

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NOS. 21404, 21405

APPLICATION OF BTA OIL PRODUCERS, LLC,
FOR COMPULSORY POOLING IN
LEA COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

THURSDAY, SEPTEMBER 10, 2020

SANTA FE, NEW MEXICO

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

Reported by: Mary Therese Macfarlane
New Mexico No. 122
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15 For Devon Energy

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1 C O N T E N T S

2	CASE NUMBER 21404, 21405	PAGE
3	CALLED	4
4	STATEMENT BY MS. HARDY:	5
5	APPLICANT WITNESSES (BY AFFIDIVIT):	
6	KRISTEEN RAMOS (Landman)	6
7	DARIN DOLEZAL (Petroleum engineer)	6
8	TAKEN UNDER ADVISEMENT.	7

9 E X H I B I T I N D E X

10	APPLICANT EXHIBITS	ADMITTED
11	A	7
12	A-1 through A-15	7
13	B	7
14	B-1 through B-6	7

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1 (Time noted 8:58 a.m.)

2 HEARING EXAMINER ORTH: Let's move then to 21404
3 and 21405. The Applicant BTA Oil Producers for a
4 Compulsory Pooling Application. The well name is Bell
5 Lake. The other well name that I saw in the application
6 was White Wing.

7 Who here is from Hinkle Shanor for the
8 applicant.

9 MS. HARDY: Dana Hardy for the applicant.

10 HEARING EXAMINER ORTH: Thank you. And then we
11 also have COG. Mr. Rodriguez, are you with us?

12 MR. RODRIGUEZ: Yes, Madam Examiner. Michael
13 Rodriguez with COG Operating.

14 HEARING EXAMINER ORTH: Devon Energy is other
15 party entering an appearance. Mr. Savage, are you here
16 from Abadie & Schill?

17 MR. SAVAGE: Darin Savage with Abadie & Schill
18 on behalf of Devon Energy Production Company.

19 HEARING EXAMINER ORTH: All right. Thank you.

20 Are there any other appearances this
21 morning? Do I see that there was an appearance from
22 Mr. Bruce.

23 MR. BRUCE: Yes, Madam Examiner. I'm entering
24 an appearance on behalf of MRC Permian Company, and MRC
25 has no objections to the proceedings.

1 HEARING EXAMINER ORTH: All right. Thank you.

2 First let me pause to see if there are any
3 other appearances. (Note: Pause.) No.

4 Then let me ask if, uh, Mr. Rodriguez, you
5 have an objection to the Applicant proceeding by
6 affidavit?

7 MR. RODRIGUEZ: We do not, Madam Examiner.

8 HEARING EXAMINER ORTH: All right. Mr. Savage?

9 MR. SAVAGE: No, Madam Examiner, there's no
10 objection to that.

11 HEARING EXAMINER ORTH: All right. Thank you.

12 Ms. Hardy, then, if you would, please.

13 MS. HARDY: Thank you.

14 In case 21404, BTA seeks an order pooling
15 all uncommitted mineral interests in the Bone Spring
16 Formation from the stratigraphic equivalent of 10,596 feet
17 to 11,468 feet in a 623.24-acre standard horizontal
18 spacing unit, comprised of Lots 1, 2, 3 and 4 in the east
19 half of the west half of Sections 18 and 19, Township 23
20 South, Range 34 East in Lea County, and BTA proposes to
21 dedicate that spacing unit to two different wells.

22 In case 21405 BTA seeks to order pooling
23 all uncommitted mineral interests in the Bone Spring
24 Formation from the same depths, the stratigraphic
25 equivalent of 10,596 feet to 11,416 feet in a 640-acre

1 standard horizontal spacing unit comprised of the east
2 half of Sections 18 and 19, Township 23 South, Range 34
3 East, in Lea County, and BTA proposes to dedicate that
4 unit to two wells.

5 For each case we've provided the compulsory
6 pooling checklist, the affidavits of Landman Kristeen
7 Ramos and geologist Darin Dolezal, and the exhibits
8 include all of the matters required by the checklist and
9 the standard land and geology exhibits.

10 Ms. Ramos has not previously testified
11 before the Division so we have also provided her resume.

12 As shown in Exhibits A-13 and A-14 to Ms.
13 Ramos' affidavit, Notice was timely provided to the pooled
14 parties by Certified Mail and Notice was also timely
15 published for both cases.

16 There is a depth severance, as I have
17 mentioned, and that is discussed in both affidavits. Ms.
18 Ramos explains the depth severance in paragraph 14 of her
19 affidavit, and Mr. Dolezal states in paragraph 10 of his
20 affidavit that there are no depth severances within the
21 Third Bone Spring, which is Formation that BTA seeks to
22 pool, and it's the Formation identified by the
23 stratographic graphs in the application.

24 So with that, unless there are questions, I
25 request that the exhibits be admitted into the record and

1 that the cases be taken under advisement, and I would also
2 ask that Ms. Ramos also be qualified as an expert since
3 she hasn't previously testified.

4 Thank you.

5 HEARING EXAMINER ORTH: All right. Thank you,
6 Ms. Hardy.

7 Mr. Rodriguez -- wait. I was trying to
8 unmute you. Do you have questions of Ms. Hardy?

9 MR. RODRIGUEZ: No, Madam Examiner.

10 HEARING EXAMINER ORTH: Thank you. Mr. Savage,
11 do you have questions of Ms. Hardy?

12 (Note: No response.)

13 Hmm. There. Okay. Now Mr. Savage, do you
14 have questions of Ms. Hardy?

15 MR. SAVAGE: Madam Examiner, at this time no
16 questions.

17 HEARING EXAMINER ORTH: All right. Thank you.

18 And Mr. Cox, questions of Ms. Hardy?

19 MR. COX: Madam Examiner, no questions at this
20 moment. Thank you.

21 HEARING EXAMINER ORTH: Thank you very much, Ms.
22 Hardy. Your exhibits are accepted and the matter will be
23 taken under advisement.

24 MS. HARDY: Thank you.

25 (Time noted 9:02 a.m.))

1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)

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5 REPORTER'S CERTIFICATE

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

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

18

 /s/ Mary Macfarlane

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20 _____
21 MARY THERESE MACFARLANE, CCR
 NM Certified Court Reporter No. 122
 License Expires: 12/31/2020

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