

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: 21161, 21162

APPLICATION OF WPX ENERGY PERMIAN
FOR COMPULSORY POOLING,
EDDY 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
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A P P E A R A N C E S

For the Applicant:

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1 HEARING EXAMINER ORTH: Moving then to case
2 Number 21161, WPX Energy, a compulsory pooling matter, well
3 name Beagle 35.

4 Is someone here from Montgomery and Andrews for
5 this matter?

6 MS. SHAHEEN: Good morning, Madam Examiner,
7 Sharon Shaheen on behalf of WXP Energy LLC.

8 HEARING EXAMINER ORTH: Thank you. I have no
9 other appearances at this moment. Let me pause for just a
10 moment to see if anyone speaks up.

11 (No response.)

12 HEARING EXAMINER ORTH: No? Please proceed.

13 MS. SHAHEEN: First I will note that I did submit
14 material at about 4:30 on Tuesday, however, due to a
15 technical glitch, the compulsory checklists were not
16 included behind the appropriate tab. So then I resent it
17 yesterday with the checklist, and it was a large file
18 because there was a lot of notices. So we had to send it by
19 share file link, and in the abundance of caution, last night
20 I took all the certified green cards off and then
21 recirculated the exhibits to OCD Hearings and directly by
22 e-mail, so if anyone has access to that, they can look at
23 the material.

24 These are cases that -- in which we filed amended
25 applications to previous cases that are still pending, and

1 that's Case Number 20450 and 20451. Those cases were heard
2 on July 12, 2019, and the Hearing Examiners at that time had
3 a few questions. So in these amended applications we did
4 two things.

5 One is, we determined there are additional
6 parties that needed to be noted, and second, we at added one
7 well to each application, so now each application has two
8 wells.

9 So what I have done with the exhibit package is I
10 tried to put everything in, in the current package that the
11 Hearing Examiner will need, the Division will need to -- to
12 fully evaluate and take this case under advisement.

13 And so just running through the table of
14 contents, Tab 1 and Tab 2 we have the checklist. Tab 3 and
15 4, we have the the second amended application for the Beagle
16 wells and an amended application for the Collie well.

17 Tab 5 we have a supplemental affidavit of the
18 landman with exhibits and it provides all the necessary
19 information, and particularly the answers to the questions
20 from the July hearing, from the Examiners from the July
21 hearing about notice and about depth severance. Turns out
22 there was no depth severance in the Wolfcamp, so he
23 addresses that in his affidavit.

24 Tab 6 we have the affidavit of the geologist with
25 his exhibit. These exhibits apply to both cases.

1 HEARING EXAMINER ORTH: So, Ms. Shaheen, if I
2 could interrupt you for just a moment.

3 MS. SHAHEEN: Yes.

4 HEARING EXAMINER ORTH: Before you began your
5 presentation, I had called only 21161, which relates to the
6 well named Beagle 35. I had not called 21162 because it
7 related to a well that's called Collie 35 -- someone
8 obviously loves dogs here.

9 But as I understand your presentation, you are
10 presenting as to both, and I just wanted to clarify the
11 transcript on that point.

12 MS. SHAHEEN: Thank you very much. I appreciate
13 that. These are wells in the Sections 34 and 35 of Township
14 22 South, and Range 27 East, and the Beagle wells are the
15 south half and the Collie wells are the north half.

16 HEARING EXAMINER ORTH: Thank you.

17 MS. SHAHEEN: Jumping back in with respect to the
18 affidavit of the geologist, who we included everything
19 that's required by the checklist. And finally Tab 7,
20 affidavit of notice, which is very large.

21 What I can say is that I have identified those
22 folks where notice was undeliverable and where we did not
23 receive returned receipts, but in an abundance of caution,
24 we published to everyone, so I believe the notice was
25 sufficient.

1 With that I would ask that exhibits be admitted
2 into the record, and that's these two cases be taken under
3 advisement.

4 HEARING EXAMINER ORTH: All right, thank you.
5 Mr. Coss, do you have questions?

6 EXAMINER COSS: I wanted to ensure that
7 additional wells being proposed were standard location?

8 MS. SHAHEEN: Yes, that is what the landman
9 represents in his affidavit.

10 HEARING EXAMINER ORTH: Okay. Thank you. Well,
11 I will check with Marlene to ensure these exhibits were --
12 that she received everything necessary, but other than that
13 I don't have any questions.

14 MS. SHAHEEN: Thank you.

15 HEARING EXAMINER ORTH: Thank you, Ms. Shaheen.
16 Your exhibits are admitted and the packet is accepted and
17 taken under advisement.

18 (Exhibits admitted.)

19 (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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