

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: 21635, 21636

APPLICATION OF RIDGE RUNNER RESOURCES
CORPORATION, LLC, FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

FEBRUARY 18, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER FELICIA ORTH and TECHNICAL EXAMINERS LEONARD LOWE and BAYLEN LAMKIN on February 18, 2021, as hosted by the New Mexico Energy, Minerals, and Natural Resources Department, Santa Fe, New Mexico.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
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A P P E A R A N C E S

For the Applicant:

DANA HARDY
HINKLE SHANOR LLP
P.O. Box 0268
Santa Fe, NM 87504
505-982-4554

I N D E X

CASE CALLED

TAKEN UNDER ADVISEMENT 05

REPORTER CERTIFICATE 06

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

Admitted

All Exhibits and Attachments 05

1 HEARING EXAMINER ORTH: I will start at the
2 beginning. 21635 is the case number -- oh, here is
3 Baylen -- 21635, Ridge Runner Resources, it's a compulsory
4 pooling application. The well name is Zeus. Who is here
5 from Hinkle Shanor for the applicant?

6 MS. HARDY: Good morning, Madam Examiner, Dana
7 Hardy with Hinkle Shanor for the applicant.

8 HEARING EXAMINER ORTH: Good morning. Let me
9 pause for a moment to see if there are any other entries. I
10 didn't see any in the case file.

11 (No audible response.)

12 HEARING EXAMINER ORTH: No? Please go ahead.

13 MS. HARDY: Thank you. And, Madam Examiner, I
14 believe we also have Case 21636 that also involves the Zeus
15 wells.

16 HEARING EXAMINER ORTH: Yes. Would you like to
17 consolidate them?

18 MS. HARDY: That would be great. Thank you.

19 HEARING EXAMINER ORTH: All right. Please go
20 ahead.

21 MS. HARDY: In Case 21635 Ridge Runner seeks an
22 order pooling all uncommitted mineral interests in the Bone
23 Spring formation in a 320 acre more-or-less standard
24 horizontal spacing unit comprised of the W/2 of the W/2 of
25 Sections 2 and 11, Township 20 South, Range 35 East in Lea

1 County.

2 And in Case Number 21636, Ridge Runner seeks an
3 order pooling all uncommitted mineral interests in the Bone
4 Spring formation in a 320 acre more-or-less standard
5 horizontal spacing unit comprised of the E/2 of the W/2 of
6 Sections 2 and 11, Township 20 South, Range 35 East in Lea
7 County.

8 We've provided with our exhibits the compulsory
9 pooling checklist, as well as the affidavits of landman
10 Blake Shelton and geologist Michael Burke. The exhibits to
11 the affidavits include all of the standard land and geology
12 exhibits.

13 The ownership information is provided in Exhibit
14 A-3, which shows the tracts, the pooled parties, and all the
15 interest owners in the proposed spacing units. The notice
16 information in each case is provided as Exhibit A-9 to Mr.
17 Shelton's affidavit, and we also did publish notice, and the
18 affidavits of publication are provided in Exhibit A-10. I
19 believe there was one unlocatable interest.

20 So with that, unless there are questions, I would
21 ask that the cases be taken under advisement and that the
22 exhibits be accepted into the record.

23 HEARING EXAMINER ORTH: Thank you, Ms. Hardy.
24 The exhibits are accepted.

25 Let me ask Mr. Lowe if he has questions of you.

1 TECHNICAL EXAMINER LOWE: Good morning, Dana
2 Hardy. This is Leonard Lowe.

3 MS. HARDY: Good morning.

4 TECHNICAL EXAMINER LOWE: I just got one question
5 for you, on your one unlocatable interest, how did you
6 address that?

7 MS. HARDY: We published notice.

8 TECHNICAL EXAMINER LOWE: You published, okay.

9 MS. HARDY: We did, yes.

10 TECHNICAL EXAMINER LOWE: That's all I have for
11 now. Thank you.

12 HEARING EXAMINER ORTH: All right. Thank you,
13 Mr. Lowe. Thank you, Ms. Hardy. The two matters will be
14 taken under advisement.

15 (Exhibits admitted.)

16 (Taken under advisement.)

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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, CCR 253, do hereby certify that I reported the
8 foregoing virtual proceedings in stenographic shorthand and
9 that the foregoing pages are a true and correct transcript
10 of those proceedings to the best of my ability.

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

15 I FURTHER CERTIFY that the Virtual Proceeding was
16 of poor to good quality.

17 Dated this 18th day of February 2021.

18

/s/ Irene Delgado

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

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