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OCD Regular Docket September 11, 2025-20250911_173634UTC-Meeting Recording

September 11, 2025, 2:29PM

3h 7m 11s

PH **Pecos Hall** 28:53

Good morning.

It is 8:58 AM on September 11.

This is the first regularly scheduled docket of the Oil Conservation Division. Hearing cases by affidavit.

My name is Gregory Chakalian.

I'm the hearing examiner today.

We have multiple technical examiners, although they're not all with us because some of their cases will be taken under advisement. Now that the amended exhibits have been filed.

I'm going to start with a case that was objected to by e-mail.

This is Permian research resources case number 25566 entries of appearance.

Good morning. Jackie McLean on behalf of Permian Resources.

Good morning, Mr. Examiner.

Keri Hatley entering appearance on behalf of Conoco Phillips Company morning.

I'm hoping we have the private party that entered an objection.

This would be Catherine Kirks, manager of the E Barzee LLC, formerly Helen Marie Pickens Revokable Trust. Do we have you?

Well, there has been an objection, as you know.

Yes, have.

Have you communicated with the party?

I believe that a Permian resources has reached out.

Separately, since this party is not represented by an attorney and they're continuing to try to negotiate, however, this property is leased.

It has been leased.

Permian Resources owns the working interest in this lease and because of the location of these wells, which is inside the Carlsbad city limits, Permian Resources has.

Been extra cautious and.

Has sent out even more notice than necessary. As a matter of courtesy to the neighborhood that is part of this spacing unit.

So Permian Resources believes that this individual does not have standing to object to this case.

Catherine Kirks is not the owner of the interest, but a trust is the owner of that interest.

Do you have your land man?

I do. I do.

Daniel Corey is on.

Sure, we can do that.

Mr. Cory, can you jump on to be sworn in? There he is.

DK

Daniel Koury 31:20

Yes. Can you hear me? Yeah.

PH

Pecos Hall 31:21

Yeah, I do. See you.

Hold on a second.

Freya, did you communicate with this party?

Yes, I sent the link.

I think it was last week.

OK.

Yes. And I received confirmation.

That she was going to attend.

Oh, you did receive confirmation. From whom?

+15***82** 31:41

It.


PH


Pecos Hall 31:42


Katherine Kearns. OK, you did. And. And when did you receive that confirmation?


I can't look up my e-mail right now, but it was the same day I sent the link, so it's sometime last week. Alright perfect.

 **+15*****82** 31:55
Like.


 **Pecos Hall** 31:55
Let's see what Mr. Corey has to say.
Mr.


 **+15*****82** 31:56
Thank.

 **Pecos Hall** 31:57
Corey, wait, do we have miss Kirks?

 **+15*****82** 32:01
Yes, we're here.
My phone died immediately right after we got connected.
This is Catherine Kirkus with E bar ZC and I'm here with my husband, perk.
We missed the very first part of what you were saying because we had to dial back in.

 **Pecos Hall** 32:18
OK.

 **+15*****82** 32:20
So I understand what you were saying in regards to the trust, but the trust was in the name of my parents and was later.
Dissolved after the passing of my mother and turned it into E bar ZLLC.

 **Pecos Hall** 32:37
OK, miss. Miss Kirks, we're gonna get some testimony from the land man of Permian and you can cross examine that Landman right now.
What's the issue is?
Are you a party to this case?

That's what we're dealing with right now. If you are, then your objection will force this matter to go to a contested hearing.

Unless you can negotiate some sort of a settlement with Permian Resources.

If you're not a party after this.

Sherry hearing is over. Then we're going to proceed by affidavit today. The way this case was originally scheduled, until you made your objection.

So do you understand that so far?

 **+15*****82** 33:20

Yes, we do.

 **Pecos Hall** 33:21

OK.

Very good. All right.

OK.

So and before I, before I begin with Mr. Cory. What? What interest are you representing today?

 **+15*****82** 33:36

Property. While we have mineral interest property in section 32 and.

 **Daniel Koury** 33:43

Up.

 **+15*****82** 33:44

We wrote a letter.

My sister wrote a letter.

On one second.

Under E Bar Z LLC, my sister wrote a letter in January 30th of 15.

She had sent a letter at the 1st of January with the incorrect address to Oxy USA on January 30th, she said in her letter. She said I sent the wrong address. I'm correcting it.

But there had never been any payment sent to nor any.

Correspondence.

Sent to my sister and then it went into the E Bar Z LLC.
So.

PH **Pecos Hall** 34:28
OK.

+15***82** 34:31
And our our deal with this is we do not want to be force pooled.
We haven't had no contact.

PH **Pecos Hall** 34:36
OK.
Miss kirks.
Miss Kirks at you're you're getting a little ahead of me.

+15***82** 34:40
Yes.

PH **Pecos Hall** 34:42
We're we're not there yet.
My only question to you is.
What entity are you representing today?
I just wanna know the entity's name.

+15***82** 34:52
E bar ZLLC.

PH **Pecos Hall** 34:54
OK. And and you contend it's your contention that that entity owns an ownership
that has not been voluntarily committed?
To this to Permian.

+15***82** 35:09
Yes.

PH **Pecos Hall** 35:10

OK.

All right, let's get Mr. Corey on the line. Mr. Corey.

Raise your right hand.

DK **Daniel Koury** 35:17

Yes, Sir.

PH **Pecos Hall** 35:19

Do you swear or affirm under penalty of perjury that the testimony you're about to give is the truth, the whole truth, and nothing but the truth?

DK **Daniel Koury** 35:25

I do.

PH **Pecos Hall** 35:26

OK, state your name and spell it for the record.

DK **Daniel Koury** 35:29

Daniel Corey, Dan i.e. L.

KOURY.

PH **Pecos Hall** 35:37

And what's your position with Permian?

DK **Daniel Koury** 35:39

Landman.

PH **Pecos Hall** 35:40

Wait a minute. OK. Have you been recognized as an expert by this division in Landmen?

DK **Daniel Koury** 35:46

I have.

PH **Pecos Hall** 35:47

You have OK, miss.

M's McLean would you question your witness as to the ownership interest?

Of E Bar Z LLC.

Good morning, Mr. Cory.

DK **Daniel Koury** 36:07

Good morning.

PH **Pecos Hall** 36:08

Can you please let the division know if you believe that E bar Z owns any interest in section 32, Township, 21 S, range 27 E.

Which is a portion of the lands that are attempting to be pooled under case number 25566.

DK **Daniel Koury** 36:30

So they do not.

This interest is under William Earl Pickens and Helen Marie Pickens Vocal Trust.

PH **Pecos Hall** 36:37

Thank you.

And what is the status of that property according to Permian Resources?

DK **Daniel Koury** 36:41

It is least.

It is under lease.

PH **Pecos Hall** 36:46

So because this property is leased, is there any need to pull that Pickens trust?

DK **Daniel Koury** 36:52

No, ma'am.

PH **Pecos Hall** 36:54

And do you know why that entity was sent a copy of the application in this case?

+15***12** 36:54

S.

DK **Daniel Koury** 37:03

It was done out of courtesy, just over precaution.

PH **Pecos Hall** 37:07

No more questions for me.

Miss, Miss Kirks, before I turn this witness over to you, I want to understand what Mr. Corey said. So, Mr. Corey.

The question about E bar Z's interest.

You said it was not.

You mentioned Pickens.

How did you get from E bar Z to Pickens?

DK **Daniel Koury** 37:34

There's been quite a bit of timeline, but there has been.

A change in interest and this is it, is under William Earl Pickens and the Pickens Trust.

But she is not the owner of the interest.

PH **Pecos Hall** 37:50

OK, I didn't understand what you just said, so I'm sure she doesn't understand it either. Let me.

Ask a follow.

Do we have a? Should I announce myself?

Do we have a court reporter as electronic? This week I was electronic. OK, so then Jackie McClain speaking.

Mr. Corey, can you please tell us?

How?

You came to understand that the.

North.

Half and northeast quarter of section 32, Township 21 S range 27 E, which is claimed to be owned by E Barzee, is actually the.
The interest that is owned by the Pickens Trust.

DK **Daniel Koury** 38:42

In 2025, August 22nd, William Earl Pickens and the Hall and Marie Pickens Revocable Trust conveyed the mineral interest to E Barzee LLC. In this interest is under lease.

PH **Pecos Hall** 38:56

So I'm I'm confused.

You're saying that Pickens conveyed the interest in this area?

That we're discussing now to ebar.

Z.

DK **Daniel Koury** 39:09

That's correct.

That happened on August 22nd of this year so recently.

PH **Pecos Hall** 39:14

So just a few weeks ago.

So then, so then why did you say this interest was owned by Pickens and not E Barzee?

DK **Daniel Koury** 39:26

If if I if I said that I misspoke.

Catherine Kirks is the manager of that.

This is under the E bar ZLC now as of August 22nd, and this interest is leased.

PH **Pecos Hall** 39:36

I think that.

So would they run title right and before we send out notices, we do that?

At the time, notices were sent out. It was owned by the Pickens Trust.

I think they hardly went to go try and find the information at the county records.

This is what we've discovered since Miss.

Kirk's emailed last week.

You know, letting us know that they objected.

And again, as Mr. Cory assessed by the, this tract is leased and it has been leased, even if it was conveyed to another party recently.

It this is still the basis of it is at its least, Mr. Corey, how do you know that?

The interest that was conveyed.

To the ranch.

Is leased.

DK **Daniel Koury** 40:32

We know it's lease.

We have a copy of the lease.

And we we can provide that copy of it, but it was leased in 1980 and it is HPP by multiple wells.

PH **Pecos Hall** 40:45

Can you bring that up on your screen and share your screen with us?

I can. OK. Great. You have the lease. I do. OK, so.

Mrs. So miss kirkus.

Do you? Is it news to you that this interest that was conveyed in August is leased?

+15***82** 41:05

Uh.

I'm going to let my husband answer that, please.

OK.

This is Kirk. So the last correspondence that we had on that property in Section 32 was in 2014.

So from that point until now, we we don't have any documentation or anything.

That shows that that property is still under lease.

PH **Pecos Hall** 41:32

OK.

I don't know if I don't know how you're participating in today's hearing, but on the screen right now and this team's hearing, we have a lease in front of us.

Are you able to see that?

 **+15*****82** 41:43

Your.

I'm sorry, I you cut out.

Can you repeat what you said please?

 **Pecos Hall** 41:50

Of course. So, Mr. Cor? No. So M's McLean, the Council for Permian brought on to the our screen and is sharing with us the oil and gas lease from 1980 between William E Pickens and Helen Pickens, husband and wife.

And city Services company is that who the lessee is here?

Miss Miss McLean.

 **+15*****82** 42:16

Yep.

 **Pecos Hall** 42:17

Yes, yes, that is who.

 **+15*****82** 42:17

And we have we patient as well.

 **Pecos Hall** 42:21

Wait, I'm sorry. What?

 **+15*****82** 42:23

I said we we also have that documentation from city services.

 **Pecos Hall** 42:27

OK.

Well it it looks like unless and I'm gonna let you question this witness in just a moment. But.

Are you disputing that?

The interest you that was conveyed to you is under lease.

 +15*****82 42:42

What our dispute is, and I've had some experience with this with my mother. Because we showed no more and I think the wells may be plugged now. I'm not sure. I don't know what the status is, but. When Oxy had control of those wells. Production stopped and so we've challenged Oxy before on that and they released the lease on my mother's property because of non production and so well, really all we're after is to negotiate a fair lease on this acreage.

 **Pecos Hall** 43:23

OK. But but that that doesn't answer the question I I asked you. So if you would just answer the question I asked you, were you aware?

 +15*****82 43:31

OK.

 **Pecos Hall** 43:32

I I understand you may dispute the lease or there may be a clause in the lease that you will want to try to trigger somehow. But the question to you is when you acquire this interest from Pickens, did you realize that the interest had been leased?

 +15*****82 43:49

No, we well because we had not received any anything for years. No, we we just assumed that it was not. It was not under leasing anymore.

 **Pecos Hall** 44:00

OK, OK. Why don't you now ask? Why don't you ask this witness? Who is the land man? From Permian, you'll have your opportunity. Just a moment.


 **+15*****82** 44:08
Daniel.

 **PH Pecos Hall** 44:11
M's McLean.

Why don't you ask any questions you want to to Mr. Cory, who is the land man from Permian?

 **+15*****82** 44:20
OK.

So from what I understand, Oxy was taken over by another company.
And then Permian has since taken that over, is that correct?

 **DK Daniel Koury** 44:34
That is correct.

Permian acquired this interest in wells from Oxy.

 **+15*****82** 44:38

OK, so being that a letter was sent with the address in Scottsdale for five years and then forward it on from there.

What? You know what happened in all of the changes of ownership that that at the trust and now E Barzee never received any correspondence or anything in regards to that lease.

Do you know?

 **DK Daniel Koury** 45:04

Yes, I can tell you the issue is very likely an address issue.

I know we showed in payments were sent, checks were sent and all returned.

So I think it's simply an unknown address issue, which is something that we can we can certainly resolve.

 **+15*****82** 45:18
OK.

PH Pecos Hall 45:22

Do you have any other questions, Mr. Kirkus?

+15***82** 45:22

Do what?

No, I do not.

PH Pecos Hall 45:26

All right, Miss McLean.

I think that Mister Corey explained.

I think we're talking about two different things.

There's the well payments and that's I think what the Kirkus family is talking about, and then the pooling and the lease issue, OK, OK.

So Mr. Kirkus, from the evidence I have in front of me right now, you don't currently own.

No, I shouldn't put it that way.

You own an interest, but it's been leased, so it's voluntarily committed.

+15***82** 45:58

Yes, apparently so, yes.

PH Pecos Hall 46:00

Right. So then you don't have standing as a party to object to a compulsory pooling application?

+15***82** 46:10

No, I do not.

PH Pecos Hall 46:11

OK.

All right, very good.

All right. So then M's McLean, why don't we finish this case?

Thank you.

Yes, let's take this case. So, Mr. Mr. McClure, I believe this is your case as technical reviewer.



McClure, Dean, EMNRD 46:25

That's correct, Mr. Herring. Examiner.



PH Pecos Hall 46:28

Have you heard any reason not to proceed with a hearing by affidavit on this case?



McClure, Dean, EMNRD 46:36

If it's no longer being adjected to because we've resolved that, then I see no reason that we current, although I would request that we hear it later after a break though.



PH Pecos Hall 46:46

OK, OK.

Sounds good.

That's what we'll do. So we'll hear this with the other two cases.

M's McLean and so M's Mr. Mr. and Mrs. Kirkus, knowing what you know now, do you withdraw your objection?



+15***82** 47:00

Yes, we do.



PH Pecos Hall 47:00

OK.

Thank you. And and have a good day.



+15***82** 47:04

Thanks.



PH Pecos Hall 47:04

Thank you.

OK.

Let's move on to case number 2.

We're gonna come back to case number one later in the day.

So Miss McLean, please remind me that we're hearing those three together.

Let's move on to FAE 2 operating.

These are case 25220 and 221 entries of appearance.

Please. Good morning. Dana Hardy with Hardy McLean on behalf of FAE operating.

Good morning.

Good morning. Paula Vance with the Santa Fe Office of Holland and Heart on behalf of Oxy and good morning. Carrie Hatley, entering an appearance on behalf of Conoco Phillips Company. Thank you.

Ah, miss McLean.

Or sorry, Miss Hardy, you submitted additional evidence in this case.

Yes, Mr. examiner.

Actually, I don't know that it was additional evidence the hearing examiners had asked us to submit exhibits that included an index with page numbers so that they could locate where everything was.

And so that's what we have done.

That's all that's been done. That's it.

Yes, there wasn't actually any information.

OK.

Very good. OK.

I know it's been reviewed and these cases can be taken under advisement, so thank you. Thank you.

Let's move on to case number four. On our docket this N5, these are oxy USA cases 25222 and 225 entries please.

Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland and Hart, on behalf of the applicant, Oxy.

Dana Hardy with Hardy McLean on behalf of COG operating and Burlington Resources. Thank you.

MS

Matthias Sayer 48:44

Mr. Examiner.

Mathias Sayer, from Bradford Sayre on behalf of EOG Resources.

PH

Pecos Hall 48:48

Good morning.

So these cases have come back around.

I believe that new evidence and or additional evidence has been submitted.
There were some requests for supplementals to be filed, which we we did.
We filed those last week.
And Mr. Harris has reviewed those and they're satisfactory at this point.
Mr. Harris, do you have any questions or can we take this case under advisement?



Harris, Anthony, EMNRD 49:20

Good morning.
Just a couple of questions and clarifications on point number on item number one
from the supplemental filings.



PH Pecos Hall 49:24

Go read it.
Go right ahead.



Harris, Anthony, EMNRD 49:29

OK, so item was 5 items submitted with the supplemental.
I want to address just item number one which deals with the mechanical integrity
testing and the gas lift valves that are installed in the completion.



PH Pecos Hall 49:42

And which witness?
Which witness do you want to question?



Harris, Anthony, EMNRD 49:46

It would be production or completions engineer.



PH Pecos Hall 49:49

Who do you have?
M's Vance. I believe Mr. Janicek would probably be the correct person.
And there he is.
Mr. Janicek, are you?
What is your expertise?

JC Janacek, Stephen C 50:06
Piece is in production engineering as well as regulatory engineering.

PH Pecos Hall 50:11
Mr. Harris, does that sound like the right witness?

 **Harris, Anthony, EMNRD** 50:14
Sure.

PH Pecos Hall 50:15
OK, let me get him sworn in.
Mr. Janicek, would you please raise your right hand?
Do you swear or affirm that the testimony you're about to give is the truth, the whole truth, and nothing but the truth under penalty of perjury?

JC Janacek, Stephen C 50:27
Yes.

PH Pecos Hall 50:28
All right.
Would you state and spell your name for the record?

JC Janacek, Stephen C 50:32
Yes, my name is Steven Janicek and that is spelled.
Stephen.
Jan A/C Ek.

PH Pecos Hall 50:43
OK. And you've been recognized as an expert by this division?

JC Janacek, Stephen C 50:47
Yes.

PH **Pecos Hall** 50:48

In what field?

JC **Janacek, Stephen C** 50:50

Uh petroleum engineering.

PH **Pecos Hall** 50:51

Petroleum engineering. OK. Perfect. Mr. Harris, go right ahead.

 **Harris, Anthony, EMNRD** 50:55

Yes, good morning, Mr. Janettek.

Good to see you again.

So with respect to the mechanical integrity testing associated with this project, I just want to set the context here because we're dealing with wells that are both.

I guess you could call it a hybrid.

It'll function part time as a producer and then during the injection cycle it becomes an injector.

So we've got intermittent cycles between production and injection, so.

JC **Janacek, Stephen C** 51:18

OK.

 **Harris, Anthony, EMNRD** 51:24

In that regard, from the injection perspective, part 26.

The regulations are more specifically 1915.

2611 does apply here from the injection perspective.

And so on. That note, just want to clarify that the worlds do need to demonstrate mechanical integrity as per 26 and more specifically it applies to the mechanical integrity of the tubing, the casing, tubing, annulus and the Packer.

So I just wanted to provide that clarification as to why we're.

Why were we requesting mechanical integrity testing procedures and and documentation in this case? So having said all that?

Is that clear? I guess, or do you have any questions on the mechanical integrity, the requirements from mechanical integrity?

 **Janacek, Stephen C** 52:18

No questions. I just wanted to confirm that I heard you correctly, Mr. Xander.

 **Pecos Hall** 52:22

Oh, Mr. Janicek, you're going to need to do something so that we can record your voice.

I can't hear you.

 **Janacek, Stephen C** 52:28

I'm sorry. Can you hear me?

 **Pecos Hall** 52:30

Yes, perfectly.

 **Janacek, Stephen C** 52:30

OK, now.

 **Pecos Hall** 52:31

Go ahead.

 **Janacek, Stephen C** 52:32

OK.

I'm sorry about that.

Just to be clear, Mr. Examiner.

Your your spelling out that we're looking to demonstrate mechanical integrity for the casing tubing in the Packer, is that correct?

 **Harris, Anthony, EMNRD** 52:48

Correct.

 **Janacek, Stephen C** 52:49

Yes, I I I hear that and I understand that, yes.

 **Harris, Anthony, EMNRD** 52:50

Yep.

OK.

So I guess if in that regard, if we could turn to just a page three from the supplemental exhibit 425222.

 **Janacek, Stephen C** 53:04

Yes.

Yes.

 **Harris, Anthony, EMNRD** 53:07

OK.

In there, OK, if we look at the second paragraph, the gaslift system.

The third sentence there or third line refers to conventional gaslift mandrels.

And so are these that to me.

Maybe semantics here, but that to me implies that they're not wireline retrievable.

Is that your understanding here of that?

 **Janacek, Stephen C** 53:41

I do not know if that's wireline retrieval or not.

 **Harris, Anthony, EMNRD** 53:45

OK.

OK. And the reason I ask is that there's and again this may be comes down to a person's interpretation of conventional versus other types of gaslift.

But if we could just go to.

Page 6 please.

OK.

So this is a a description of the the gas lift components that will be installed in the tubing and if you look at item 14, the second line in that table.

It says a priority ECSPM and I'm just wondering is that a side pocket mandrel or do you know what is that terminology signify?

 **Janacek, Stephen C** 54:34

I would assume that's a side pocket mandrel and and their four wire line retrievable and I can.



Harris, Anthony, EMNRD 54:39

OK.



Janacek, Stephen C 54:40

I can confirm that with our completions engineer.



Harris, Anthony, EMNRD 54:45

Fine, it won't necessary at this time. I just.

Three. Where I'm going here is that this this completion design is quite different from I guess I guess you could say it's a departure from a traditional injection.

Well, because we've got, it's both a producer and an injector and therefore the the methodology and the procedures for performing the mechanical integrity test are going to be quite a bit different than a a normal operation for a mechanical integrity test.

And more specifically.

Is that our field inspectors from the OCD, they're not familiar with with these, with this approach or with this particular?

Completion configuration I guess.

So I I just want to clarify that one of the conditions that we will include in the order is that OXY provide a step by step procedure with contingencies for how the mechanical integrity test would be performed, because when our inspectors go to the field, I just want.

To make sure that it's clear for them.

And for Oxy as to what's being done, there's no.

There's no confusion over, you know, this hybrid design.

So I guess is there any concerns with with that approach to having Oxy submit that procedure at A at a later date? Of course, I just want to highlight that it will be in, in the order and is do you have any concerns or questions in that regard?



Janacek, Stephen C 56:14

No, we don't have any concerns or questions.



Harris, Anthony, EMNRD 56:17

OK.

Thank you very much.
That concludes my questions.

PH **Pecos Hall** 56:22

OK.

Thank you, Mr. Harris.

So M's Vance these cases will be taken under advisement. Excellent. Thank you.

I'm calling Matador production cases.

These are #6 through 11 on our docket. Case numbers are 2524748505253 and five four inches of appearance please.

Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland and Hart, on behalf of the applicant, Matador.

Good morning, Mr. hearing examiner and good morning, Mr. Technical examiner Darren Savage, with Abadi and Shill appearing on behalf of Alpha Energy Partners to LLC, and we are just monitoring. Good morning.

Good morning, Mr. Examiner.

Keri Hatley, entering her parents on behalf of Conoco Phillips and Marathon Oil, Permian, and you're monitoring.

Yes, Sir.

Mr. Bruce.

M's Vance, in case Mr. Bruce doesn't join us. Did he object?

Oh, I think I might hear him.

I was being optimistic.

M's Vance.

Do you know if he objected?

He may have previously, but I believe that all objections have been withdrawn and we just filed amended hearing packets with some updated exhibits and that's why we're here.

 **+15*****12** 57:46

And.

PH **Pecos Hall** 57:55

OK, very good.



+15***12** 57:58

This is Jim Bruce, representing New Bern. I got cut off from the hearing.



Pecos Hall 58:02

OK.

Thank you.

OK.

Let's get your amended exhibits admitted into evidence.

Is there any objection?

Not hearing any, they're admitted.

I see Mr. McClure on the screen.

Mr. McClure, any questions on these cases?



McClure, Dean, EMNRD 58:23

No questions Mr. Hernia examiner, although there are two cases that we are gonna need amended exhibits on again.



Pecos Hall 58:31

Ah, OK.

So which cases can we take under advisement?

Let's start there.



McClure, Dean, EMNRD 58:37

The cases we can take under advisement is.



Pecos Hall 58:42

Mm-hmm.



McClure, Dean, EMNRD 58:42

4748.



Pecos Hall 58:44

Mm-hmm.



McClure, Dean, EMNRD 58:45

And then we're skipping 50 and we can take under advisement 52 and 53.



PH Pecos Hall 58:47

Mm-hmm.

All right, perfect.

What? What's going on with 50 and 54?



McClure, Dean, EMNRD 58:56

50 and 54 we need the CPAC to be corrected to reference that it's going to be gas wells rather than oil wells.



PH Pecos Hall 59:06

Miss Vance.

I can get that done this afternoon alright so.

Mr.

Mr. McClure, are you the examiner on the 16th?



McClure, Dean, EMNRD 59:19

Yes, yes, I am Mr.



PH Pecos Hall 59:20

OK.

All right, so M's Vance, because this is a minor correction. If you'll move these cases to the 16th, we'll do a final review then and make sure the CPAC is correct.

If I could vial it before the end of the hearing, would that be OK?

Today, it's urine.

Mr. McClure has a full docket today.

I don't really want to give him anything else to review.

So no, just move them to the 16th and we'll deal with them then.

Thank you.

Thank you.

Mr. McClure, anything else on these cases?



McClure, Dean, EMNRD 1:00:00

No, Mr. examiner.



Pecos Hall 1:00:02

All right.

Thank you.

So we're in recess on 50 and 54. The other cases are all taken under advisement.

Thank you.

Let's move on now.

These are three are operating cases.

There are three of them.

They're #12 through 14 on our docket, 253-2123 and two, four.

Dana Hardy with Hardy McClain on behalf of 3R operating.



Deana Bennett 1:00:25

Laying on the houses.



Pecos Hall 1:00:27

Thank you.



Deana Bennett 1:00:28

Good. Good morning Mr. Examiner.

This is Deana Bennett, and I apologize in advance for my voice under the weather a little bit, but I did enter an appearance on behalf of Kotera energy operating in 25321.



Pecos Hall 1:00:42

Good morning, miss Bennett.

I'm sorry you don't feel good.

What's your position on these cases?



Deana Bennett 1:00:47

We are monitoring and preserving rates.

PH

Pecos Hall 1:00:50

Great.

DB

Deana Bennett 1:00:53

And I don't have a position on the other. The 2-3 and two four.

I did not enter an appearance in those cases, just in 25321.

PH

Pecos Hall 1:01:01

Sounds good.

M's gearholt, can you come up to a microphone and turn it on?

Because otherwise, we're not gonna hear you and the AI won't pick it up.

Gabriel Girville, on behalf of Civitas Permian operating LLC.

No objection, just monitoring.

Perfect. Thank you.

Good morning, Mr. Examiner.

Sharon Shaheen, on behalf of Flat Creek Resources and 25324.

24 only very good.

Thank you machine any.

What's your position?

We don't object to this case going forward by affidavit, but I would note for the record that.

Creek does not agree with the percentage of interest that's reflected in the current set of exhibits, and we are of course conferring with 3R in that regard and expect that to be resolved.

So what do the exhibits say, and what do you think the interest is?

That's a good question.

I can't tell you. I think the difference is about.

3:00 or 4:00 to 5:00.

Half of a .4 or .5% difference, and it has to do with an agreement that I believe flank Flat Creek believes, has been terminated and 3R has said that they're waiting on a title opinion and I expect that the parties will resolve that after.

The title opinion has been received.

All right.

Thank you, machine.

M's Hardy.

Thank you, Mr. Examiner, we're back.

Would you like me to respond to miss? No.

If you're just presenting cases so these cases were presented previously and the division had requested that we provide updated or corrected checklist and unit recapitulations that included the highlighted pooled parties.

So we have done that and I would ask that the exhibits be admitted and that the cases be taken under advisement.

Perfect. Thank you.

Without exception and.

I think Mr.

Fordyce has reviewed these.

Cases. And we're gonna take them under advisement.

So thank you.

Thank you.

All right, we're off the record in those cases.

Let's move on to spur Energy Partners #15 on our docket 25376 entry please. Dana Hardy with Hardy McLean, on behalf of Spur Energy Partners and I don't believe there's any other party that's correct.

There were previously parties who have withdrawn their appearance, very good and what are we here today to do?

We are here on these cases because the division had requested that we provide. Geology exhibits that included the reference well for the depth severance.

In the cross section and so we have done that and I would ask that the exhibits be admitted and that the case be taken under advisement.

Thank you. Without exception and this case has been reviewed by Mr. Fordyce, and we'll take this under advisement.

Thank you. Thank you.

Let's move on to Burnet Oil.

These are #16 and 17 on the docket 25427 and 28.

Entries please.

 +15*****12 1:04:09

Mr. Examiner.

Jim Bruce representing Burnett.

PH

Pecos Hall 1:04:12

Thank you.

MS

Miguel Suazo 1:04:14

Good morning, Mr. Examiner.

Miguel Suazo with Betty and Wozniak representing Riley Permian for monitoring purposes only.

PH

Pecos Hall 1:04:20

Perfect. Good morning, Mr. Suazo.

Mr. Bruce, go ahead.

MS

Miguel Suazo 1:04:23

Good morning.

●

+15***12** 1:04:26

Yes, Mr. Examiner, this is actually the third hearing on these cases.

The first one was in early July.

And we're here specifically today for the disk DISQUE family interests.

Originally, they were named as pool parties back in early July, they contacted my client, asked to be removed from the pooling list and said that they would.

Execute leases to Burnett.

So we changed our exhibit package.

To reflect that they were not being pooled.

Came up for hearing again in early August, a few days before that, the disk family informed Burnett that they had reneged on their essentially reneged on their deal and were seeking to sell their interest to an unknown third party.

So we sought to add them the disk family back onto the pooling list, which is exhibit A3 in each.

Exhibit package and.

The matter was continued to this docket so that these exhibits could be.

Supplemented so that now exhibit A3 plus exhibit A5, which is the chronology of contacts, shows the disc family as being pooled.

And if you would look at exhibit A6 in each exhibit package, that is the e-mail from

the disk.

Family.

To Christine Pilgrim Burnett's Landman, saying that they were.

Weltering on their deal with Burnett, so we felt that we had to move forward.

With pooling those interests, and that's the main reason here today.

There was some other additional matters that the division examiners required, including a revised cross section.

To show larger print and then we updated the.

Green cards, which were slow in coming in, and the.

The.

Certified notice spreadsheet in each case.

But with that, I believe all matters have been accounted for by.

By Burnett and we would move the admission of exhibits.

A through E plus sub parts in each of the exhibit packages.



Pecos Hall 1:07:21

Thank you, Mr. Bruce.

Without exception, Mr. McClure, are there any questions in this case?



McClure, Dean, EMNRD 1:07:28

Mr. Examiner, I do have questions for the land man in this case, or cases, I guess.



Pecos Hall 1:07:32

OK.

Got it. Mr. Bruce, your land man.



+15***12** 1:07:37

Her name is Christine Pilgrim.



Pecos Hall 1:07:41

Do you know if she's with us?



+15***12** 1:07:44

She should be, yes.

KP **Kristine Pilgrim** 1:07:44
AM.

+15***12** 1:07:49
And just as an introduct, would you please state your name for the record, Miss Pilgrim?

KP **Kristine Pilgrim** 1:07:56
It's Christine, children.

PH **Pecos Hall** 1:07:56
Well, I don't. OK, well, hold on a second.
I haven't sworn her in yet.

+15***12** 1:08:01
Oh, OK.

PH **Pecos Hall** 1:08:01
M's Pilgrim, raise your right hand.
Do you swear or affirm under penalty of perjury, the testimony you're about to give is the truth, the whole truth, and nothing but the truth?
OK, state and spell your name.

KP **Kristine Pilgrim** 1:08:13
It's Christine Pilgrim.
KRI.
STINE Pilgrim, Pilgrim.

PH **Pecos Hall** 1:08:19
And even though I recognize you, I'm still gonna ask.
Have you been recognized as an expert by this division?

KP **Kristine Pilgrim** 1:08:24
Yes, Sir.

 **Pecos Hall** 1:08:25

In what field?

 **Kristine Pilgrim** 1:08:26

In the land man matters.

 **Pecos Hall** 1:08:29

All right. So Mr. Bruce, I'm not sure why you're asking any questions to Miss Pilgrim, because Mr. McClure has the questions right now.

 **+15*****12** 1:08:37

No, I I was just going to qualify her as an expert, that's all.

 **Pecos Hall** 1:08:41

Thank you, Mr. McClure.

 **McClure, Dean, EMNRD** 1:08:44

Thank you, Mr. Herring. Examiner, Miss Pilgrim.

Do we know who now has the interests of the Dist least then?

 **Kristine Pilgrim** 1:08:54

It's still in their name.

It's they. They have not sold it yet.

 **McClure, Dean, EMNRD** 1:08:58

OK.

So was a title search conducted after you received the e-mail from disk looking to see who owns that interest?

 **Kristine Pilgrim** 1:09:06

Yes, and nothing has been filed and she hasn't contacted me back either.

 **McClure, Dean, EMNRD** 1:09:12

OK, thank thank you, Miss Pilgrim.

Mr. Herring, examiner, I have no further cases or further questions for either of these cases.

 **Pecos Hall** 1:09:19

And we can take these cases under advisement.

 **McClure, Dean, EMNRD** 1:09:22

Yes, we can miss hearing Zeminar.

 **Pecos Hall** 1:09:24

All right.

Thank you, Miss Pilgrim.

Thank you, Mr.

 **Kristine Pilgrim** 1:09:26

Thank you.

 **Pecos Hall** 1:09:27

Thank you, Mr. Bruce.

All right, let's move on to. Yes, thank you.

 **+15*****12** 1:09:29

Thank you.

 **Pecos Hall** 1:09:32

Moving on to COG operating cases, these are 18 through. Let's see.

18 through 22 on our docket is 254404142 and four. Three entries please.

Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland and Hart, on behalf of COG.

Excuse me and Dana Hardy with Hardy McLean, on behalf of Devon Energy production and your position, we are monitoring these cases.

Thank you.

Thank you.

Are there any other entries before we begin?

OK, Miss Vance.

So these are just amended hearing packets with updated CPAC and C-102's. And so we would ask that the revised hearing packets be taken under or be accepted into the record and that the cases be taken under advisement. OK, without exception, Mr. McClure are there.

Any questions?



McClure, Dean, EMNRD 1:10:31

Mr. Examiner, I have no questions for the first four cases.



Pecos Hall 1:10:35

OK, so M's Vance will take these cases under advisement. Thank you.

Thank you.

All right, let's move on to #23 on the docket strata production.

This is 25487 Mr. hearing examiner. I think actually #22 case 25477 is separate.

Then there's power caster.

Thank you.

So let me call #22 on our docket 25477.



Ann Tripp 1:11:02

This is an trip of Hinke Shaner on behalf of COG operating in case number 25477.



Pecos Hall 1:11:07

Good morning, miss Tripp.



Ann Tripp 1:11:09

Good morning.



Pecos Hall 1:11:11

Miss trip?

I don't see any of the parties. Do you know of any?



Ann Tripp 1:11:14

No other parties have appeared in this matter.

PH

Pecos Hall 1:11:16

OK. And this matter has come back around so that you can file what?

AT

Ann Tripp 1:11:20

We followed emitted exhibit.

It's consisting of a three second revised C-102 well dedication and location plots for the Pudge 500 and 501.

PH

Pecos Hall 1:11:28

OK.

Alright, so they're admitted without exception. Mr. McClure, any questions on this case?



McClure, Dean, EMNRD 1:11:38

I believe Mr. Fordice already reviewed it and is satisfied with the amended exhibit packet.

PH

Pecos Hall 1:11:44

Perfect. Then Miss Trip will take this under advisement. Thank you.

AT

Ann Tripp 1:11:48

Thank you, Sir.

PH

Pecos Hall 1:11:50

All right.

Thanks Ms. McLean.

Now let's go to strata production #23.

Good morning, Mr. Examiner.

Sharon Shaheen, on behalf of strata production, morning.

Good morning, Mr. Examiner.

Carrie Hatley entering appearance on behalf of Conoco Phillips.

And if if parties could just say what their position is when they enter an appearance, it'll it'll make this go faster. I think absolutely. We are just monitoring.

Thank you very much michehin.

Thank you. And this application STRATA seeks to pool the north half N half of sections 27 and 28, Township, 23 S range.

30 E.

In Eddy County and A320 Acre spacing unit to drill the ER, 2728 ADL Fedcom #1H both witnesses the land man, Mr. Makowskis and the geologist Scott Kelly have previously testified and been qualified to testify as experts in their respect.

Subject Matters.

This is part of a development plan for the entirety of sections 27 and 28.

Strata has already drilled the ER four and three and are drilling the ER 2.

Do in the next three months. This is the final will in that development, the usual exhibits were submitted with the filed package including my notice statement.

The the application was filed July 7th. Notice letter went out to all.

Interested owners on July 18th and a notice letter went out to the state Land Office on July the 29th.

It was also published on July 19th.

If there are any questions.

I'm happy to answer those now.

Thank you, machine.

Your exhibits are admitted without exception, Mr. McClure.



McClure, Dean, EMNRD 1:13:39

Mr. Harrington, I'll have a question for the geologist.



Pecos Hall 1:13:42

OK, Miss Shaheen.

I believe Mr. Kelly is on on the virtual hearing.



Mitchell Krakauskas 1:13:53

Mr. Examiner, I don't think that Scott made it on the hearing.

He was headed out to the rig this morning.



Pecos Hall 1:13:59

OK. Do we have?

Do we have a geologist for Stratton?

It doesn't appear that he's joined today.

Is there any possibility that our land man, Mr. Kirkowski, could answer your questions, Mr. McClure?



McClure, Dean, EMNRD 1:14:22

I can ask the questions of him and I guess we can see if he.
If he is able to do so.



Pecos Hall 1:14:32

So so hold on.



Mitchell Krakauskas 1:14:33

Well, we'll give it a shot.



Pecos Hall 1:14:34

Hold on a second.

Hold on a second.

So, Miss Shaheen, I'm not willing to ask geologists questions to a land man.

That would be outside the scope of his expertise and and that I'm not going to do so.

Why don't we do this?

We can come back around to this case later and see if you can get your geologist to join us.

Virtually, I mean, cell phone is fine as long as I can see him.

And swear him in.

I would appreciate that courtesy of course.

All right. So but thank you, Mr.

Krakowski, how do you say krakowskis? OK, good.



Mitchell Krakauskas 1:15:13

Yes, Sir. Krakowski. Yes, krakowskis Lithuanian.



Pecos Hall 1:15:16

Is it Greek?

Is it Greek?

Lithuanian. Thank you. OK.

MK Mitchell Krakauskas 1:15:20

Sir.

PH Pecos Hall 1:15:20

Well, we'll save you for another day when your expertise is on point, but we.

MK Mitchell Krakauskas 1:15:26

I'll reach out to him now and and we'll get him on the phone in the next 30 minutes.

PH Pecos Hall 1:15:29

That's great. On a phone with a screen please.

All right.

MK Mitchell Krakauskas 1:15:32

Yes, Sir.

PH Pecos Hall 1:15:33

Sounds good.

And when that happens, would you send an e-mail to Miss Shaheen and then she can she can flag that for the next time we're in between cases.

Alright, alright, perfect.

MK Mitchell Krakauskas 1:15:43

Yes, Sir.

Thank you.

PH Pecos Hall 1:15:44

Let's move on to Permian Resources 25511 Case #24 on our docket.

Yes, Jackie McLean with Hardy McClain on behalf of Permian Resources. Thank you.

Who's representing Conoco?

Mr. Examiner Kerry Hadley entering appearance on behalf of Conoco Phillips, monitoring only.

Thank you, Mr. McLean.

Yes, thank you.

In this case, Permian Resources seeks an order pulling all uncommitted interests from approximately 8076 feet to 9568 feet and 10,605 feet to 11,340 feet within the Bone Spring formation.

Underlying. Oh, shoot my computer. Just.

It had not touched it for a few minutes.

Now it's black. There we go.

We're back.

OK, before it continues.

McLean is your microphone on.

It is on.

It is.

Do you need me to speak?

No, it's fine.

I'm wondering why are you so specific about?

Is there a depth severance?

There is a depth severance and there's two depth severances within the Bone Spring and we're pulling this to specific intervals.

Or there's multiple depth severances.

I'd say so.

That's why I wanted to be.

Spec because we're not seeking to pull just the whole Bone spring or like second.

And it's a 795.38 acre standard horizontal spacing unit comprised of the east half equivalent of a regular Section 2 and the east half of section 11, Township 21 S, range 34 E in Lee County.

And this unit will be dedicated to the Outland State Unit 11/12 1:34 H 12.

Exhibits were timely submitted for this case and include the land testimony and corresponding exhibits of Reagan, Armstrong and geology testimony and exhibits from Chris Rodel Huber, who have both been previously admitted to testify as experts in land and geology before the division.

We also included my notice testimony, along with copies of the notice letter which were sent.

July 16th, 2025 and an affidavit of publication for July 22nd.

2025.

Unless there are questions, I ask that the exhibits be admitted for case number 25511 and that the case be taken under advisement. OK, without exception, Mr. McClure.



McClure, Dean, EMNRD 1:18:17

Hi Mr. and Zaman. I do have questions for the land man.



PH Pecos Hall 1:18:20

And who is that miss?

That's Reagan, Armstrong and she should be on.



RA Reagan Armstrong 1:18:27

Good morning.



PH Pecos Hall 1:18:28

Good morning.

Would you raise your right hand?

M's Armstrong do you swear or affirm under penalty of perjury that the testimony you're about to give is the truth?

The whole truth and nothing but the truth.



RA Reagan Armstrong 1:18:38

Yes.



PH Pecos Hall 1:18:39

Spell your name for the record.



RA Reagan Armstrong 1:18:42

REAGANAR.

MSTRONG.



PH Pecos Hall 1:18:48

Thank you.


You can put your hand down.

So has this division recognized you as an expert?





RA Reagan Armstrong 1:18:53


Yes, Sir.


 **Pecos Hall** 1:18:54
In what field?


 **Reagan Armstrong** 1:18:55
Land Management.


 **Pecos Hall** 1:18:56
OK, perfect, Mr. McClure.


 **McClure, Dean, EMNRD** 1:18:59
Oh, thank you, Mr. Herring. Examiner, Miss Armstrong, can I direct your attention to your C-102? It's in exhibit.


 **Pecos Hall** 1:19:12
I'll share my screen.

 **McClure, Dean, EMNRD** 1:19:12
I guess.
Yeah, that might be the the easiest.
Miss McLean.

 **Pecos Hall** 1:19:21
All right, this.

 **McClure, Dean, EMNRD** 1:19:21
And I'm looking at page.
4 excuse me, I'm looking at page.
16 of 45.

 **Pecos Hall** 1:19:34
Here we go.

 **McClure, Dean, EMNRD** 1:19:36
Do you see what we're looking at, Miss Armstrong?

RA Reagan Armstrong 1:19:39

Yes, I do.

 **McClure, Dean, EMNRD** 1:19:42

OK.

What is the distance between that lateral?

And that quarter quarter line that separates the east half of the east half from the West half of the east half.

RA Reagan Armstrong 1:19:57

So we space that.

I think it's 229 feet from that quarter quarter line, so that we would be able to make a bigger E half proration unit for this development.

As you can see, I have labeled it's 991 feet from that EE line so.

 **McClure, Dean, EMNRD** 1:20:12

Are you?

RA Reagan Armstrong 1:20:22

If that clears it up.

 **McClure, Dean, EMNRD** 1:20:25

Are you making that off the assumption that it's 13120 feet?

Link between the East Line and that quarter quarter line.

RA Reagan Armstrong 1:20:37

Yes.

 **McClure, Dean, EMNRD** 1:20:39

Is that 13120 feet indicated anywhere on this plat?

RA Reagan Armstrong 1:20:47

I don't believe so, but.

That is the usual spacing for a regular acre, I believe.



McClure, Dean, EMNRD 1:21:01

Is there any indication on this plat that actually shows that it's 329 feet between the quarter quarter line and the lateral?



Reagan Armstrong 1:21:12

Sorry, could you repeat that?

It kinda cut out.



McClure, Dean, EMNRD 1:21:16

Is there any indication on this plat that shows that it's 329 feet between the lateral and the quarter quarter line?



Reagan Armstrong 1:21:27

Yes, as I said before, if you see that 991 feet, that is labeled.

That would allow you to you know, if you subtract the 991 from the usual footages that you have then that would get you to the 329 feet which is allowing us to make a the bigger spacing unit.



McClure, Dean, EMNRD 1:21:59

Would it be accurate to say that the numbers 329 never show up anywhere on this plat?



Reagan Armstrong 1:22:08

That would be accurate.

However, I believe it's represented by the 991 feet.



McClure, Dean, EMNRD 1:22:18

Notice in.



Pecos Hall 1:22:19

Please.



McClure, Dean, EMNRD 1:22:22

I guess that would be in the Southwest quarter of the Northeast quarter of Section 2.
What does that 330 feet indicate?

 **Reagan Armstrong** 1:22:34

So let's see if I can scroll a little bit.

That blue line would have been.

Or actually I guess it's right here.

So the blue line is the 394 feet marker and we have the 330 feet representing that.

Our well be closer to the normal quarter quarter line spacing that you need.

 **McClure, Dean, EMNRD** 1:23:06

Would it be accurate to say that that 330 feet is indicating where the blue dashed line is from the lateral then?

 **Reagan Armstrong** 1:23:17

Where the blue dash line.

Yes.

 **Pecos Hall** 1:23:21

Yeah.

 **McClure, Dean, EMNRD** 1:23:23

OK.

 **Reagan Armstrong** 1:23:27

And it maybe if you need to ask my geologist they.

Are more intimate with the footages. He may be able to clear it up easier for you.

 **McClure, Dean, EMNRD** 1:23:40

No, that that won't be necessary.

 **Reagan Armstrong** 1:23:43

OK.

 **McClure, Dean, EMNRD** 1:23:44

I was gonna say 1320 feet is the normal for 1/4 quarter. Though having said that, that sections are not exact squares, I guess because the earth is round and so it doesn't really work out quite that way.

Most operators, when they do a proxy well, don't do one foot over the line.

Usually we see at least 10 if not 30 feet.

That's the reason for my questions and the reason that I want to make this clear. I guess before we start seeing this propagated out between all the operators of doing their 329 feet as was attempted to be done here.

I have no further questions, Mr. Herring. Examiner. Thank you, miss.

Miss Armstrong and I believe we can take it under advisement, Mr. Herring.

Examiner.

RA **Reagan Armstrong** 1:24:35

Thank you.

PH **Pecos Hall** 1:24:38

Perfect. That's what I was gonna ask you. Thank you.

OK.

We're off the record. In that case, let's go to Permian resource case 25514.

Yes, Jackie McLean with Hardy McLean on behalf of Permian Resources and Carrie Hatley entering our parents on behalf of Conoco Phillips Company monitoring only, perfect Miss McLean.

Yes, we actually filed a motion to dismiss in this case late last night because we no longer need to pool. OK. Conoco Phillips.

Alright, we'll get the order out sometime soon.

Thank you very much, Rob.

The record in that case, let's move on to #26 and 27 on the docket 25524 and 2/5.

DB **Deana Bennett** 1:25:19

Good morning, Mr. Examiner.

Deana Bennett, on behalf of Cotera Energy Operating Co.

In these two cases.

PH **Pecos Hall** 1:25:24

Morning.

I don't see any other parties.
Do you know of any?

DB Deana Bennett 1:25:29

Well, originally well.
Mr.
Bruce had filed an entry of appearance.
In the let me start again.
Sorry, these cases were originally part of a contested hearing that happened in August or late July.

PH Pecos Hall 1:25:48

OK.

DB Deana Bennett 1:25:49

And before the contested hearing occurred.
Kotera and Rockwood reached an agreement and Rockwood withdrew its competing applications.

PH Pecos Hall 1:25:59

OK.

DB Deana Bennett 1:26:00

And but that happened before.
Or after Mr. Bruce had filed his entry of appearance. And I don't think he knew that Rockwood had withdrawn its competing applications at the time.
So Long story short, Mr. Bruce may still be in these cases for Marshall and Winston and Caitlin Luck.
Was.
Representing Rockwood in the competing applications, but she never entered an appearance or objected to these cases.

KL Kaitlyn Luck 1:26:31

And Mr. Herring examiner, this is Caitlin lock.
I am on the call and that's correct.

I'm not objecting or entering an appearance in these cases.

Thank you.

PH **Pecos Hall** 1:26:38

OK.

Miss Bennett, do you want to present your cases?

DB **Deana Bennett** 1:26:42

Yes, thank you.

So in these two cases, these two combined cases, kotera is seeking orders from the division pooling uncommitted interests in between the two cases. The east half of sections 26 and 35, Township 18 S, range 35 E and the east half of sections 2:00 and 11:00.

Township 19 S, range 35 E and these are bone spring wells and.

We timely submitted exhibits and we included in our exhibits the usual.

Suite of exhibits, which are the exhibits of the land.

Man, who's previously testified before the division and his credentials have been accepted as a matter of record.

The usual suite of geology exhibits and the geologist has previously testified before the division and her credentials have been accepted as a matter of record.

And then my notice exhibits which show that notice of the hearing was timely mailed.

And that notice the publication was timely.

Back in July.

So with that, I would ask that the exhibits be admitted into the record and the cases be taken under advisement, and the two witnesses are available if the division has any questions.

PH **Pecos Hall** 1:27:53

Thanks, M's been, I didn't quite catch the dates that you sent out your notice and published.

Can you give me those?

DB **Deana Bennett** 1:27:58

Sure. Yes.

July 24th and 25th is the date that we sent out the notice letters.

PH **Pecos Hall** 1:28:03

Mm-hmm.

DB **Deana Bennett** 1:28:04

And excuse me, July 30th is the date that we published.

PH **Pecos Hall** 1:28:11

Perfect. OK. Exhibits are admitted without exception, and we turn to our technical examiner.

 **McClure, Dean, EMNRD** 1:28:18

Mr. Examiner, I will have questions for the land man in these cases.

PH **Pecos Hall** 1:28:22

Thank you. And the land man's name is what exactly?

DB **Deana Bennett** 1:28:27

Got Richter and Mr. Richter is available. I see him now.

PH **Pecos Hall** 1:28:28

Thank you.

Excellent.

SR **Scott Richter** 1:28:41

Good morning.

PH **Pecos Hall** 1:28:45

When you turn your camera on, I'll be able to see you.

There you are, thank.

DB **Deana Bennett** 1:28:49

I can see him, yeah.

SR **Scott Richter** 1:28:49

Good morning.

PH **Pecos Hall** 1:28:52

Thank you, Mr. Richter. Please raise your right hand.

Do you swear?

Affirm under penalty of perjury, the testimony you're about to give is truth. Tell truth nothing but truth.

SR **Scott Richter** 1:29:02

I do.

PH **Pecos Hall** 1:29:03

OK, you can put your hand down. Spell your name please.

SR **Scott Richter** 1:29:07

SCOTTRICHTER.

PH **Pecos Hall** 1:29:12

Thank you.

And you've been recognized as an expert before this division?

SR **Scott Richter** 1:29:17

Yes, Sir.

PH **Pecos Hall** 1:29:17

In what field?

SR **Scott Richter** 1:29:19

Land.

PH **Pecos Hall** 1:29:20

OK.

Very good, Mr. McClure.



McClure, Dean, EMNRD 1:29:22

Thank you, Mr. hearing examiner.

Mr. Richter, if I can draw your attention to your exhibit A4, this is a slide that's titled unit summary. It's page 18 of 95 of the exhibit packet.



Deana Bennett 1:29:49

And I can try sharing my screen if that'd be useful or you have it there, Mr. Richter.



Scott Richter 1:29:50

Yes, Sir.

Yes, yes, I do.



Deana Bennett 1:29:55

OK, great.



Scott Richter 1:29:59

Yes, Sir.



McClure, Dean, EMNRD 1:30:02

Mr. Richter.

I see where you have the nine different tracks label out here, but do you include the breakdown of ownership for each of these 9 tracks anywhere in the exhibit packet?



Scott Richter 1:30:26

The ownership is to the specific tracks.

No, that's not in this packet, Sir.

I can provide that though as a supplement.



McClure, Dean, EMNRD 1:30:35

OK.

So you do understand what what I'm asking for? If I were to make that request, is that correct?



Scott Richter 1:30:41

But just to be clear, would you mind clarifying so we can get that supplemented, please?



McClure, Dean, EMNRD 1:30:46

Yeah, essentially what I'm looking for is the actual breakout of, for instance, track 1 here.

Who owns what percentage of it? And if we could just provide a table that you know, kind of says like track one and like the three different owners and how much acreage or percentage they have then track two and it's break out of owners. Essentially what I'm looking.



Scott Richter 1:31:07

Yes, yes, Sir.



McClure, Dean, EMNRD 1:31:08

For.



Scott Richter 1:31:10

We can follow up quickly with that.



McClure, Dean, EMNRD 1:31:12

OK.

Thank you, Sir.

If we Scroll down one page to exhibit 85, that's page 19 of 95 are you?

Are you with me, Mr. Richter?



Scott Richter 1:31:26

Yes, Sir.



McClure, Dean, EMNRD 1:31:28

OK, here we have a new born oil company.

Is is Katera wishing the division to force pool newborn oil company in these cases?



Scott Richter 1:31:42

We can dismiss Mubarund oil company. To my understanding, we sent them notice

out of an abundance of caution. Miss Bennett had alluded to the conversations with Rockwood and at one point Muburn and Rockwood were our understanding coterra's understanding was that they were tied together to some degree. However, that is not the case. Based on my understanding today and mubar can be dismissed.



McClure, Dean, EMNRD 1:32:09

OK.

So then you Boren. So is it your understanding that mubar does not own an interest in these proposed units then?



Scott Richter 1:32:17

Correct.



McClure, Dean, EMNRD 1:32:19

OK. And then just to confirm what you said then, is it accurate to say that katera is not requesting the division to force pool mubar in either of these cases?



Scott Richter 1:32:30

That's correct, Sir.



McClure, Dean, EMNRD 1:32:33

OK.

So if I were to ask you to submit a minute exhibit packet that removes them from this list, do you understand what I'm asking for?



Scott Richter 1:32:41

Yes, Sir, we can do that as well.



McClure, Dean, EMNRD 1:32:44

OK.

OK. If I can now draw your attention a little bit further down here to page 25, this is your exhibit 8/6 and it's the AFE that was included with your. Election letters, I believe.

 **Scott Richter** 1:33:10

Yes, Sir.

 **McClure, Dean, EMNRD** 1:33:10

Are you with me, Mr. Richter?

 **Scott Richter** 1:33:12

Yes, Sir.

 **McClure, Dean, EMNRD** 1:33:14

Yeah, I was going to say I guess I don't know if your version is the same version of what we have in imaging, but the version we have in imaging it's.

Uncle, it's difficult to read this exhibit.

I don't know if it's low resolution from because it was a scan letter or what's going on here.

Are you in?

Do you have the original copy of this AFE available to you?

 **Scott Richter** 1:33:47

Within this packet right here, right now. No, Sir. But I can certainly supplement.

A clean copy of this AFE as well.

 **McClure, Dean, EMNRD** 1:34:00

OK.

So then if I were to make the request that Katera does provide us with a supplemental exhibit that includes a clear copy of.

Two different AFS here.

This particular case only needs one though, yes.

So if I were to make the request, that could.

Provide a clear copy of the AFE for the Yeti state com #223H.

Do you understand what I'm asking for?

 **Scott Richter** 1:34:29

Yes, Sir.

And we can do that.



McClure, Dean, EMNRD 1:34:32

OK. Thank.

I guess let me tack on to that.

I referenced the first case, the AFE for the second case.

Something katera could provide as well. Is that correct?



Scott Richter 1:34:46

Yes, Sir. You're saying that's a similar resolution as the 223 H and you would like it supplemented as well?



McClure, Dean, EMNRD 1:34:54

Yes, I am.



Scott Richter 1:34:56

Very good.



McClure, Dean, EMNRD 1:34:57

OK. Thank thank you, Mr. Richter.

I have no further questions, Mr. Herring examiner, but I just clarify with Miss Bennett on what her understanding is of amended exhibit packets and supplemental exhibit.



Pecos Hall 1:35:13

Go ahead, Miss Bennett.



Deana Bennett 1:35:15

Thank you.

I understand what you're requesting, which is attract breakdown of the ownership by tract. Removing mubar from the pool party list and substituting in more legible AFES for both cases.



McClure, Dean, EMNRD 1:35:31

Well, a supplemental exhibit with it, because I think the current exhibit is showing us the election letter.

 **Deana Bennett** 1:35:36

That's true.

Yes, I understand.

 **McClure, Dean, EMNRD** 1:35:41

OK.

Thank you, miss Bennett.

Thank you, Mr. Examiner.

I have.

I have no further questions for you these cases.

 **Pecos Hall** 1:35:47

OK.

So Mr. McClure sounds like you want an opportunity to review that information when it comes in.

 **McClure, Dean, EMNRD** 1:35:53

Yes, I do, Mr. Examiner.

 **Pecos Hall** 1:35:54

All right. So Miss Bennett, would you continue these cases?

Let's see. I think our I think.

Breya we have a 16th which is getting quite full now, and there's a contested hearing on the 16th, right?

That's correct. And and Miss Shaheen. That's your case, isn't it?

Yes, it is. What's happening with that case?

We are planning to be here for the contested hearing.

After that.

Miss Chance, September 30th.

I'm sorry, I didn't hear you, September 30th.

Do we have any room to put them there?

Yes, we do.

All right. Excellent.

So Miss Bennett, would you continue your cases to the September 30th docket?

DB Deana Bennett 1:36:39

I will.

PH Pecos Hall 1:36:40

All right.

Thank you.

DB Deana Bennett 1:36:41

Thank you.

PH Pecos Hall 1:36:42

All right, we're off the record in those cases. Devin, let's take a 5 minute break before we go to Devon Energy cases, Mr. Examiner.

I'll also note that Stras geologist is available at your convenience.

Excellent. We'll start with that when we get back then.

Thank you.

All right. Thank you.

All right. We are back on the record and we're going to return to case 25487 machine. Your witness.

Thank you, Mr. Examiner.

Mr. Kelly, are you available?

MK Mitchell Krakauskas 1:44:28

Yes, ma'am.

Yes, ma'am, I am.

PH Pecos Hall 1:44:32

Thank you. And do you have your camp there?

You are there we go.

OK, OK.

So Mr. Kelly, is it?

MK **Mitchell Krakauskas** 1:44:38
Yes, Sir.

PH **Pecos Hall** 1:44:39
All right.
Sounds good.
I'm not sure who's speaking.
I don't see any anyone's mouth moving.
There we go.

MK **Mitchell Krakauskas** 1:44:44
I understand and.

PH **Pecos Hall** 1:44:46
OK, great. Can you switch with this other gentleman for a moment?
Thank you.
All right.
Would you raise your right hand please?
Do you swear or affirm under penalty of perjury that the testimony you're about to give is the truth, the whole truth, and nothing but the truth?

MK **Mitchell Krakauskas** 1:45:02
Yes, Sir.


PH **Pecos Hall** 1:45:03
Spell your name please.

MK **Mitchell Krakauskas** 1:45:05
Michael SCOTTKELLEY.


PH **Pecos Hall** 1:45:11
All right.
Thank you.


You can put your hand down. Have you been previously recognized as an expert by this division?

 **Mitchell Krakauskas** 1:45:17
Yes.


 **Pecos Hall** 1:45:18
In what field?


 **Mitchell Krakauskas** 1:45:19
Geology.

 **Pecos Hall** 1:45:20
OK.
Very good, Mr. McClure.

 **McClure, Dean, EMNRD** 1:45:24
Thank you, Mr. Herring examiner.
Mr. Kelly, if I can draw your attention to your cross section.
It's a part of exhibit B3 I think, and that's on page 35 of 52.

 **Mitchell Krakauskas** 1:45:41
Yes, Sir.

 **McClure, Dean, EMNRD** 1:45:45
On this cross section.
Is there any indication of what depth we're talking about, or even what scale those cross those logs are?

 **Mitchell Krakauskas** 1:46:03
I don't have a depth written on it.
The text are at 10 foot intervals.
I think the the axle scales cropped out.

 **McClure, Dean, EMNRD** 1:46:09

Is.

OK, is does the Brushy Canyon top appear within these logs?

MK Mitchell Krakauskas 1:46:20

No, Sir. The Brushy Canyon top is about 1500 feet above the Bone Spring around 15 to 1600 feet and that J marker that we have on there is about 280 feet above the Bone Spring.

So our target is at the base, the basal part of the Brushy Canyon unit.

PH Pecos Hall 1:46:34

It's.

 **McClure, Dean, EMNRD** 1:46:39

You know, so your target is below that J marker then?

MK Mitchell Krakauskas 1:46:43

Yes, Sir.

 **McClure, Dean, EMNRD** 1:46:45

OK.

MK Mitchell Krakauskas 1:46:46

And it's on exhibit B4.

There's a blue circle highlighting our lateral position target.

 **McClure, Dean, EMNRD** 1:46:58

Yeah, I I do see that.

Mr. Kelly, if I were to request that this exhibit be resubmitted with the death TRAC, include it with each of these logs. You understand what I'm requesting?


MK Mitchell Krakauskas 1:47:12


Yes, Sir.


 **McClure, Dean, EMNRD** 1:47:15


OK. Thank. Thank you, Mr. Kelly.

Thank you, Mr. Herring examiner.
I have no further questions for this case.

 **Pecos Hall** 1:47:20
OK, Mr. McClure, will you want to review that?

 **McClure, Dean, EMNRD** 1:47:24
Yes, I will miss her examiner.

 **Pecos Hall** 1:47:26
All right, Miss Shaheen, would you continue this case to the September 30th docket?
I will. All right.
Thank you.
All right.
Thank you, Mr. Kelly.
All right, we're off the record in this case until that September 30th docket. Thank you.
All right. So then if I'm not mistaken, M's Vance wanted to address.
Something with you, Mr. McClure.
So M's Vance, what cases are we coming back to?
So it was case 25250 and 25254.
I just wanted to confirm because I double checked and it looks like in the CPAC we do have the gas pool reference.
So I'm not sure.
I just want to make sure.
Sure, maybe I'm missing something or maybe and it looks like it's in the case file, but if you can just confirm what it is we need to correct because I'm seeing a gas pool listed there.

 **McClure, Dean, EMNRD** 1:48:25
Yeah. M's Vance, do you see?
Do you have it in front of you right now?
M's Vance.

PH **Pecos Hall** 1:48:30

I I do.

 **McClure, Dean, EMNRD** 1:48:31

OK. Do you see?

Like I guess I don't have it right in front of me, but do you see like that line that's like 2 up from the pool?

PH **Pecos Hall** 1:48:38

I see what you're talking about now.

 **McClure, Dean, EMNRD** 1:48:41

Yeah. And I know Mr. Felder was.

Hesitant, they already had a caveat there, and as he was fine with putting gas there because the pool is considered a gas pool, although the primary product, they actually do expect to be mostly oil, but due to how the administrative cold is. Wrote in regards to wells within gas pools, we consider them to be gas wells. Hence, we need that too.

Reference that fact there rather than having incorrect information.

PH **Pecos Hall** 1:49:17

OK.

All right.

Well, I will change it.

I was looking at the pool there and I didn't even notice that, but yeah, happy to change that.

Thank you. OK.

 **McClure, Dean, EMNRD** 1:49:29

Hey, thank you, Ms. Vance.

PH **Pecos Hall** 1:49:31

Thank you, Mr. McClure.

Alright, we're back off the record on those cases.

Let's now go to Devon Energy.

These are cases 28 through 31.

On our docket it is 255262728 and 29 entries.

Please, Mr. Technical examiner Darren Savage. Without.

The applicant.

Devon Energy production company and I believe these cases are 26 through 29 and I have the next cases that were 30 for 31.

I think maybe the docket has been rearranged. I'm using the worksheet.

That was sent out most recently. So anyway, the case numbers are correct though, aren't they, Mr. Savage?

Yes, 255262552725528 and 25529.

Are there any other entries of appearance? Yes, Mr. examiner.

Carrie Hatley, entering her appearance on behalf of COG operating. And are you monitoring?

Good morning, Mr. Examiner.

Jordan Kessler, on behalf of EOG monitoring these cases and if I could note in the record.

We entered our appearance in case 25526 and 25528.

I'll also be following up with an appearance in 25527 and 25529, but I'll verbally enter it for now. Thank you and and that doesn't change the fact that you're just monitoring.

That's correct.

Perfect. Thank you.

Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland and Hart, on behalf of Matador.

You're just monitoring perfect, Mr. Savage.

Yes, Sir. These four cases cover lands in section 15 and 16 in Township 2621 S range 27 E Eddy County, New Mexico.

The land man, Jake Norris, has testified previously before the division and has been accepted as an expert witness, and so has the geologist Joe Dixon has testified previously and has been accepted as an expert witness in geology.

We have two bone spurring cases.

Case numbers case number 25526.

In that case, Devin seeks an order pooling all uncommitted interest in the Bone Spring underlying a standard 640 acre, more or less spacing unit comprised of the

north half of sections 15 and 16.

And in case the other Bone, Spring case 25527, Devon 6, northern pooling.

All uncommitted interest in the Bone Spring underlying another 640 acre more or less spacing unit comprised of the South half of sections 15 and 16.

In these two cases, the units will be dedicated to the Cedar Hills 1516 state Commonwealth.

Mr. Norris, the land man, exhibit A, has his statement and the four standard land man exhibits and Mr. Dixon's has a statement in Exhibit B and sub exhibits that consist of 6 standard geology exhibits.

These cases the I have my.

Self affirm statement and as exhibit C and notice by letter and publication were timely.

Letter was sent on August 21, 2025, and publication was on August 28th, 2025.

Going on to the next two cases.

These these are Wolfcamp cases.

Case number case number 25528. Devon seeks an order pulling all uncommitted interest in the Wolfcamp formation.

Underlying a non standard 640 acre more or less spacing unit of the north half of sections 15 and 16 and in the other Wolfcamp case it's 25529.

Devon seeks an order, pulling all uncommitted interest in the Wolfcamp formation underlying a non standard 640 acre, more or less spacing unit comprised of the South half of sections 15 and 16.

These two units are also dedicated to the Cedar Hills 1516 state Commonwealth.

Mr. Norris's exhibit A includes his landmines statement and the four Standard Land man exhibits. Mr. Dixon's exhibit B includes his geology statement supported by 6 standard geology exhibits, and both of these cases notice was timely were notice letters were mailed on August 21st, 2020.

Five and timely, published on August 28th, 2025.

And Mr. Herring, examiner at this time, I move that exhibits AB and C.

And all sub exhibits be admitted into record for these four cases, and that the cases be taken under advisement. Counsel and witnesses are available for questions. Thank you.

Thank you, Mr. Savage.

Exhibits are admitted without exception. Mr. Savage, would you help me determine that?

The that the publication on the 28th is actually a timely.

I can count out the since it's 10 business days.

Yeah, please. OK.

2/3.

7-8.

Umm.

8910.

Unless there's a holiday in there, there's a Labor Day, isn't there? There is.

OK.

Thank you for pointing that out.

That was something that I I missed on there apparently, but.

I would ask that we allow continuance to cure that if that's would be permitted. OK, so.

The next time that we can hear these cases is September 30th.

OK. Can I ask that the cases be taken under advise and subject to the publication notice to be cured?

No, we would hear these again on September 30th.

Mr. McClure, do you have any questions for any of the witnesses in these cases?



McClure, Dean, EMNRD 1:55:51

Mr. Examiner, I do have questions for the land man in these cases.



Pecos Hall 1:55:55

OK.

Thank you, Mr. Savage. Your land man is available.

Yes, he is. OK, great.

And what is his name?

Mr. Jake Norris.

Mr. Norris. Perfect.

Good morning, Mr. Norris.

Would you raise your right hand?



Nourse, Jake 1:56:12

Good morning.

PH

Pecos Hall 1:56:13

Good morning.

Do you swear or affirm under penalty of perjury that the testimony you're about to give is the truth?

The whole truth and nothing but the truth.

NJ

Nourse, Jake 1:56:20

I do.

PH

Pecos Hall 1:56:21

OK.

Very good. Spell your name please.

NJ

Nourse, Jake 1:56:24

Yes, JAKENOURSE.

PH

Pecos Hall 1:56:30

OK. And have you been recognized as an expert by this division before?

NJ

Nourse, Jake 1:56:34

Yes, Sir.

PH

Pecos Hall 1:56:35

In what field?

OK.

Very good, Mr. McClure.




McClure, Dean, EMNRD 1:56:40


Thank you, Mr. hearing examiner.


Mr. Nourse, I'm looking specifically at case 25528, just so we're on the same page when it comes to page numbers. This is the first of the Wolfcamp cases.


For both of these Wolfcamp cases, the appropriate pool only includes the Upper wolf camp.


Is it your understanding that Devin is interested in?
Drilling and completing wells out of the Upper wolf camp.


 **Nourse, Jake** 1:57:15
Not at this time.


 **McClure, Dean, EMNRD** 1:57:18
OK, knowing now that the pool.
That is included here only includes the upper Wolfcamp.
Does Devin wish to now only request that the Upper wolf camp be pulled in those two cases?


 **Nourse, Jake** 1:57:38
I thought the way that it needs to be then that's fine.
I don't necessarily think that it's necessary because the ownership does not change by depth within the Wolfcamp formation.


 **McClure, Dean, EMNRD** 1:57:52
Well, I guess it'd be interesting precedent if we started pulling multiple pools that's vertically.
Separate it.
Having said that, Devon can request what it would like in these pool in these cases in the division will review and issue orders appropriately based upon that.
We can definitely revisit it.
Maybe after you've had a chance to discuss.
With your attorney, but I'd like to move on to my other questions before that occurs.


 **Nourse, Jake** 1:58:26
Yes, Sir.


 **McClure, Dean, EMNRD** 1:58:29
Mr. Nourse, if I can draw your attention to your.
Exhibit A2 that's page 26 of 100.
This should be a list of the uncommitted party slash persons to be pulled.


 **Nourse, Jake** 1:58:55
Yes, Sir.


 **McClure, Dean, EMNRD** 1:58:56
About 3/4 of the way down the state of New Mexico is included as a royalty interest owner.
Do you see where I'm referring to?


 **Nourse, Jake** 1:59:07
Yes, Sir.

 **McClure, Dean, EMNRD** 1:59:08
Is it Devin's intention to ask the division to force pull the state of New Mexico in these cases?

 **Nourse, Jake** 1:59:17
No, Sir, I. That was probably an inadvertent inclusion, just as they're just royalty interest owners.

 **McClure, Dean, EMNRD** 1:59:22
Hick.
OK.
So if I were to request that this exhibit be amended to remove the state of New Mexico from all four cases, do you understand what I'm asking for?

 **Nourse, Jake** 1:59:37
Yes, Sir.

 **McClure, Dean, EMNRD** 1:59:39
OK.
Mr.
Hearing examiner, I don't have any more questions for these cases, although I do wonder if we should give them some time to touch base on the Wolfcamp cases to

see if they want to amend their request to remove the lower wolf camp from the application.

PH **Pecos Hall** 2:00:01

Yes.

Mm-hmm.

Mr. Savage.

Yeah, I'll, I'll confirm with my client on that and give you an answer.

So Mr. Savage, if.

The two options here are to bring these cases back on the 30th, and as they are now with the corrections that you need.

In the evidence and of course, to allow the notice to cure, the other option would be what?

Theoretically, the other option is what what would you do if you were gonna amend the application not to pool that section?

That Mister McClure is talking about.

Oh, I mean, I thought I I've had planned that we would remove the New Mexico from that.

Exhibit and resubmit it as a amended exhibit.

That's not what I meant. What I meant was this last question that Mister McClure was addressing that you said you want to talk to your client about.

Wolfcamp, so, yeah, if if, if, if a operator wants to then develop the lower formation, you would come in and you would either.

You know, you'd either extend the spacing unit or you would create a new spacing unit 1 or the other and and I would have to confer to decide what strategy they want to pursue on that.

What I OK.

All right. What I'm wondering is, would the application need to be amended in a way that would require new notice?

I I don't.

Think so?

Because I believe in the in, if I'm looking at the application, I believe we mentioned the Woof, Woof, camp formation and that description would cover the entire.

Both pools OK so.

And and now this was based on.

So I think that.

That initial notice would satisfy the.

But you know, personally I think I think if I'm if I'm gonna file an amended application, I I would go through notice again.

So I would.

So depending on what your client wants, you may either come back on the 30th or you may end up dismissing these applications and refile.

Well, we we could.

We could come back on the 30th and go ahead and pool the upper wolf camp.

OK. And then and then then we would file new applications for the for the lower part, OK, and then and then the question is in those new applications, would we want to extend it or would we want to create a new pool spacing unit?

So what you're saying about notice in these cases is you've basically noticed a larger area and if you have to retract that area somewhat, it's the notice still works.

Yes, I believe so.

That that would be my without.

Scrutinizing this and in my office, that's what I'm asking.

That would be the my view. OK, Mr. McClure.

I think we have a path forward for these cases. So is there, yes.



McClure, Dean, EMNRD 2:03:24

Umm.

Yeah, Mr. hearing examiner, I guess if I could lay out what I'm seeking so that we don't have to come have another continuance. I guess after that.



Pecos Hall 2:03:31

Sure.

Please.




McClure, Dean, EMNRD 2:03:39


Mr. Savage, assuming that.


Devin wishes to only pull the Upper wolf camp.


Then what?


What I would ask for you is if are you looking at the CPAC currently, Mr. Savage?


 **Pecos Hall** 2:03:54
I do have one open.
I have 25526 open.
You want to bring it up on the screen.


 **McClure, Dean, EMNRD** 2:03:59
I was.


 **Pecos Hall** 2:04:01
Yeah, I can.
I can do that.
We're going to have him share his screen, Mr. McClure, and Mr. Norris.
Why is?
Those.
Do you see that, Mister McClure?

 **McClure, Dean, EMNRD** 2:04:50
Yes, it is on the screen, although we're just we're not looking at the CPAC obviously I guess, but.

 **Pecos Hall** 2:04:56
Where did?
Yes, here we go.


 **McClure, Dean, EMNRD** 2:05:03
OK, now in the Wolfcamp case, they'll be a little bit different, of course, but you see that line that says pulling this vertical extent.


 **Pecos Hall** 2:05:06
Right.
Yes, yes, I do.


 **McClure, Dean, EMNRD** 2:05:10
That's like halfway in the middle your page.


In the Wolfcamp version of this, instead of saying Wolfcamp formation there, you would amend it to say up a Wolfcamp formation.


 **Pecos Hall** 2:05:28
Yes.

 **McClure, Dean, EMNRD** 2:05:29
And the effect of this would of course be that the only up of Wolfcamp is being forced pulled by the division.

 **Pecos Hall** 2:05:35
Right.

 **McClure, Dean, EMNRD** 2:05:36
And in addition to that, Mister Savage for all four cases, I didn't need to question the geologists on this, but in the geology exhibit the cross section and exhibit B3, which is well in the in the Wolfcamp case, it's page 50, but.
I'm not sure on this one.
It's probably around page 50 if you want to zoom down, Mr. Savage.
Should be your exhibit B3.
It should be.
The cross section is, yeah, there we go.
On this cross it.

 **Pecos Hall** 2:06:18
Hmm.

 **McClure, Dean, EMNRD** 2:06:20
I was gonna say on this cross section the API numbers for each of the wells is not included.
If we could, if I asked that this be amended to include the APA, the API numbers, excuse me for each.
Well, do you understand what I'm asking for, Mr. Savage?
Or should we touch base with the geologists?

PH **Pecos Hall** 2:06:41

I.

I believe I understand that.

But I think it might not hurt to confirm with the geologist.

And the geologist, Joe Dixon.

I believe he's on the phone, on the online as well.

 **McClure, Dean, EMNRD** 2:06:57

OK.

I apologize, Mr. Herring. Examiner, I I might.

I have a question for the geologist in this. In these cases then.

PH **Pecos Hall** 2:07:03

OK.

And.

Who is that? That is Joe Dixon.

OK.

Let me know.

There we go. Mr. Dixon, please raise your right hand.

Do you swear?

Affirm under penalty of perjury, that testimony you're about to give is truth. The whole truth, nothing but truth.

DJ **Dixon, Joe** 2:07:26

Yes, Sir.

PH **Pecos Hall** 2:07:27


Perfect. You can put your hand down. Spell your name, please.


DJ **Dixon, Joe** 2:07:30

JOEDIX ON.


PH **Pecos Hall** 2:07:34


And you've been recognized as an expert before this division?


 **Dixon, Joe** 2:07:37
Yes, Sir.


 **Pecos Hall** 2:07:38
In what field?

 **Dixon, Joe** 2:07:39
Geology.


 **Pecos Hall** 2:07:40
Perfect, Mr. McClure.


 **McClure, Dean, EMNRD** 2:07:42
Thank you, Mr. Herring. Examiner or Mr. Dixon, do you see this exhibit that Mister Savage has pulled up on the screen now?

 **Dixon, Joe** 2:07:49
Yes, Sir.

 **McClure, Dean, EMNRD** 2:07:50
If I were to ask you to amend this to include the API numbers for each of these wells, you understand what I'm asking for.

 **Dixon, Joe** 2:07:57
Yes, Sir.

 **McClure, Dean, EMNRD** 2:07:59
OK. Thank thank you, Mr. Dixon.
Mr. Savage.
Do you have a list of the of the three different main things that we need to have amended in these cases?

 **Pecos Hall** 2:08:14
I believe so.

So we're amending the CPAC.

To include the Upper wolf camp as the extent.

And then we're on all four cases.

We have the geology exhibit which is the B3 which we're including the API numbers and I believe we are revising the bullying list to exclude the state.



McClure, Dean, EMNRD 2:08:41

Yep, Yep, that that is correct, Mr. Savage.

And then, of course, the Apple Wolf camp vertical limit would only be for the later two of the four cases.

Thank you, Mr. Herring examiner.

I have.

I have no no further questions or requests for these cases.



Pecos Hall 2:08:58

OK.

Thank you.

So they'll come back around on the 30th, Mr. McClure.

And Mr. Savage, you have enough guidance to know what to do.

Yes, all right.

Thank you.

We're off the record in these cases.

Let's move on to simrpx energy. There are two cases at 32 and 33 on our docket. 25530531 entries please.

Good morning, Mr. herring examiner.

Good morning, technical examiner Darren Savage with the Santa Fe office of Abide and Shill appearing on behalf of the applicant, Cimarex Energy Company of Color.

Thank you.

Good morning, Mr. Examiner.

Carrie Hatley, entering her appearance on behalf of COG acreage and COG operating monitoring only. Thank you.



Raylee Starnes 2:09:33

Pierce.

PH

Pecos Hall 2:09:38

Good morning, Mr. Examiner.
Jordan Kessler, on behalf of EOG Resources Inc.
Monitoring this case.
Thank you.

+15***12** 2:09:44

Mr. Examiner.

PH

Pecos Hall 2:09:45

Was there someone else there we go.

+15***12** 2:09:47

Jim Bruce, Mubaran oil company.

PH

Pecos Hall 2:09:50

Are you just entering now?

+15***12** 2:09:50

And we.

PH

Pecos Hall 2:09:51

'Cause, I don't see your entry before.

+15***12** 2:09:54

Yeah, yeah.
I unfortunately neglected to file, but New Bern has no objections.

PH

Pecos Hall 2:09:58

OK.
Has no what.

+15***12** 2:10:03

Has no objections to the matter.

All right.

Thank you.

Were there any other parties?

OK, Mr. Savage.

These cases cover lands in sections 14, Township, 25 S, range 28, E Eddy County, New Mexico.

The Landman Dillon Park has testified previously before the division and has been recognized as an expert witness. The geologist Crystal Pate has testified previously before the division, and she has been recognized as a expert witness.

In case numbers 25530, SIMRACS seeks an order pooling all incoming interest in the Bone Spring Formation underlying a standard 320 acre, more or less facing unit comprised of the east half of section 14, the unit will be dedicated to the river.

Federalcom 1H14 federal com 1H3.

H and eight H wells. Orientation of the Unatural wells and unit is stand up north to South in the location of the Wellsor standard. Mr. Dillon's exhibits include exhibit A includes his layman's statement, and the 4th standard. Layman exhibits M's Pate's exhibit B for this.

Case includes her geology statement, supported by 10 geology exhibits.

Exhibit C provides for the self firm statement of notice for mailings.

I noticed by the letter was timely mailed on August 21st, 2025 and the publication would have been timely being mailed on August 28, 2025, except for Labor Day.

And I asked for the A pathway forward for that.

Sounds good.

I can anticipate the path forward, but why don't we get?

Why don't we take care of everything in case?

Order pooling. All uncommitted interests in the Wolfcamp formation underlying a standard through here in 20 acre, more or less spacing unit comprised of the east half of section 14.

Again, the unit will be dedicated to the River Bend 14 Federal Commonwealth.

Orientation of this unnatural well is stand up north to South and the location of the wells in in this unit are non standard.

Simracs will apply Ministrative leave with the division for approval of the non standard locations.

Mr. Dillon again is the land man. Exhibit A includes a statement and four standard 4 standard Land man exhibits.

Miss Pate's exhibit B for the hit.

This case includes her geology statement and again supported by 10 geology exhibits. We have noticed and let her know this is timely August 21st, but unfortunately publication.

This is a day late, a day early at at this time.

I moved it exhibits AB and C and all sub exhibits be admitted into the record for these two cases and that the cases be taken under advisement, subject to the curing the notice issue.

Council and witnesses are available for questions.

Thank you.

Without exception, Mr. McClure questions for witnesses in this these cases.



McClure, Dean, EMNRD 2:13:02

I'm Mr. Harrington.

I have no questions for the witnesses in either of these cases.



Pecos Hall 2:13:07

All right. So, Mr. Savage, would you continue these cases to the September 30th docket and will cure notice at that time?

Yes, thank you.

Thank you.

Thank you.

All right then.

We're off the record in those cases.

Let's move on to BTA oil producers 25537.

Yes, Jackie McLean, on behalf of BTA oil producers, and we also filed a motion to since we actually just got back the order.

From the division on that, I'm confused.

Will you say that again?

We filed a motion to dismiss this case earlier this week, and we just got back trying to get the order number for you.

That's OK, you got an order.

Yes, we did very good.

Then we're off the record in this case. Thank you.

Let's move on to Earth. Stone operating 25538.

Yes, Jackie McLean, on behalf of Earthstone operating. Thank you. And in this case. Then there's no other entries of appearance. In this case, Earth stone seeks an order pulling additional uncommitted interests under under the terms of Division order R 22597.

And exhibits were submitted timely for this case and include the land testimony and corresponding exhibits of Kevin Wooley, who has previously been admitted to testify as an expert in petroleum land matters, as well as my notice testimony. Copies of the notice letter, which was sent on August 12.

2025 and the affidavit of publication for August 19th, 2025.

Unless there are any questions, I ask that the exhibits be.

Method for case number 25538 and that the case be taken under advisement.

Thank you, miss McLean.

Without exception, Mr. McClure.



McClure, Dean, EMNRD 2:14:54

Mr. Examiner.

No questions for this case.



Pecos Hall 2:14:57

Thank you to take this case is taking under advisement calling now #3637.

And that case, number one that was on our docket, 255-442-5565 and six, six. Yes, thank you. Jackie McLean on behalf of Permian Resources.

And there are no other parties.

So please proceed. Mr. I have not filed a written appearance. However, I would like to file a verbal appearance and follow up with the written if possible. Carrie Hatley, entering an appearance on behalf of Connacle Phillips.

Just monitoring.

Perfect. Thank you, miss Hatley. Thank you.

In these cases, Permian resources seeks to pull all uncommitted interest in the Bone Spring formation.

In irregular sections 31 and 32, Township, 21 S.

Range 27 E in Eddy County and these units will be dedicated to the Fred State.

Commonwealth exhibits were timely submitted for these cases.

And include the land, testimony and exhibits of Daniel Corey, who has been previously testified, who has been previously admitted to testify as a petroleum land man in geology. Testimony exhibits of Shane Jarvie and Mr. Jarvie has not been admitted as an expert geologist before the division, so if.

We have questions we can get him admitted. Finally, my notice testimony, along with copies of the notice letter which was timely, sent on August 21st and an affidavit of publication for all the cases on October 20, August 21st, 2025. With that, I ask that. The exhibits for case numbers 255-442-5565 and 25566 be admitted into the record and the cases be taken under advisement. Thank you.

Without exception, Mr. McClure, any questions on these three cases?



McClure, Dean, EMNRD 2:16:55

Mr. Harrington. Zamora. I will have questions for both the land man and the geologist in these three cases.



Pecos Hall 2:17:01

OK.

Let's get them both on the screen.

OK.

I see two people now.

Can we stop sharing this screen?

Is it possible?

Yes, thank you.

There we go.

Now I can see you clearly.

Would you please both raise your right hands?

Mr. Cory, you're already Underoath.

You don't need to do this. Thank you.

Mr. Jarvi, is it?



Shane Jarvie 2:17:42

Yes.



Pecos Hall 2:17:43

All right, perfect.

Mr. Jarvi, do you swear or affirm under penalty of perjury, that the testimony you're about to give is the truth, the whole truth, and nothing but the truth?

SJ **Shane Jarvie** 2:17:53
I do.

PH **Pecos Hall** 2:17:53
Thank you.
You can lower your hand.
Would you spell your name please?

SJ **Shane Jarvie** 2:17:57
SHANEJARVIE.

PH **Pecos Hall** 2:18:00
Thank you. And I don't have your CV in front of me, so let's talk about.
First, let me ask you what field do you want to be recognized as an expert before this division?

SJ **Shane Jarvie** 2:18:14
Geology.

PH **Pecos Hall** 2:18:15
OK.
Thank you.
What education do you have that goes toward that expertise?

SJ **Shane Jarvie** 2:18:22
I have a bachelor's from Ohio University.

PH **Pecos Hall** 2:18:26
OK, in what?

SJ **Shane Jarvie** 2:18:28
Geologic sciences.

PH **Pecos Hall** 2:18:29
OK, try to be a little specific.
It'll help this move along. That's fine.

SJ **Shane Jarvie** 2:18:32
Sorry about that.

PH **Pecos Hall** 2:18:34
And what year was that? I'm sorry.

SJ **Shane Jarvie** 2:18:37
2011.

PH **Pecos Hall** 2:18:38
2011 OK, what did you what?
What work did you do in this field that would help me qualify you as an expert in petroleum geology?

SJ **Shane Jarvie** 2:18:48
So I was with Anadarko Petroleum, first in The Woodlands, working the Eagle Ford play and then eventually moving into the Delaware Basin.
Play worked for them up until they were sold to Oxy in 2019.
Afterwards I went to epic Permian operating, which was a small private equity firm.
We operated Canyon Sands wells out of Ozona, Texas after we sold that company, I was pulled in by Permian Resources.
And I'm now an asset geologist for Permian Resources for West Eddy.

PH **Pecos Hall** 2:19:19
What do your duties include?

SJ **Shane Jarvie** 2:19:22
Reservoir characterization.
Reservoir mapping and monitoring of production.

PH **Pecos Hall** 2:19:32

Not knowing enough, I'm not knowing enough about those terms.
You just used explain to me what duties. As a geologist you have now.

SJ **Shane Jarvie** 2:19:42

So currently I am a reservoir characterization of the Wolfcamp and Bone Springs formation in West Eddy planning wells for our upcoming development in West Eddy.

PH **Pecos Hall** 2:19:54

OK.
Would you M's McLean? Would you help me here with the geology?
So I'm trying to get him qualified, not hearing what I need to yet.
Yes, I would like me to share his DV as well. I can share my screen. That'd be great.
Thank you.
Mr. Jarvi, we're gonna pull up ACV on the screen here.
There we go.
So is this the whole thing or just part of it?
This is the top the the can you guess? Go up a little bit or do something to make your screen.
There we go.
OK, Mr. Jarvi, did you create this CV?

SJ **Shane Jarvie** 2:20:35

I did.

PH **Pecos Hall** 2:20:35

Great. When did you do that?

SJ **Shane Jarvie** 2:20:38

It was initially created probably about 10 years ago, but it's been updated with just about every year since.

PH **Pecos Hall** 2:20:45

When's the last time you updated it?

SJ **Shane Jarvie** 2:20:48
Probably about six months ago when I was hired with Permian Resources.

PH **Pecos Hall** 2:20:51
OK. All right.
What parts here that we're looking at go to the expertise of geology?

SJ **Shane Jarvie** 2:21:02
Resources experience in my epic.

PH **Pecos Hall** 2:21:04
Not necessarily any any anywhere on the CV.
How about this?
How about epic epic Permian?

SJ **Shane Jarvie** 2:21:16
Yes, so using log data we were mapping out the reservoir of the Canyon Sands and planning infill development wells for EpiPen.

PH **Pecos Hall** 2:21:28
And is that something that geologists typically do for an oil and gas operator?

SJ **Shane Jarvie** 2:21:35
They do.

PH **Pecos Hall** 2:21:37
So does that.
Is your geology training aid to assist you in looking at log data and using that log data to develop assets as a geologist.

SJ **Shane Jarvie** 2:21:51
It does.



Pecos Hall 2:21:52

How many years have you done that type of task?



Shane Jarvie 2:21:57

For the past 10 years.



Pecos Hall 2:22:00

OK.

That's good enough. Thank you.

OK, so from here on in you're recognized as an expert in petroleum geology. Before this division, Mr. McClure.



McClure, Dean, EMNRD 2:22:12

Thank you, Mr. Herring examiner.

Mr. is Corey, the land man.



Daniel Koury 2:22:21

That's correct.



Pecos Hall 2:22:21

Yes.



McClure, Dean, EMNRD 2:22:23

Again, Mr. Corey to confirm is Permian, requesting that the division force pull the entirety of the Bone Spring formation in these three cases.



Daniel Koury 2:22:34

That is correct.



McClure, Dean, EMNRD 2:22:36

OK.

Specifically for case 25566.

I'm looking at your.

Interest breakout table. The summary of interest.

On Page 14 of 116.

The acreage that we were talking about earlier today, that being the mineral interest being held by E Barzee LLC, formerly Helen Marie Pickens.

Are you familiar with acreage I'm referring to?

 **Daniel Koury** 2:23:16

Yes, Sir.

 **McClure, Dean, EMNRD** 2:23:18

Is that depicted as being some of the acreage that Permian Resources Operating LLC now has leased?

 **Daniel Koury** 2:23:25

That's correct.

They are least interest.

 **McClure, Dean, EMNRD** 2:23:29

OK. And on this table, that four point approximately 4.7 acres is included in the acres behind Permian, is that correct?

 **Daniel Koury** 2:23:42

That's correct.

 **McClure, Dean, EMNRD** 2:23:44

OK.

Thank you, Mr. Corey.

Mr. Jarvi, if I can draw your attention to.

 **Shane Jarvie** 2:23:49

Yes, Sir.

 **McClure, Dean, EMNRD** 2:23:55

Page 33 of 116.

This should be your cross section and exhibit B5.

 **Shane Jarvie** 2:24:03

Yes, Sir.

 **McClure, Dean, EMNRD** 2:24:05

You see on the left hand side of that cross section where it has those Gray intervals listed as pulled interval.

 **Shane Jarvie** 2:24:13

Yes.

 **McClure, Dean, EMNRD** 2:24:15

Does this include the entirety of the Bone Spring?

 **Shane Jarvie** 2:24:19

It does.

 **McClure, Dean, EMNRD** 2:24:22

On this cross section, does it include the entirety of the Bone Spring depicted behind those Gray sections?

 **Shane Jarvie** 2:24:28

No, Sir. This just represents the bottom part.

So what we'd call the Third Bone Spring and 3rd Bone Spring carb.

 **McClure, Dean, EMNRD** 2:24:37

So then is are those?

Gray intervals.

That's included there.

Are they accurate?

 **Shane Jarvie** 2:24:46

They're accurate, but they do not cover the other upper sections of the Bone Spring Formation.



McClure, Dean, EMNRD 2:24:54

Would you agree that they're misleading then? And as they are only showing a part of the Third Bone Spring and 2nd Bone Spring here.



Shane Jarvie 2:25:05

I it would.

It would just be covering the third Bone Spring.



McClure, Dean, EMNRD 2:25:11

OK.

Well, would it be misleading in as they're only showing a part a portion of the Third Bone Spring then or they're only showing the third Bone Spring, which is a portion of the Bone Spring?



Shane Jarvie 2:25:23

Yes, they're only showing the lower part of the Bone Spring formation.



McClure, Dean, EMNRD 2:25:29

And is that the only portion of the Bone Spring that Permian wishes to force pull?



Shane Jarvie 2:25:37

No, Sir.



McClure, Dean, EMNRD 2:25:39

OK.

So if I were to ask for this exhibit to be amended to remove those indications, do you understand what I'm asking for?



Shane Jarvie 2:25:49

Would you want me to? To, to clarify, would you want me to remove those indications completely or would you want me to show the entire log interval covering the Bone Spring?



McClure, Dean, EMNRD 2:26:00

I mean what?

Whichever route you would wish to take in order to make it now accurate.

 **Shane Jarvie** 2:26:06

OK.

I understand that.

 **McClure, Dean, EMNRD** 2:26:09

OK.

So then you do understand, I guess the two options.

Either we we move the labels or else extend your cross section to include the entirety of the bone spurring.

 **Shane Jarvie** 2:26:20

Yes, Sir.

 **McClure, Dean, EMNRD** 2:26:22

OK.

Thank you. No, no more questions, Mr. Herring examiner.

 **Pecos Hall** 2:26:27

All right.

Mr. McClory, if this is continue to the September 30th docket for further review, does that work for you?

 **McClure, Dean, EMNRD** 2:26:38

Yeah, if it's if it works for the hearing barrel, then it works for me.

 **Pecos Hall** 2:26:43

OK. And is this issue on all three cases or just a particular case?

 **McClure, Dean, EMNRD** 2:26:48

All three cases, Mr. Herring? Examiner.

 **Pecos Hall** 2:26:49

Alright. Thank you Ms. McLean.

Would you continue this to September 30th please?

We will do that.

All right.

Thank you. All right.

All right, we're off to thank you. Thank you, witnesses.

We're we're off the record in those three cases.


Let's move on now to Kotera energy.


25563.

Mr. herring examiner, Mr. Herring examiner, Mr. Technical examiner Darren Savage with Abdi and Schill appearing on behalf of the applicant. Thank you.

Mr. Examiner.

 **+15*****12** 2:27:22
Mr.

 **Pecos Hall** 2:27:25
Mr. Bruce, go ahead.


 **+15*****12** 2:27:26
OK.

Thank you.

Mr. Examiner, this is Jim Bruce representing Pride Energy company.

I did not file a written entry of appearance I believe.

Pride has no objection to the matter proceeding by affidavit.

 **Pecos Hall** 2:27:44
Thank you.

Mr. Examiner.

Carrie Hatley, entering her appearance on behalf of COG operating Contra Oil and Gas, Marathon Oil Permian and Mongoose Minerals monitoring only. Thank you.

Good morning, Mr. Herring examiner Paul Evans with the Santa Fe Office of Holland and Hart, on behalf of Matador.

And we are just monitoring perfect.

Any others?

No, Mr. savage.

Yes, yes, Sir.

Thank you.

This case covers lands in sections 12 and 13, and Township 19 S range 34 E.

County, New Mexico.

The land man is Ashley St. Pierre.

She has testified previously before the OCD and has been recognized as an expert in land. The geologist Stacy Frey has testified previously, and she has been recognized as an expert in geology in case number 25563. Katera seeks an order pooling all uncommitted interest in.

The Bone Spring formation from the top of the Bone Spring to the base of the Second Bone Spring and excluding the Third Bone Spring.

Underlying a standard 320 acre, more or less spacing.

Unit comprised of the West half W half of sections 12 and 13.

The unit will be dedicated to the showbiz 1312 STATECOM 101 and 201 wells.

Orientations of the wells that stand up S to north and the location of the wells are standard. Miss St. Pierre's exhibit A includes her landmar statement C 10.

Two's ownership breakdown.

We'll propose a letter with a F ES and chronology of contact Miss Frais. Exhibit B for this case. Includes her statement.

Supported by 6 geology exhibits.

Exhibit C is the statement for notice.

Notice letter leather notice was timely on August 21st, 2025, but Labor Day stepped in to undermine the publication.

Notice, which was mailed on August 28th, 2025. At this time I move that exhibits AB and C and all sub exhibits be admitted into the record for this case and the case be taken under advisement. Counsel and witnesses are available for questions. Thank you.



+15***12** 2:29:40

Yeah.



Pecos Hall 2:29:48

OK. All right.

OK.

Thank you.

Without exception, your exhibits are admitted.

Mr. McClure, would you like to take a 10 minute break before you ask questions in this case?



McClure, Dean, EMNRD 2:30:04

Yes, I would like to Mr. Herring examiner.



Pecos Hall 2:30:05

Very good. That's what we'll do.

And Mr. McClure, if it helps you when you went after the 10 minutes are over, you can leave your screen off and just ask questions without that.



McClure, Dean, EMNRD 2:30:18

OK, I may end up picking you up on that.



Pecos Hall 2:30:20

All right. Very good, very good.

OK.

So, Mr. Savage, it is now 11:00 in the morning. We will come back on the record at 11:10 for Mr. McClure's questions. And are your witnesses available?



McClure, Dean, EMNRD 2:30:22

OK.



Pecos Hall 2:30:31

Yeah, they they should be available. Very good.

I'm not sure which or both. We have questions for both. OK at that point.

So all right, we're off the record for 10 minutes. Thank you.

This is on screen for Colombia.

All right. We are back on the record and we're going to now turn to the two witnesses.

That Mister McClure has requested.

So Miss Frey, would you turn on your camera?

Thank you.

And who else do we have? Miss chance?

Oh yes, Ashley St. Pierre.

Oh, thank you.

Do we? OK, there we go.

OK.

All right, would you both?

Good morning.

Would you both raise your right hands please?

Do you swear or affirm under penalty of perjury that the testimony you're about to give is the truth, the whole truth, and nothing but the truth?

SF **Staci Frey** 2:43:48

Yes.

AP **Ashley St. Pierre** 2:43:49

Yes.

PH **Pecos Hall** 2:43:50

OK, perfect. You can lower your hands, M's Frey.

We'll start with you.

Spell your name please.

SF **Staci Frey** 2:43:56

Stacy Fry, STACIFREY.

PH **Pecos Hall** 2:44:01

All right.

Thanks Anne and Miss Saint Pierre.

AP **Ashley St. Pierre** 2:44:04

Ashley St.

Pierre ASHLE Y.

St. space.

P i.e. RRE.

PH Pecos Hall 2:44:15
Thank you and M's Frey, you've been qualified as an expert before this division.

SF Staci Frey 2:44:20
Yes, I have.


PH Pecos Hall 2:44:21
In what field?

SF Staci Frey 2:44:22
In petroleum geology.


PH Pecos Hall 2:44:24
Thank you and Miss St.
Pierre, same question to you.

AP Ashley St. Pierre 2:44:28
Yes, Sir. I have in land.


PH Pecos Hall 2:44:30
OK, perfect. Mr. McClure, do you want to ask your questions to each individually or as a panel?

 **McClure, Dean, EMNRD** 2:44:39
Individually to the Landman first.

PH Pecos Hall 2:44:42
OK, so miss Miss St.
Pierre, thank you right ahead.

 **McClure, Dean, EMNRD** 2:44:46
I thank you, Mr. Examiner, miss St.
Pierre, I'm looking at your.
Assembly of interest table and Exhibit A2, page 25 of 94.


AP Ashley St. Pierre 2:45:00
Yes.

 **McClure, Dean, EMNRD** 2:45:02
On this table.
Pride Energy Company seems to be highlighted in yellow.
Do you see what I'm referring to?


AP Ashley St. Pierre 2:45:12
Yes, I do.

 **McClure, Dean, EMNRD** 2:45:14
Is it Kattera's intention to ask the division to force pool pride Energy Company in this case?


AP Ashley St. Pierre 2:45:24
No, it's not.
They are only a record title owner for that lease, so no, we are not trying to compulsory pool them.

 **McClure, Dean, EMNRD** 2:45:36
OK.
So if I were to ask you to amend this table to make it more clear that.
Does not wish to force pool pride energy.
Do you understand what I'm asking for?


AP Ashley St. Pierre 2:45:48
Yes, Sir.

 **McClure, Dean, EMNRD** 2:45:50
OK.
Thank you.
In this case, what is the?
Pool the interval that Katera is asking the division to force pool.


AP Ashley St. Pierre 2:46:06
Are you asking me or Stacy?

 **McClure, Dean, EMNRD** 2:46:11
You miss St.
Pierre, I could potentially want to ask Miss Spray if you think she is the better person in this instance.


AP Ashley St. Pierre 2:46:13
Umm.
I will defer to Miss Fray.

 **McClure, Dean, EMNRD** 2:46:26
OK, Miss Spray, which what is the proposed vertical interval that could tear?
Is asking the division to force pull in this case.

SF Staci Frey 2:46:36
So we are pulling the Bone Spring interval which is from the top of the Bone Spring line down to the top of the Third Bone spring sand.

 **McClure, Dean, EMNRD** 2:46:45
OK. Does that interval include the third bone spring carbonate?

SF Staci Frey 2:46:49
It does.

 **McClure, Dean, EMNRD** 2:46:52
OK.
No more questions, but I do have a request for oil. Actually, let me backtrack.
Miss Frey, can I draw your attention to the CPAC in this case?
I believe that's on page 9 of 94.

SF Staci Frey 2:47:19

OK.

I'm there.



McClure, Dean, EMNRD 2:47:22

Do you see the interval or the line on there that talks about the vertical extent?



Staci Frey 2:47:35

Under formation names or vertical extent, is that right?



McClure, Dean, EMNRD 2:47:40

Yes, I believe it's in that category, yes.



Staci Frey 2:47:42

Yes.



McClure, Dean, EMNRD 2:47:44

OK. And you see where it seems to imply that katera is force pulling from the top of the Bone Spring to the top of the Third Bone Spring?



Staci Frey 2:47:56

Yes.



Pecos Hall 2:47:57

Yeah.



McClure, Dean, EMNRD 2:47:58

If I were to ask for that statement to be amended to properly indicate that katera is asking for from the top of the Bone Spring to the top of the third Bone spring sand, do you understand what I'm asking for?



Staci Frey 2:48:13

Yes, I do.

And we can correct that.



McClure, Dean, EMNRD 2:48:17

OK. Thank thank you. Ms. Frey. Thank you, Ms. St. Pierre. Thank you, Mr. Herring, examiner.

I have no more questions and in case I didn't catch it, this is also one where the public notice was one day out.

PH **Pecos Hall** 2:48:34

OK.

Thank you, Mr. McClure, for bringing that up.

I didn't realize that. OK, so Mr. Savage, would you continue this case to the September 30th docket? Yes, Sir. OK.

Very good. All right.

Thank you, miss Dry and Miss St.

Pierre. OK.

Let's move on to Devon Energy 25571 and 25601.

Yes, Mr. herring examiner, Mr. Technical examiner Darren Savage, with Avidyne Schill appearing on behalf of the applicant.

Good morning, Mr. Examiner.

Jordan Kessler with EOG.

No objection today. Just monitoring.

Thank you.

Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland and Heart on behalf of Matador.

And we are just monitoring.

Perfect. Thank you, Mr. Savage.

Thank you.

These two cases cover lands sections 2829 and 30, and townships.

20 S range 30 E.

Eddy County, New Mexico.

One of the land man who worked on these cases, Andy Bennett, could not be present today because of an unavoidable conflict. However, land man Jake Norris, who works closely with Mr. Bennett, has reviewed all the land exhibits and is familiar with the application subject lands in cases and.

Is available to address any questions Mr. Norris has testified previously before the division has been accepted as an expert in petroleum land matters.

The geologist, Joe Dixon, has testified previously before the division as an expert

witness and has been accepted as an expert in geology.

In case number 25571, Devon seeks an order pulling all uncommitted interest in the Bone Spring Formation, designated as a oil pool underlying a non standard 1919.48 acres more or less spacing unit comprised of all of sections 20.

829 and 30 the unit will be dedicated to the Pele 28-30.

Fede orientation of the wells and unit is laid down east to West and the location of the wells are standard land. The land exhibit A includes the Land man statement and the 4th Standard Land Man exhibits Mr. Dixon's exhibit B. The geology exhibit for this case includ.

His statement, supported by 6 standard geology exhibits.

And exhibit C provides a self firm statement.

Notice let us return timely August 21st, 28th, but we know the story about the publication. Notice August 28, 2025, which was not timely.

In case number 25601, Devon seeks an order pooling all uncommitted interests in the Wolfcamp formation, designated as an oil pool underlying a non standard 1919.48 acres more or less facing unit comprised of the three sections 20.

829 and 30, again, the unit's dedicated to the Pele 28 dash.

FedEx orientation of the wells is lay down and the location of the wells are standard land. Man exhibit includes a statement and the four standard land exhibits. The geology exhibit. Mr. Dixon's statement supported by 6 standard geology exhibits. And the same for the notice shown in the exhibit C.

Mailing was timely and publication was untimely on the 28th.

Mr. Examiner, at this time I move that exhibits AB and C and sub exhibits be admitted into the record for these two cases and that the cases be taken under advisement.

Counsel and witnesses stand available for questions.

Thank you. Thank you without exception.

Before we go to any questions.

So I thought you said the.

The publication was again untimely.

Yes, OK. In both cases, in both cases, very good.

Yeah, we did that across the board today.

I didn't know August 28th, OK?

All right, Mr. McClure, any questions on these cases?



McClure, Dean, EMNRD 2:52:29

Yes, I will have questions for the land man, Mr. Herring. Examiner.



Pecos Hall 2:52:32

OK. Would you bring your Landman on, Mr. Savage?

Yes, that's Mr. Jake Norris.

Oh yes, we just heard him.

Yes, very good. Mr. Norris. I remind you you're Underoath.



Nourse, Jake 2:52:40

Hi there.

I'm here.

Yes, Sir.



Pecos Hall 2:52:45

All right, very good.

Mr. McClure.



McClure, Dean, EMNRD 2:52:49

Thank you, Mr. Aaron, Examiner.

Mr. Norris, if I can draw your attention to your summary of contacts.

I can get you a page number if you need it.



Nourse, Jake 2:53:04

Sure, that would be helpful if you don't mind.



McClure, Dean, EMNRD 2:53:11

Yeah. Looking at the first case, it looks like the summary of contacts is page 49 of 114 in your exhibit A4.



Nourse, Jake 2:53:21

OK.

Page 44.



McClure, Dean, EMNRD 2:53:37

Page 49.



NJ Nourse, Jake 2:53:39

OK. Sorry. Thank you.

Yes, Sir. I'm here.



McClure, Dean, EMNRD 2:53:50

OK. Do you see the bottom listing on that summary of contacts where it refers to?
Like all of the working interests, something along those lines.



NJ Nourse, Jake 2:53:59

Yes, Sir.



McClure, Dean, EMNRD 2:54:02

OK, if I were to ask you to amend that to include a breakout of all the reference communications, that is all encapsulated in that single entry. Do you understand what I'm asking for?



NJ Nourse, Jake 2:54:15

Yes, Sir. So by owner.



McClure, Dean, EMNRD 2:54:19

Yeah, should be by owner.

And then there's also on the right hand side of that table. I believe there's reference to numerous contacts there.



NJ Nourse, Jake 2:54:30

Yes, Sir.



McClure, Dean, EMNRD 2:54:33

OK, so to confirm your you understand what I'm asking for in regards to amending that exhibit, is that correct?

 **Nourse, Jake** 2:54:41

Yes, that's correct.

 **McClure, Dean, EMNRD** 2:54:57

Mr.

Hearing examiner, I don't believe I have any further questions for the witnesses, but I do have some questions for Mr. Savage in these cases.

 **Pecos Hall** 2:55:10

Go right ahead.

 **McClure, Dean, EMNRD** 2:55:12

OK, Mr. Savage.

I know I didn't.

Just to save time, I didn't bring your geologist back.

But if I were to request the cross sections to be amended for each of these cases to include the API numbers.

Do you understand what I'm asking for?

 **Pecos Hall** 2:55:28

Yes, yes, I understand.

And the only reason I brought the geologist on is I thought there might be something more complicated involved that you might ask regarding those API numbers, but I understand exactly what that means.

 **McClure, Dean, EMNRD** 2:55:40

OK, understood. OK. Thank you, Sir.

In these one, in both of these cases.

It appears like there was a mishap with the compulsory pooling administrative checklist. If I can pull your attention to page 11, Mr. Savage.

 **Pecos Hall** 2:56:00

OK, is in which case.



McClure, Dean, EMNRD 2:56:03

Both of the cases it looks like, yeah.



PH Pecos Hall 2:56:04

Both the cases OK.

So I pulled up the CPAC on 25571.

Is it gonna be the same issue but for both of them?



McClure, Dean, EMNRD 2:56:13

Yes, Sir.

Do you see down below where all the wells are listed?



PH Pecos Hall 2:56:19

Yes.



McClure, Dean, EMNRD 2:56:20

There should also be two sections.

That's included in the CPAC.

One of them talks about the.

Like the operating costs and the other one about notice, do you know what I'm referring to?



PH Pecos Hall 2:56:35

Yes. Yes. Huh.

So these it's it's not in here.



McClure, Dean, EMNRD 2:56:41

Yeah, I'm guessing it got over wrote with the wells or something when it was being created.



PH Pecos Hall 2:56:45

OK.

So yeah, the the operating costs meaning for drilling and production split.



McClure, Dean, EMNRD 2:56:51

Yes, Sir.

And then there's also one with about notice of hearing is with the normal CPAC calls.
That kind of a category.



PH **Pecos Hall** 2:57:00

OK. And what did that?

I can't recall that.

What did that entail? The notice of hearing.



McClure, Dean, EMNRD 2:57:05

I don't have it directly in front of me, but if you if you reference CPAC 4, any of the
other cases, they're all the same essentially.



PH **Pecos Hall** 2:57:07

OK.

Yeah.

OK.

Thank you.

Yeah, I'll cross reference and identify it.



McClure, Dean, EMNRD 2:57:21

OK.

Very good.

Yeah. So if we can make that amendment to that, when you resubmit the amended
exhibit packets.



PH **Pecos Hall** 2:57:31

Yes, Sir.



McClure, Dean, EMNRD 2:57:33

OK.

Thank you, Mr. Stavich.

Thank you, Mr. Examining.
I have no further questions for you these cases.

PH **Pecos Hall** 2:57:38

Thank you, Mr. McClure. OK.
So, Mr. Savage, I'll move these cases to September 30th and supply the rest of the information. And just for clarification.
The deadline on that, it would be the week before the September 20th.
Yes, thank you.
It would OK.
Let's move on to #41 on the docket 25573, mubarn oil.

+15***12** 2:58:00

Mr. Examiner.
Jim Bruce representing Newburn.

PH **Pecos Hall** 2:58:04

OK.
Go right ahead.

+15***12** 2:58:06

In I was informed yesterday by Miss Shantz that this case was being continued to September 16th.
I omitted filing a pre hearing statement I have filed.

PH **Pecos Hall** 2:58:19

Ah.

+15***12** 2:58:19

I have filed a motion to continue the case and so ask you move to then.

PH **Pecos Hall** 2:58:23

OK.
Very good. OK.
Thank you, Mr. Bruce.

Off the record. In that case, let's move to Matador production.

There are three cases here, 255-8081 and 8/2.

Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland and Hart, on behalf of the applicant and I will note that case 25580 is separate to the other two cases.

So if I can present that.

And I would like to present but Matador just recently.

Change the surface hole location. We do have an updated plat for that which I'll need to file a revised hearing packet with the updated plat and then update the CPAC.

So if I can present and then keep the record open and possibly squeeze in on the 930 docket.

If possible.

In which case are you talking about 80? Yes, that's correct.

80 You're going to continue to September 30th, but I, but I would like to present. Miss Vance, if I may.

Really quickly. Yes, Miss Vance. I have not filed an appearance in this case, but I would like to do so verbally and follow up with a formal notice monitoring only on behalf of Marathon Oil, Permian.

Thank you.

Cases Kerry Hatley entering appearance in 25580 only 80.

Thank you. Thank you.

Thank you.

So in case 25580, Matador is seeking approval of an overlapping spacing unit and then the pooling of A320 acre more or less horizontal well spacing unit in the Bone Spring formation and that is the pool. There is the airstrip and.

The code is 960 and that would be underlying the West half of section 34. Township 18 S, range 34 E.

And that's Lee County, New Mexico.

So in initially dedicating this to the air art Smith State Comm. 130 H and that's AU turn. Well, in the hearing packet, we have included a copy of the application, the checklist, as well as the self affirm statements of our land man, Isaac Evans, who has pre.

Testified before the division as well as Anna Thorsen, who is the geologist who has also previously testified both of their credentials have been accepted as.

Record we've included all the required land and geology sub exhibits and including because of the overlap. We've also added in there with the land exhibits a map that depicts the proposed facing unit in relation to the existing spacing units.

And then also is my self affirm statement of notice with a sample letter that was timely mailed on August 22nd, 2025 and then the public notice that I believe was timely.

But I guess it's irrelevant since we're going to continue the case.

On August 24th, 2025, I think that that's right or it might be a day late too.

Yeah. So we we're good either way.

Continuing to the 30th and and with that, I would ask that the record remain open so that we can file the revised hearing packet and and we will file our continuance.

OK.

So the exhibits are admitted without exception. Mr. McClure, any questions on 80?



McClure, Dean, EMNRD 3:02:02

I'm hearing examiner if I can get a quick clarifying question to Miss Vance on 80.



Pecos Hall 3:02:07

Go right ahead.



McClure, Dean, EMNRD 3:02:08

Hi, Miss Vance.

When you reference, changes being made, were you only talking about placement of the wells?

That correct?



Pecos Hall 3:02:16

It's just placement of the surface hole location.

Nothing is changing in terms of the spacing itself.

So it it's just a surface hole, location is changing.



McClure, Dean, EMNRD 3:02:27

OK.

Thank you, Miss Vance.

Mr. Examiner, I have.
I have no questions for this case.

PH **Pecos Hall** 3:02:31

All right.
Thank you.
So this case is coming back around Mister McClure on September 30th.

 **McClure, Dean, EMNRD** 3:02:40

Sounds good, Mr. Examiner.

PH **Pecos Hall** 3:02:42

All right.
Thank you.
All right, now, do you want to present the other two M's fence?
Yes, I would.
And I'm gonna double check because I think our, yeah, our public notice.
I don't know.
It was also the 24th, so hopefully all of our notice went out.
I'm gonna double check that as I present.
So in in these cases Matador is seeking to pool in the Wolfcamp, and I believe it's a.
Yeah, it's a Wildcat pool and the pool code is 98234 in case 25581. Matador is
pooling the uncommitted interest in a 553.55 acre more or less horizontal well
spacing unit and that is in.
The east half of the West half of sections 1423 and 26.
And the NE quarter of the Northwest quarter in LOT 3, which is the West half of the
northwest.
Quarter equivalent of irregular section 35 and that is in Township.
All of this acreage is in Township, 26 S range 36, E Lee County, New Mexico, and then
in case 25582, Matador is pooling the uncommitted interests in a 553.51 acre, more
or less horizontal well SP.
Unit and that's underlying the West half of the east half of sections 14/23/26 in the
northwest quarter of the Northeast and Lot 2 which is the east half of the Northeast
quarter equivalent of irregular section 35.
And again, that's Township 26 S range 36 East. And this is all in Lee County, New

Mexico.

In case 25581, the initial well, there is the Kyle Pipkin state Comm. 202H and then in case 25582, the initial well there is Kyle Pipkin State Comm 2038.

In the hearing packets, we've included a copy of the application, the compulsory pooling checklist, as well as the statements of our land managers, Blake Herbert, both of whom have previously testified in their credentials, have been accepted as a matter of record. And then along with all of the.

Required sub exhibits.

For land and geology and then we have myself, a firm statement of notice with the same.

Sample copy of the notice that went out and was timely mailed on August 22nd, 2025, and then as I've noted, I'm gonna double check, but I think all of our notice was received and we may not even need to rely on the NOP. Everything was.

Delivered. So we don't even need the NOP.

For the parties that we have provided notice to.

If you go to the tracking information.

And I believe it's page 37 on 37 in case 25582 and then 38 in case 25581. You'll see that the notice.

Was delivered.

So again, we don't need the NOP and unless there are any questions, I would ask that the exhibits and sub exhibits be admitted into the record and the cases be taken under advisement.

Thank you, M's.

Admitted without exception, Mr. McClure, any questions on these two cases?



McClure, Dean, EMNRD 3:06:15

Hi, Mr. Hernandez.

I have questions for the land man.



Pecos Hall 3:06:19

And who is the land man?

M's fence? It is Addison costly. OK, I see you there.

OK. Would you raise your right hand, Mr. Costley?

Do you swear or affirm under penalty of perjury, the testimony you're about to give

is the truth, the whole truth?
Nothing but the truth.

AC Addison Costley 3:06:36
I do.

PH Pecos Hall 3:06:36
Spell your name please.

AC Addison Costley 3:06:38
Addison a.
DDI.
SON costly COSTLEY.


PH Pecos Hall 3:06:44
Thanks. You can lower your hand. Have you been qualified as an expert before this division?

AC Addison Costley 3:06:49
I have.

PH Pecos Hall 3:06:49
In what field?

AC Addison Costley 3:06:51
Petroleum Land Management.

PH Pecos Hall 3:06:53
All right, Mr. McClure.

 **McClure, Dean, EMNRD** 3:06:55
Thank you, Mr. Examiner.
Mr. Costley, if I can draw your attention to your.
Summary of interests table I can provide you a page number if that would be useful.



Addison Costley 3:07:08

I'm there.



McClure, Dean, EMNRD 3:07:11

OK.

There's a footnote there that references that Matadors acreage is awaiting assignment from the state Land Office...



McClure, Dean, EMNRD 0:11

Do you see what I'm referring to?



Addison Costley 0:12

Yes, Sir.



McClure, Dean, EMNRD 0:14

Can you provide me a little bit more details as to the current status of the acreage?



Addison Costley 0:21

Yes, Sir.

So the interest is owned by Matador.

This was involved in our Ameritiv acquisition and so the record title ownership is pending with the state Land Office to convert it to from a merit of New Mexico into MRC Toro LLC, which is the surviving entity of Amerideva New Mexico.



McClure, Dean, EMNRD 0:42

Would it be accurate to say that?

Ownership is already transferred and you're simply waiting final approval from the state Land Office.



Addison Costley 0:53

Correct. Yes, Sir.



McClure, Dean, EMNRD 0:56

OK.

Thank you.

Can I draw your attention to, well, pretty much anywhere that the legal description is mentioned for the unit? The CPAC may be the easiest, should be towards the beginning of the application packet. Or do you know I'm referring to by an ISAC pack.



Addison Costley 1:17

Yes, Sir. I believe your. Are you referring to myself?
A firm statement right before the exhibits C1 through C.



McClure, Dean, EMNRD 1:26

Not, but we can go to yourself, affirm statement that should have the legal description for the unit in it as well.



AC Addison Costley 1:32

Yes, Sir.



McClure, Dean, EMNRD 1:34

OK, looking at that legal description towards the end, you see where it has the equivalent.

Acreage.

Provide it there.



AC Addison Costley 1:48

Yes, Sir.

Describing Section 35 being a regular section.



McClure, Dean, EMNRD 1:53

No, Sir, I don't have it directly in front of me, but there should be reference to the governmental equivalent. I believe in one case it says like the West half of the Northwest quarter and the other case, I think it says the east half of the North East. Quarter something along those lines?



AC Addison Costley 2:11

Yes, Sir.

Yes, Sir.



McClure, Dean, EMNRD 2:14

OK, in the case you're looking at, is that equivalent correct?



AC Addison Costley 2:20

Yes, Sir.

Oh.

I'm looking at OK.

Yeah, that looks incorrect for describing Lot 3.



McClure, Dean, EMNRD 2:37

Now the rest of the legal description, is it correct other than the equivalent?



Addison Costley 2:42

Correct. Yes, Sir. It explains the the northeast of the northwest.

Which would be the correct? Yes, Sir.



McClure, Dean, EMNRD 2:51

But it is accurate that the equivalent is incorrect.

Is that also correct?



Addison Costley 2:57

Yes, Sir.



McClure, Dean, EMNRD 2:59

OK. Can you check your other case to confirm whether that one is correct or not?



Addison Costley 3:04

Yes, Sir.

So that one is also incorrect on the equivalent and we can get that corrected.



McClure, Dean, EMNRD 3:19

Is it correct that the same discrepancy made its way throughout the entirety of this application, including the original application, provided that notice and the public notice?



Addison Costley 3:34

Let me see.

I believe that is the only mistake.

Correct.



McClure, Dean, EMNRD 4:06

Is that mistake included in the original application that was provided to each of the interest owners?



Addison Costley 4:28

Are you referencing the the initial proposal?



McClure, Dean, EMNRD 4:33

I'm referencing the application that was mailed out in the written notice of this case.



Addison Costley 4:40

We Scroll down to that.



McClure, Dean, EMNRD 4:48

They miss Vance.

Maybe I'll provide you with a page number if that helps.



Addison Costley 5:24

OK, I do see it.

Yeah, in the application.

The equivalent is incorrect, but the description outside of that is correct.



McClure, Dean, EMNRD 5:36

OK. Thank thank you, Mr. Carsley.

Thank you, Mr. Herring examiner.

I don't have any more questions for these cases, but.

We do need to make a determination regards to notice for these cases.



Pecos Hall 5:52

OK. Do you have any suggestions, Mr. McClure?



McClure, Dean, EMNRD 5:58

Well, legal, the legal description is extraordinarily important in these cases.

So ideally we'd probably recommend notice.

PH **Pecos Hall** 6:10

OK, Miss Vance.

So it looks to me like it's just case 25582. Is that correct?

Mr. McClure.



McClure, Dean, EMNRD 6:18

Oh, that's incorrect. That's incorrect.

Miss Vance, it's in both of these cases.

PH **Pecos Hall** 6:33

OK.



McClure, Dean, EMNRD 6:33

At least as it appeared to me. But I mean.

PH **Pecos Hall** 6:34

Yeah. No, I, I, I see I I see.

Well, what I would say is that is a.

You know, that's just a scrivener's error.

The that equivalent, you know it.

It's just.

It's just there to provide for, you know, a little.

Additional description, but what is included is the correct legal description and.

You know, at this point all of the notice was received by these parties.

And we haven't had any protest.

And.

We haven't had any parties reach out for further clarification.

And those parties did receive their notice, and if they had a question, they could have reached out just for clarification so.

In my I I would argue that it's.

That it's just a scribner's error, and these parties receive notification, and if there was confusion over the that equivalent piece that they have all of the contact information and had the notice information available to attend the hearing.

Who? Who drafts the legal description?

We do in our office and then we confer with our client.

So that was just again a scrivener's error.

Oh, OK.

You know, I heard your argument.

So you guys drafted and what is the why do you put in parentheses the equivalent?

What's the purpose of that?

Because sometimes you know you may be sending out notice to an interest owner who's not. Maybe familiar with lots.

And so it just.

Provides and sometimes the lots are oriented differently depending on the section.

So you might have one through 4 as your A through D and then at a in a different location. You might have that one through 4 along your W half W half.

So it just provides further clarification, but again based on the GIS.

That you look at from, you know, on the divisions portal.

You could go and you could read that legal description.

And see that lot 3 you know is here on the GIS map and so and so.

What about the equivalent is wrong?

So in this case, so in these it should state.

For.

For case 25581, it should be the east half of the Northwest quarter equivalent.

And then.

For case 25582 it should be the West half of the Northeast quarter equivalent.

And what do they currently say?

So in case 25582, it has the east half of the NE quarter.

So again, it should be W half and then in case 25581 it has the West half of the Northwest quarter and it should be the east half of the Northwest quarter. OK, I understand the problem.

When it comes to notice, the division is particularly careful about making sure that notice is.

Extremely accurate and in the past we have required renoticing of cases in which.

The notice has not been exactly 100%.

What would it take to renotice these two cases?

We would immediately send out.

The notice with a correction it you know I I think we would need to provide vile and amended application and then just send out that notice.

And then possibly come back on the 9th or docket on the 30th on the 30th. Yes, 'cause, I think that that leave that mean I'm not sure if that leaves a.

Don't you?

Yeah, we should be good.

It seems like it's one day too short by my calculations, but I could be wrong. You are. You're correct.

OK.

So then maybe October 9 then?

Might be October 9. Alright, alright well.

Yeah. So for the future, Miss Vance, and for anyone who's listening, notice has to be 100% accurate.

If it's not, we're gonna have a problem with it.

And.

So.

If I'm not mistaken, then we have case number 80 that's coming back on the 30th that we can deal with on the 30th, 81 and 82 will be renoticed with an amended application to correct the error and we'll have that on October 9th we'll put them. At the beginning of the October 9 docket.

That works perfect. Sorry Miss Vance.

Anything else? No. OK.

No, I tried my best.

I know it was a good argument.

OK.

So we're off the record in those cases.

Thank you, Miss Vance.

Now we're going to go to our last cases here.

This is Rockwood energy versus kotera energy. It was a contested hearing.

We're back on because we required a bunch of additional information and corrections, not necessarily from both parties, but.

Corrections from both parties anyway.

So entries of appearance please.

DB

Deana Bennett 12:38

Good morning, Mr. Examiner.

Deana Bennett, on behalf of Kotara Energy, operating in all of the cases.

PH **Pecos Hall** 12:44

Thank you.

KL **Kaitlyn Luck** 12:46

And good morning, Mr. hearing examiner Caitlin Locke for Rockwood Energy.
LP in all the cases.

PH **Pecos Hall** 12:50

Thank you. And I'll just call the case number since I think it's proper to 524-344-4546, to 552-0212 to and two, three, OK. Were there any other parties that I don't think there are, but.

Are there any other parties that you know about?

DB **Deana Bennett** 13:10

Examiner Mr. Bruce entered an appearance in these cases on behalf of Marshall and Winston.

PH **Pecos Hall** 13:13

Ah, miss. Thank you, Mr. Bruce.

OK.

Maybe we'll hear from Mr. Bruce later.

So at this point.

All of the exhibits have been reviewed.

And I believe we're going to take these cases under advisement at this point.

Now I know the parties are interested in a closing argument. Is that correct?

DB **Deana Bennett** 13:45

That's correct.

Well, I believe M's luck may have requested a closing argument at the last hearing, and I also believe that the division sent us an e-mail saying that a closing argument would be due in two weeks from today's date.

But I would like to ask the divisions.

Like some discretion to have the closing argument be do sometime later than that because the parties are in discussions still which could alleviate the need for the post

closing post hearing brief.

So I would request.

That the post hearing briefs be due in a month from today, say, instead of two weeks from today.

PH **Pecos Hall** 14:27

Is luck.

KL **Kaitlyn Luck** 14:29

And yes, Mr. Herring, examiner, I'm in agreement with Miss Bennett and Cotera's position.

Rockwood is just waiting on a final agreement from Kotera and would like to resolve this outside the OCD if possible.

So an extension on the closing would be appropriate if allowed by the hearing examiners.

PH **Pecos Hall** 14:44

OK.

I don't see any reason why we should rush the parties into closing arguments.

I mean the record is closed at this point.

We're not taking any new evidence from here on. In. A closing argument is not evidence.

It just may be helpful to Mr. Fordyce to draft an order if needed. If the parties do work out a deal, Miss Bennett would.

Rock Rockwood dismiss his cases.

DB **Deana Bennett** 15:13

That's my understanding.

PH **Pecos Hall** 15:15

That's what I thought, OK.

All right. And then would your cases proceed?

With the kotera cases continue, or would they not continue?

DB **Deana Bennett** 15:29

They would continue and.

Once, if Rockwood withdraws its competing applications and withdraws its objection, then KOTERA would notify the division and ask that the division treat the cases as affidavit cases and put them into the normal.

PH **Pecos Hall** 15:43

Mm-hmm.

DB **Deana Bennett** 15:47

Queue for decision.

PH **Pecos Hall** 15:49

OK, OK.

I'm not sure about that. Treating it as an affidavit case, but I understand that they wouldn't be protested at that point.

And so the evidence that we already have in the record would satisfy the cases moving forward at this point.

OK.

When do the party? OK, so let's set the date.

Let's set the date for the closing arguments.

So you said a month from today, both parties have agreed to that.

Today is the 11th.

We'll say October 11 will be the deadline.

There will be a 10 page limit on closing arguments.

Anything over 10 pages will not be read, so I'm just letting everyone know now.

That includes your very first page, so it's not just, you know, where you decide to start.

10 pages is 10 pages and.

And let's see, when would we hear? Yes.

DB **Deana Bennett** 16:46

Mr.

Mr. Hearing examiner October 11th is actually a Saturday.

I was thinking October 9th.

PH **Pecos Hall** 16:56

That's fine.

DB **Deana Bennett** 16:57

OK.

PH **Pecos Hall** 16:58

October 9 is fine.

Which is a Thursday.

DB **Deana Bennett** 17:02

Yeah, I mean, I guess Monday the 13th would be OK too, although that looks like it might be a holiday.

PH **Pecos Hall** 17:03

OK.

Very good.

DB **Deana Bennett** 17:09

So we're just running into some challenges there, but I think October 9th that that has what I was thinking is October 9th.

PH **Pecos Hall** 17:17

OK.

That's the deadline is October 9 10 page limit closing argument.

No new evidence will be considered.

No new evidence should be argued in the closing argument if the parties, if the parties settle this case, which it looks like they're going to, how will the division hear about this?

DB **Deana Bennett** 17:42

Well, Miss Luck, would you can feel free to correct me, Caitlin, if I'm putting words in your mouth.

But I believe Miss Luck would file dismissals of her of rockwood's competing

applications and would withdraw the objection to the kotara cases.
And then I would follow up with an e-mail after that.

PH **Pecos Hall** 17:59

OK.

OK.

That sounds good to me.

Miss Luck if you do file a dismissal, please state the reason clearly why you're dismissing your cases.

KL **Kaitlyn Luck** 18:14

OK.

Well, thank you.

PH **Pecos Hall** 18:17

OK.

So I'm trying to think if.

If negotiations drag out further, I mean, I don't know what's involved in these negotiations, but it's it's it could be anticipated that negotiations would go further than October 11.

So what would happen in that case?

DB **Deana Bennett** 18:44

Did consider asking the division to set these cases for a status conference so that we could come before the division and report on the status of the discussions.

But I also want to be respectful of the division socket and the divisions time.

But that was one potential path forward is instead of having our brief Stew maybe on October nine have us come in and report on the status of the discussions on October 9th.

I'm not sure how that resonates with you or with Miss Luck, but that was an idea.

I had this morning.

PH **Pecos Hall** 19:20

Miss luck?

KL **Kaitlyn Luck** 19:24

Oh, I don't have any objection to that plan.

I think that this is all assuming that an agreement is reached and then kotera would move forward with the presentation of their cases, so that's fine.

PH **Pecos Hall** 19:35

Close is there to resolution.

KL **Kaitlyn Luck** 19:40

It's my understanding that the parties are almost done with a deal. They're very close to the deal, but they're with my entertaining Rockledge just waiting on Kotera to provide the documentation for Rockwood to sign and finalize.

PH **Pecos Hall** 19:53

Miss Bennett.

DB **Deana Bennett** 19:56

I am not entirely sure about that level of detail. I know that they are working on a deal and I know that they've reached an agreement in principle, but I'm not sure how close they are on actually finalizing it.

PH **Pecos Hall** 20:06

OK.

Well, these cases have been around since February, so I'm not amenable to setting it for another status conference.

So that closing argument deadline is a deadline.

In effect, we're giving an extra 2 weeks the division after spending a bunch of resources hearing these cases.

We've given.

I think enough time to resolve these between the parties so.

If an agreement is not reached.

Then closing arguments are due on the 11th and the division is gonna issue an order based on the evidence that we have.

So that's, I guess a pretty hard deadline for the parties to settle their negotiations.

DB Deana Bennett 20:52

That sounds good.

And just to be clear, again, it's the October 9th is the deadline OK?

PH Pecos Hall 20:56

Correct. I'm sorry, I said.

October 11. I meant October 9. Thank you.

Anything else, miss luck?

DB Deana Bennett 21:01

Thank you.

KL Kaitlyn Luck 21:04

No, thank you.

PH Pecos Hall 21:05

Very good M's Bennett.

DB Deana Bennett 21:07

Nothing else.

Thank you so much.

PH Pecos Hall 21:08

Very good.

Hope you feel better.

Thank you.

DB Deana Bennett 21:10

Thank you.

PH Pecos Hall 21:10

We're off the record.

● **Pecos Hall** stopped transcription