

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. 21317, 21318

APPLICATION BY COLGATE CORPORATION  
FOR COMPULSORY POOLING IN EDDY COUNTY,  
NEW MEXICO

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, AUGUST 20, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the  
New Mexico Oil Conservation Division, FELICIA ORTH Hearing  
Examiner, Technical Examiners SCOTT COX and DEAN McCLURE  
on Thursday, August 20, 2020, Via Webex Video conferencing

REPORTED BY: Mary Therese Macfarlane  
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1     A P P E A R A N C E S.

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1 C O N T E N T S

2	CASE NOS. CALLED	PAGE
3	APPLICANT WITNESSES BY AFFIDAVIT:	
4	MARK HAJDIK (Landman)	6
5	SERGIO OJEDA (Geologist)	6
6	TAKEN UNDER ADVISEMENT	7

7

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

9	APPLICANT COLGATE CORPORATION EXHIBITS	INTRODUCED
10	A Checklists	6
11	B Affidavit of Mark Hajdik	6
12	C Affidavit of Sergio Ojeda	6
13	D-1 Notice letters	6
14	D-2 Status of mailing	6
15	D-3 Publication Notice	6
16	EXHIBITS ACCEPTED:	7

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1 (Time noted 8:56 a.m.)

2 HEARING EXAMINER ORTH: Let's move then to  
3 21317, Colgate Operating.

4 This is actually 21317 and 21318, Colgate  
5 Operating. These are Compulsory Pooling Applications  
6 relating to a well named Atlas, Atlas 18.

7 Mr. Hough, are you here again for Modrall  
8 Sperling.

9 MR. HOUGH: That's correct, Madam Examiner.

10 HEARING EXAMINER ORTH: All right. We do have  
11 other parties here.

12 Cimarex/Magnum. Ms. Shaheen, are you here  
13 from Montgomery & Andrews?

14 MS. SHAHEEN: Yes, I am.

15 HEARING EXAMINER ORTH: All right. And MRC  
16 Permian. Who is here from Holland & Hart for MRC Permian?

17 MS. LUCK: Good morning, Madam Examiner.  
18 Kaitlyn Luck with the Santa Fe office of Holland & Hart  
19 for MRC Permian.

20 HEARING EXAMINER ORTH: Good morning, Ms. Luck.

21 Let me pause for a moment to ask if there  
22 are any other appearances this morning.

23 (Note: No response.)

24 HEARING EXAMINER ORTH: No.

25 All right. Do I understand that the cases

1 may be presented by affidavit this morning? Do you have  
2 any objection, Ms. Shaheen?

3 MS. SHAHEEN: No, Madam Examiner, we do not  
4 object to Colgate proceeding by affidavit. We have  
5 entered our appearance to preserve our rights in the event  
6 there is an Order that is unexpected to appeal before the  
7 Commission.

8 HEARING EXAMINER ORTH: Thank you.

9 Ms. Luck?

10 MS. LUCK: No objection from MRC. Likewise, MRC  
11 is entering its appearance for purposes of preserving its  
12 right to appeal.

13 HEARING EXAMINER ORTH: Thank you. If you  
14 would, then, Mr. Hough.

15 MR. HOUGH: Thank you, Madam Examiner.

16 So these two cases from Colgate Operating  
17 LLC are for two Bone Spring units, preliminary identifies  
18 they are 233-acre units, because one section, of course,  
19 has to be pooled as an irregular section, so the reverse  
20 case is for pooling in the south half/northwest corner  
21 equivalent of Regular Section 18, Township 19 South, Range  
22 29 East, and then the south half/north half of Section 13,  
23 Township 19 South, Range 28 East. And it is in Eddy  
24 County, New Mexico.

25 For the other case, this is the north

1 half/north half of the same area. So to be clear this is  
2 Case 21318. This is for pooling in the north  
3 half/northwest quadrant of Irregular Section 18, Township  
4 19 South, Range 29 East and the north half of Section 13,  
5 Township 19 South, Range 28 East in Eddy County, New  
6 Mexico.

7                   Provided in the hearing packet submitted on  
8 Tuesday you'll see the exhibits produced. Under Exhibit A  
9 the two checklists, and for Exhibit B is the Affidavit of  
10 Mark Hajdik, the landman in this matter, as well as there  
11 are several corresponding exhibits to his affidavit that  
12 are attached.

13                   Exhibit C is the Affidavit of Sergio Ojeda.  
14 He is the geologist in this matter, and there are several  
15 geology exhibits attached there.

16                   And Exhibit D is the update from myself,  
17 and its Exhibits D-1, -2, -3 provide the Notice letters  
18 and status of mailing and Publication that fulfill the  
19 Notice requirement.

20                   So unless there are any questions from the  
21 Division I would ask that these exhibits be submitted and  
22 taken under advisement.

23                   HEARING EXAMINER ORTH: All right. Thank you,  
24 Mr. Hough.

25                   Ms. Shaheen, do you have any questions?

1 MS. SHAHEEN; No, thank you, Madam Examiner.

2 HEARING EXAMINER ORTH: Ms. Luck, do you have  
3 any questions?

4 MS. LUCK: No questions from me.

5 HEARING EXAMINER ORTH: Mr. Cox, do you have  
6 questions of Mr. Hough?

7 EXAMINER COX: No questions at this time, Madam  
8 Examiner. Thank you.

9 HEARING EXAMINER ORTH: And Mr. McClure.

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

12 HEARING EXAMINER ORTH: All right. Thank you.

13 Thank you, Mr. Hough. Your exhibits are  
14 accepted and the matter will be taken under advisement.

15 MR. HOUGH: Thank you, Madam Examiner.

16 (Time Noted 8:59 a.m.)

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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 Certified  
7     Court Reporter No. 122, do hereby certify that on  
8     Thursday, August 20, 2020 the proceedings in the  
9     above-captioned matter were taken before me; that I did  
10    report in stenographic shorthand the proceedings set forth  
11    herein, and the foregoing pages are a true and correct  
12    transcription to 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  
22   NM Certified court Reporter No. 122  
23   License Expires: 12/31/2020

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