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STATE OF NEW MEXICO

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

OIL CONSERVATION DIVISION

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

CASE NOS. 21935-21936

APPLICATION OF SPUR ENERGY PARTNERS, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

DECEMBER 16 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINER KATHLEEN MURPHY on Thursday, December 16, 2021, through the Webex Platform.

Reported by: PAUL BACA

PAUL BACA PROFESSIONAL COURT REPORTERS

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1	APPEARANCES	
2	For Spur Energy Partners:	
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4	DANA HARDY HINKLE SHANOR LLP P.O. Box 0268	
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6	For Contango:	
7	Scott S. Morgan	
8	Stephen D. Ingram smorgan@cilawnm.com	
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10	I N D E X	
11	TNDEV	
12	CASE CALLED	
13	STATUS CONFERENCE	03
14	REPORTER CERTIFICATE	08
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- 1 HEARING EXAMINER BRANCARD: With that, I will
- 2 call the next two cases, 21935, 21936, Spur Energy Partners.
- 3 MS. HARDY: Good morning, Mr. Examiner. Dana
- 4 Hardy with the Santa Fe office of Hinkle Shanor on behalf of
- 5 Spur Energy Partners.
- 6 HEARING EXAMINER BRANCARD: An entry from
- 7 Contango.
- 8 MR. MORGAN: Scott Morgan from Cavin & Ingram on
- 9 behalf of Contango Oil & Gas.
- 10 HEARING EXAMINER BRANCARD: Thank you. And
- 11 Apache Corporation?
- 12 MS. BENNETT: Good morning, Mr. Examiner, Deana
- 13 Bennett on behalf of Apache Corporation.
- 14 HEARING EXAMINER BRANCARD: Are there any other
- interested persons on Cases 21935, 21936?
- 16 (No audible response.)
- 17 HEARING EXAMINER BRANCARD: Ms. Hardy, where are
- 18 we?
- 19 MS. HARDY: Mr. Examiner, the parties are
- 20 discussing these matters and trying to reach a resolution.
- 21 We are -- at least that's my understanding -- we are not in
- 22 a competing application scenario, it's just I think the
- 23 parties are trying to work out issues that relate to
- 24 collision risk and things like that. So it seems like to me
- 25 though those issues will be resolved if they haven't been

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- 1 yet.
- 2 So at this point I think we need to set a
- 3 contested hearing date. I don't know if the March 3 date
- 4 would be available since it seems reasonably likely these
- 5 issues would be resolved, and if they are not resolved, then
- 6 the hearing would be fairly short, but if that doesn't work,
- 7 I think March 17 should be acceptable. I have to verify
- 8 that date with my client, though.
- 9 HEARING EXAMINER BRANCARD: So essentially we
- 10 could be looking at another status conference?
- MS. HARDY: Potentially, or presentation by
- 12 affidavit if the issues are resolved.
- 13 HEARING EXAMINER BRANCARD: Mr. Morgan?
- MR. MORGAN: I think Ms. Hardy is correct, we are
- 15 working on getting these issues resolved. There is a little
- 16 more technical information that my clients want to review,
- 17 and at that point we will either be ready to resolve the
- 18 issues or move forward with the hearing.
- 19 HEARING EXAMINER BRANCARD: Ms. Bennett?
- 20 MS. BENNETT: Same for Apache, same position, and
- 21 Apache would also be okay with March 3 or March 17 as the
- 22 hearing date.
- 23 HEARING EXAMINER BRANCARD: All right. Since it
- 24 seems low probability this will turn into a contested
- 25 hearing by March, why don't we set this for March 3. Ms.

Page 5 Hardy, would you like to issue a prehearing order in this case? MS. HARDY: Yes, that would be great, Mr. Examiner. HEARING EXAMINER BRANCARD: Once again, are there any other interested persons in Cases 21935, 21936? (No audible response.) HEARING EXAMINER BRANCARD: Hearing none, those cases will be set for hearing on March 3. MS. HARDY: Thank you. (Concluded.)

Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, PAUL BACA, New Mexico Certified Court 6 7 Reporter, do hereby certify that I reported the foregoing 8 virtual proceedings in stenographic shorthand and that the 9 foregoing pages are a true and correct transcript of those 10 proceedings to the best of my ability. I FURTHER CERTIFY that I am neither employed by 11 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 of reasonable quality. 16 Dated this 16th day of December 2021. 17 18 /s/ Paul Baca 19 Paul Baca 20 License Expires: 12-31-22 2.1 22 23 2.4 25