

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 NO. 21392

THE APPLICATION OF MARATHON OIL  
PERMIAN, LLC'S APPLICATION FOR  
COMPULSORY POOLING IN EDDY COUNTY  
NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

THURSDAY, SEPTEMBER 10, 2020

SANTA FE, NEW MEXICO

This matter came on before the New Mexico  
Oil Conservation Division before Felicia Orth,  
Division Examiner, and Scott Cox, Technical  
Examiner, via Webex Videoconferencing Platform on  
Thursday, September 10, 2020

Reported by: Mary Therese Macfarlane  
New Mexico CCR No. 122  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street NW, Suite 105  
Albuquerque, New Mexico 87102

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# A P P E A R A N C E S

For the Applicant MARATHON OIL PERMIAN, LLC:

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FOR EOG RESOURCES, INC.

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# C O N T E N T S

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1 (Time noted 8:44 a.m.)

2 HEARING EXAMINER ORTH: Move then to Matter  
3 21392. The Applicant is Marathon Oil, Compulsory Pooling  
4 Application. The well name is Fiddle Fire.

5 Who here is -- who is here from Modrall,  
6 Sperling for that Applicant.

7 MS. BENNETT: Good morning, Madam Examiner.  
8 This is Dana Bennett on behalf of the Applicant Marathon  
9 Oil Permian, LLC.

10 HEARING HEARING EXAMINER ORTH: Thank yu.  
11 Mr. Feldewert, are you here for EOG?

12 MR. FELDEWERT: Madam Examiner, Michael  
13 Feldewert of the Santa Fe office of Holland & Hart  
14 appearing for EOG Resources, Inc. And then yesterday,  
15 Madam Examiner, we appeared on behalf of MRC Permian, and  
16 in that appearance asked for a continuance.

17 HEARING HEARING EXAMINER ORTH: Okay. Yes, Ms.  
18 Bennett.

19 MS. BENNETT: Madam Examiner, if I could just  
20 briefly respond to MRC's request for a continuance and  
21 just give a little bit of background here.

22 So as MRC Permian indicated in his email to  
23 the Commission -- to the Division, excuse me, and also to  
24 me separately, MRC Permian only received our Notice Letter  
25 on Setpember 4th, the Notice of the hearing, and given the

1 holiday weekend there was some delay in getting it to  
2 Mr. Feldewert, as I understand it.

3 I did want to note that we, myself, mailed  
4 the letter on August 20th with all of the other Notice  
5 Letters, and most of the other Notice Letters were  
6 delivered around August 24th or 25th. So this letter must  
7 have gotten hung up at the post office somehow.

8 I did double check -- no offense to Mr.  
9 Feldewert or MRC Permian, but I did double check the  
10 mailing status, and in fact it was only delivered to MRC's  
11 office on September 9th.

12 All that being said, though, we did -- you  
13 know, I did publish including MRC Permian. They also --  
14 it's published on the docket. Marathon has been in  
15 discussions with MRC Permian about this acreage; Marathon  
16 sent a Proposal Letter to MRC Permian; I understand that  
17 Marathon's landman has spoken with MRC Permian's landman.  
18 So this isn't a new or surprising development, but it is  
19 accurate that MRC Permian did only receive the Notice of  
20 the hearing on Friday, September 9th.

21 And so if the -- Marathon, I guess -- the  
22 long and short of it is Marathon wouldn't object to a  
23 continuance if that's what the Division decides to do  
24 here. Marathon wants to continue to work with Matador,  
25 and so if the Division decides to grant a continuance,

1 Marathon would not object to that.

2 HEARING EXAMINER ORTH: Thank you for that, Ms.  
3 Bennett.

4 Mr. Feldewert.

5 MR. FELDEWERT: Just one clarification. I think  
6 you said September 9th. I think you mean September 5th,  
7 which was Friday.

8 MS. BENNETT: I'm sorry.

9 MR. FELDEWERT: You know, she is correct. I  
10 don't know what happened to the Notice. The information  
11 that Ms. Bennett filed does indicate that a lot of the  
12 other companies it was delivered on around August 24th,  
13 but for whatever reason the post office with the Certified  
14 Mail didn't get it to MRC's offices until actually it was  
15 the afternoon of September 4th, which of course is right  
16 before the holiday weekend, so nobody within the company  
17 was able to take notice of it and get it to the right  
18 people until yesterday, when they contacted me and said  
19 that they had just got this, on the 4th in the afternoon  
20 it was posted, and asked me to see if the Division would  
21 accommodate a continuance so that the parties could  
22 address any remaining issues.

23 So I don't think we need a substantial  
24 continuance here. I think if we continue it until the  
25 next docket that would be fine, but that's the reason for

1 the late file.

2 HEARING EXAMINER ORTH: All right. Thank you.

3 MS. BENNETT: Madam Examiner, may I just say one  
4 more quick thing. I apologize for jumping in like this.

5 I would agree with Mr. Feldewert in terms  
6 of -- or I would ask, actually, that we not continue this  
7 out very far. And I just want to clarify with Mr.  
8 Feldewert that what he meant by the next docket date would  
9 the September 24th or October 8th docket date. I'm not  
10 very sure.

11 HEARING EXAMINER ORTH: September 24th?

12 MR. FELDEWERT: September 24th, yeah.

13 MS. BENNETT: That would be ideal. As Mr.  
14 Feldewert mentioned or alluded to, we had already prepared  
15 all our exhibits and we were ready to go today, so the  
16 shorter the continuance the better in terms of Marathon  
17 just to allow Matador the time it needs to review the  
18 materials, but also to not put this in sort of the  
19 continuance cycle and keep putting it off and off when  
20 we're ready to go.

21 HEARING EXAMINER ORTH: All right.  
22 Thank you.

23 So I think it's well known that the mails  
24 have been affected, particularly recently, so we will  
25 chalk this up to pandemic mails.

1                   And if you would, please, Mr. Feldewert,  
2    apply for the continuance through the fee portal and just  
3    make clear you would like it to be part of the September  
4    24th docket.

5                   MR. FELDEWERT:   I'll check with Marlene.   I  
6    think my secretary filed it through the fee portal, but if  
7    we haven't -- I'm pretty sure she did.

8                   MS. SALVIDREZ:   It was filed.   I'll approve it  
9    today.

10                  HEARING EXAMINER ORTH:   All right.   Thank you,  
11   Marlene.

12                  MS. BENNETT:   Thanks, Marlene.

13                  (Time noted 8:48 a.m.)

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1 STATE OF NEW MEXICO )

2 : SS

3 COUNTY OF TAOS )

4 REPORTER'S CERTIFICATE

5 I, MARY THERESE MACFARLANE, New Mexico Reporter  
6 CCR No. 122, DO HEREBY CERTIFY that on Thursday, September  
7 10, 2020, the proceedings in the above-captioned matter  
8 were taken before me; that I did report in stenographic  
9 shorthand the proceedings set forth herein, and the  
10 foregoing pages are a true and correct transcription to  
11 the best of my ability and control.

12 I FURTHER CERTIFY that I am neither employed by  
13 nor related to nor contracted with (unless excepted by the  
14 rules) any of the parties or attorneys in this case, and  
15 that I have no interest whatsoever in the final  
16 disposition of this case in any court.

17 /s/ Mary Macfarlane

18 \_\_\_\_\_  
19 MARY THERESE MACFARLANE, CCR  
20 NM Certified Court Reporter No. 122  
License Expires: 12/31/2020.

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