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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: 21379, 21380

APPLICATION OF COLGATE OPERATING LLC FOR COMPULSORY POOLING, EDDY 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 500 Fourth Street, NW, Suite 105 Albuquerque, NM 87102 505-843-9241

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1 APPEARANCES 2 For the Applicant: 3 LANCE HOUGH MODRALL SPERLING ROEHL HARRIS & SISK PA 500 4th Street, NW, Suite 1000 4 Albuquerque, NM 87102 5 505-848-9710 deana.bennett@modrall.com 6 For Mewbourne: 7 JAMES BRUCE P.O. Box 1056 8 Santa Fe, NM 87504-1056 9 505-982-2151 jamesbruce@aol.com 10 11 STATUS CONFERENCE 12 REPORTER CERTIFICATE 13 14 15 16 17 18 19 20 21 22 23 24 25

Page 3 HEARING EXAMINER ORTH: Move to cases 21379 and 1 2 21380. The applicant is Colgate Operating. These are compulsory pooling applications for a well named Silver Bar. 3 4 Who here is from Modrall Sperling for the applicant? 5 MR. HOUGH: Good morning, Madam Examiner, Lance 6 Hough from the law firm of Modrall Sperling on behalf of 7 Colgate Operating LLC. 8 HEARING EXAMINER ORTH: all right. Hello, 9 Mr. Hough. And we have Mewbourne entering an appearance. 10 Mr. Bruce, you are here for Mewbourne? MR. BRUCE: Yes, I am -- excuse me -- yes I am. 11 12 HEARING EXAMINER ORTH: Thank you. Pause a 13 moment to see if there are any other appearances. 14 (No response.) 15 HEARING EXAMINER ORTH: Hearing nothing. How are we proceeding on these two cases this morning? Is this a 16 17 status conference based on Mr. Bruce's objection to your proceeding by affidavit? Mr. Hough, what do say? 18 19 MR. HOUGH: That was my understanding, you know. We did receive Mewbourne's prehearing statement back on the 20 28th of July, so we understood that to be their objection 21 for proceeding by affidavit. So I understand this to be a 22 status conference for setting a hearing, and really 23 24 (inaudible) to be honest, from Colgate's standpoint. 25 HEARING EXAMINER ORTH: All right. Thank you.

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Page 4 As you may have heard earlier, we are pushing now deep into 1 the fall. What I would be looking at -- the earliest I 2 would be looking at would be October 23, but I'm not certain 3 4 that that's possible, again, based on other matters where there's been requests for that date. So then the next date 5 would be November 20 -- well, 19 or 20. That would be 6 following a hearing session on the 19th. 7 8 So if you would, please, submit a prehearing 9 order, and I will fill in the earliest date that I can. Again, that will be, the very earliest would be October 23, 10 potentially November 20. 11 12 MR. HOUGH: Thank you. 13 MR. BRUCE: Thank you. 14 HEARING EXAMINER ORTH: Thank you very much. 15 (Adjourned.) 16 17 18 19 20 21 22 23 24 25

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