

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: 21148 - 21151

APPLICATION OF MATADOR PRODUCTION COMPANY  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

APRIL 16, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, DYLAN COSS and LEONARD LOWE, on Thursday, April 16, 2020, at the New Mexico Energy, Minerals, and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
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A P P E A R A N C E S

For the Applicant:

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For Conoco-Phillips, Case 51150 and 21151:

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1                   HEARING EXAMINER ORTH: Moving then to matters  
2   21148, 21149 -- let me just call 21150 and 21151. The  
3   notice on with 21148 and 49, there are no other appearances.  
4   For 21150 and 51, we do have another appearance.

5                   Does it nevertheless make sense to discuss all  
6   four of them at once because Matador Production is the  
7   applicant and the well is Uncle Ches.

8                   MR. FELDEWERT: Madam Examiner, this is Michael  
9   Feldewert appearing on behalf of the applicant in these four  
10   cases, and yes, we would ask that they be consolidated with  
11   the caveat that, as you pointed out, ConocoPhillips has  
12   entered an appearance in two of the cases, 21150 and 21151,  
13   which essentially involves what I would call the E/2  
14   acreage.

15                  HEARING EXAMINER ORTH: All right. Who is here,  
16   please, for ConocoPhillips.

17                  MR. SAVAGE: Darin Savage with Abadie & Schill on  
18   behalf of ConocoPhillips. No objection to the consolidation  
19   of the hearing, and no objection to proceeding by affidavit.

20                  HEARING EXAMINER ORTH: All right. Thank you  
21   very much, Mr. Savage, for that. Mr. Feldewert?

22                  MR. FELDEWERT: Certainly. We filed with the  
23   Division a consolidated package of exhibits for these four  
24   cases, and as you page through them you will see that it has  
25   a cover sheet, which is table of contents. You will then

1 find a compulsory pooling checklist for each case in the  
2 order in which the cases are numbered.

3 Behind that you will find the applications that  
4 were filed for pooling in each of these four cases, followed  
5 by an Exhibit A from the landman who is testifying in this  
6 case by affidavit and who has previously testified before  
7 the Division, and that is provided as Exhibit A.

8 And what you will see is that we seek to pool the  
9 Bone Spring formation and create four separate stand-up,  
10 two-mile horizontal spacing units, 320 acres each, in  
11 Sections 16 and 21, in Township 20 South, Range 35 East.

12 Mr. Prior's affidavit, landman Exhibit A,  
13 provides all the information that the Division, the Division  
14 has indicated it desires for these types of pooling cases.

15 Exhibit B in the package is the affidavit from  
16 the geologist in this case, Mr. James Andrew Juett, who  
17 likewise has testified previously before this Division as an  
18 expert in geology. And it contains not only the location  
19 map, but a structure map, and any cross section which is  
20 addressed in his affidavit.

21 Exhibit C is the notice affidavit for all four of  
22 these cases. You will see that we are notifying not only  
23 working interest owners, but there is some overriding  
24 royalty interest owners that required notice and pooling.

25 The records reflect that some of those mineral

1 owners received the notice, but some of them, particularly  
2 some trusts, the notice was returned, and as a result, we  
3 filed as an Exhibit D an affidavit of publication for each  
4 of these four cases notifying the parties of the hearing in  
5 this matter by way of local means.

6 We ask that Exhibits A, B, C, D be admitted into  
7 the record in these consolidated cases.

8 HEARING EXAMINER ORTH: All right. Any  
9 objections, Mr. Savage.

10 MR. SAVAGE: No objection.

11 HEARING EXAMINER ORTH: Thank you. A, B, C, D  
12 are admitted.)

13 MR. FELDEWERT: That concludes my presentation.  
14 I would ask it be taken under advisement unless any  
15 examiners have questions.

16 HEARING EXAMINER ORTH: Thank you. Mr. Coss, do  
17 you have questions?

18 EXAMINER COSS: I do not have any questions at  
19 this time, and I believe Mr. Lowe stepped away, so that's --

20 HEARING EXAMINER ORTH: Yes, thank you. And,  
21 Mr. Savage, do you have anything to add?

22 MR. SAVAGE: No questions. Thank you.

23 HEARING EXAMINER ORTH: All right. Thank you.  
24 Thank you, Mr. Feldewert, your package is accepted and will  
25 be taken under advisement.

1 MR. FELDEWERT: Thank you.  
2 HEARING EXAMINER ORTH: All right.  
3 (Exhibits accepted.)  
4 (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 16th day of April 2020.

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

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