

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: 21357

APPLICATION OF CATENA RESOURCES
OPERATING LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

AUGUST 6, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, DEAN McCLURE, JOHN GARCIA and KATHLEEN MURPHY on Thursday, August 6, 2020, hosted by the New Mexico Energy, Minerals, and Natural Resources Department, through Cisco Webex electronic platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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Albuquerque, NM 87102
505-843-9241

1 A P P E A R A N C E S

2 For the Applicant:

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7 505-954-7286

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1 HEARING EXAMINER ORTH: Move then to matter
2 21357, still Catena, and the compulsory pooling application
3 relates to a well named Ladder.

4 We have no other appearances noted, at least as
5 of Tuesday afternoon. Let me pause a moment to see if there
6 are any appearances this morning.

7 (No response.)

8 HEARING EXAMINER ORTH: I think you have a clear
9 path there, Mr. Feldewert.

10 MR. FELDEWERT: Thank you, Madam Examiner. In
11 this case Catena seeks to pool the Bone Spring formation
12 underlying a 640-acre horizontal spacing unit comprised of
13 the W/2 of Sections 22 and 27 in 18 South, 35 east.

14 This unit, this standard spacing unit will be
15 initially dedicated to the Ladder well, L-a-d-d-e-r, Ladder
16 1H Well, which will be drilled at a location such that its
17 completed interval will remain within 330 feet of the E/2 of
18 the W/2 of Sections 22 and 27, to allow the inclusion of
19 this acreage into its horizontal spacing.

20 With our package we provided the application, the
21 compulsory pooling checklist. Catena Exhibit A is the
22 affidavit from Mr. Robert Swan, the land manager of Catena.
23 He testifies and references the -- and provides the C-102 of
24 the well, the general location map, the ownership breakdown.
25 He provides a sample of a well proposal letter and the AFEs

1 and a chronology of the contacts that the party that seeks
2 to pool.

3 Catena Exhibit B is the affidavit of Vince Smith,
4 a geologist who again provides a structure map covering this
5 proposed spacing unit, a stratigraphic cross section of the
6 area, and a well orientation map for purposes of discussing
7 the orientation of this well.

8 Finally, Catena Exhibit C is an affidavit of
9 publication -- I'm sorry -- an affidavit of notice for this
10 hearing which was sent to Marathon which is the only party
11 the company seeks to pool, and therefore there is no
12 affidavit of publication.

13 So with that, we ask that Catena Exhibits A, B
14 and C be admitted, and that this matter also be taken under
15 advisement.

16 HEARING EXAMINER ORTH: All right. Thank you.
17 Mr. McClure, do you have questions?

18 EXAMINER McCLURE: No, ma'am, I have no questions
19 at this time.

20 HEARING EXAMINER ORTH: Thank you. Mr. Garcia?

21 MR. GARCIA: No.

22 HEARING EXAMINER ORTH: All right, thank you.

23 Exhibits A through C are admitted, and the matter is taken
24 under advisement.

25 MR. FELDEWERT: Thank you.

1 HEARING EXAMINER ORTH: Thank you, Mr. Feldewert.
2 (Exhibits A, B, C admitted.)
3 (Taken under advisement.)
4 (Adjourned.)
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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, do hereby certify that I reported the foregoing
8 proceedings in stenographic shorthand and that the foregoing
9 pages are a true and correct transcript of those proceedings
10 that were reduced to printed form by me to the best of my
11 ability.

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

16 I FURTHER CERTIFY that the Virtual Proceeding was
17 of fair quality.

18 Dated this 6th day of August 2020.

19

/s/ Irene Delgado

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

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