce that his client is not opposed to. 13 MR. BRUCE: That is correct. 14 MR. FELDEWERT: So if I may approach, I would like to give you what I've marked as EOG Exhibit Number 1 15 which provides an example that the parties have agreed to 16 and are actually in another order. 17 18 HEARING EXAMINER ORTH: Thank you. I trust you don't object to him submitting it by affidavit. 19 20 MR. FELDEWERT: I do not. MR. BRUCE: Madam Examiner, this exhibit package 21 contains all the usual exhibits. Publication -- I mean 22 23 notice is complete. Actual notice was received by everyone. 24 There is an affidavit of publication, but that was just a 25 backstop. And so with that I move the admission of Exhibits

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1	A through F and ask that the matter be taken under
2	advisement.
3	HEARING EXAMINER ORTH: Questions, Mr. Lowe?
4	EXAMINER LOWE: No questions.
5	HEARING EXAMINER ORTH: Thank you very much.
6	Exhibits A through F will be accepted and the matter will be
7	taken under advisement.
8	(Exhibits A through F admitted.)
9	(Case taken under advisement.)
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1	STATE OF NEW MEXICO
2	COUNTY OF BERNALILLO
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4	REPORTER'S CERTIFICATE
5	
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 of attorneys in this case
17	and that I have no interest in the final disposition of this
18	case.
19	Dated this [] day of [] 2020.
20	
21	Irene Delgado, NMCCR 253
22	License Expires: 12-31-20
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