

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NOS: 21119 - 21123

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY LP
FOR A HORIZONTAL SPACING AND PRORATION UNIT,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

MARCH 5, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH KATHLEEN MURPHY, PHILLIP GOETZE on Thursday, March 5, 2020 at the New Mexico Energy, Minerals, and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

For the Applicant:

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All Exhibits and Attachments	05

1 HEARING EXAMINER ORTH: 21119, 21120, 21121,
2 21122, 21123. All of it are Devon Energy related to a well
3 named Hot Potato.

4 MR. SAVAGE: Darin Savage, Santa Fe office of
5 Abadie & Schill for Devon Energy Production Company LP. I
6 would like to do this by affidavit, and I would also like to
7 consolidate 21119, 21120, 21121, 21122 and 21123 and also do
8 those by affidavit as well.

9 HEARING EXAMINER ORTH: Thank you for those.
10 Sounds like a good idea, and we have no other entries of
11 appearance.

12 MR. SAVAGE: Applicant has met all notice
13 requirements for the application in a timely manner, and as
14 a result we move that the application, affidavits, exhibit
15 checklist for all the cases I have mentioned herein be
16 admitted by the examiner and taken under advisement. I can
17 answer any questions you may have.

18 HEARING EXAMINER ORTH: If you would just mention
19 where the notice requirements are at.

20 MR. SAVAGE: Notice requirements are on Exhibit C
21 of each case, the affidavit, copy of the notice letters and
22 copy of the timely publication.

23 HEARING EXAMINER ORTH: I'm sorry, which exhibit?

24 PLAINTIFF COUNSEL: Exhibit C of each case. So
25 if you look at the table of contents which is labeled, you

1 will see the Exhibit C for cases 21119, Tab 4, and then a
2 list, the other exhibits, all the notice requirements are
3 listed in Exhibit C for each one.

4 HEARING EXAMINER ORTH: All right. So it will be
5 important to, I think, to review the table of contents
6 because the tabs are numbered, but the exhibits are
7 lettered. Okay. And have had you a moment? Do you have
8 questions? It's a thick packet.

9 EXAMINER MURPHY: It's a thick packet, but it
10 looks really good. It looks really thorough. The wells are
11 covering -- all the wells are covering Section 23 and 26?

12 MR. SAVAGE: Yes, ma'am, in both sections, and
13 there's a very closely related geology, as well as uniform
14 and closely related ownership throughout those two sections
15 for both formations.

16 EXAMINER MURPHY: Is it near the potash area?
17 Did I see something that looks like that?

18 MR. SAVAGE: Eddy County, Section 23 and 26. 23
19 South -- I did not note in relation to the potash area.

20 EXAMINER MURPHY: Maybe it's near Salina in one
21 of the -- no, that looks like potash mines right there, on
22 2.

23 MR. SAVAGE: Two miles of Loving, New Mexico, and
24 two miles southeast of Carlsbad.

25 EXAMINER MURPHY: In Tab 5 it does show the

1 potash. So will they have to drill off of one of the drill
2 islands in there? I'm sorry, it's just in the potash -- one
3 of the potash mines is in the aerial photos, it doesn't
4 necessarily mean --

5 MR. SAVAGE: I can find the specifics for that
6 and follow up with that if there is any question on that
7 matter.

8 EXAMINER MURPHY: I suspect the people that will
9 review this will let you know if you have any issues. It
10 looks like a great exhibit submittal.

11 MR. SAVAGE: A lot of information, I appreciate
12 being able to consolidate because some the units do not
13 overlap directly, but they are all related in those two
14 sections.

15 EXAMINER MURPHY: I have no further questions.

16 HEARING EXAMINER ORTH: Thank you. The packet is
17 accepted and will be taken under advisement.

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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

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

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

19 Dated this 5th of March 2020.

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Irene Delgado, NMCCR 253
License Expires: 12-31-20

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