Page 1

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:

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22584

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS EXAMINER HEARING APRIL 21, 2022 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 DYLAN ROSE-COSS on Thursday, April 21, 2022, through the Webex Platform.

Reported by: PAUL BACA PROFESSIONAL COURT REPORTERS 500 Fourth Street, NW, Suite 105 Albuquerque, NM 87102 505-843-9241

Page 2

1 APPEARANCES 2 For Matador Production Company: 3 ADAM RANKIN HOLLAND & HART 110 North Guadalupe, Suite 1 4 Santa Fe, NM 87501 505-954-7286 5 For Chisholm, Earthstone Permian 6 and Earthstone Operating: 7 DANA HARDY HINKLE SHANOR LLP 8 P.O. Box 0268 9 Santa Fe, NM 87504 505-982-4554 10 For ConocoPhillips: 11 ELIZABETH A. RYAN 1048 Paseo de Peralta 12 Santa Fe, NM 87501-3034 505-428-0485 13 14 For Fasken Oil & Ranch: SHARON SHAHEEN 15 MONTGOMERY & ANDREWS 16 325 Paseo de Peralta Santa Fe, NM 87501 17 18 INDEX 19 CASE CALLED 20 03 STATUS CONFERENCE 21 REPORTER CERTIFICATE 06 22 23 24 25

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Page 3 1 HEARING EXAMINER BRANCARD: Case 22584, Matador 2 Production Company. MR. RANKIN: Mr. Examiner, may it please the 3 4 Division, Adam Rankin from the office of Holland & Hart on 5 behalf of the applicant in this case, Matador Production 6 Company. 7 HEARING EXAMINER BRANCARD: Thank you, Mr. 8 Rankin. Chisholm Energy, Earthstone Permian, Earthstone 9 Operating. 10 MS. HARDY: Good morning, Mr. Examiner, Dana Hardy of Hinkle Shanor on behalf of Chisholm, Earthstone 11 12 Permian and Earthstone Operating. 13 HEARING EXAMINER BRANCARD: Thank you. 14 ConocoPhillips? 15 MS. RYAN: Good morning, Mr. Examiner, Beth Ryan here on behalf of ConocoPhillips. 16 17 HEARING EXAMINER BRANCARD: All right. Any other entries of appearance in Case 22584? 18 MS. SHAHEEN: Yes, Mr. Examiner, Sharon Shaheen 19 on behalf of Fasken Oil & Ranch. I apologize, we filed a 20 late entry of appearance yesterday. 21 22 HEARING EXAMINER BRANCARD: Thank you. All right. I believe there is an objection to this case going 23 24 forward by affidavit. Is that ConocoPhillips? 25 (No audible response.)

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Page 4 MS. HARDY: Mr. Examiner, I believe it's Chisholm 1 2 and Earthstone objected because they are planning to file 3 competing applications. 4 HEARING EXAMINER BRANCARD: All right. Do you have a time frame for competing applications? 5 6 MS. HARDY: Our competing applications should be 7 filed by May 2 for the June 2 docket. 8 HEARING EXAMINER BRANCARD: Ms. Ryan, is 9 ConocoPhillips contemplating competing applications. 10 MS. RYAN: We don't. We have no objection and are fine with that date if that's good with the parties. 11 We 12 are just entering an appearance. 13 HEARING EXAMINER BRANCARD: Thank you. Ms. 14 Shaheen? 15 MS. SHAHEEN: No objection. We are evaluating the applications to determine which ones Fasken is going to 16 17 be supporting. 18 HEARING EXAMINER BRANCARD: All right. So we think this is actually going to be a competing case, so are 19 we just sort of hoping to discuss this. Mr. Rankin? 20 21 MR. RANKIN: Mr. Examiner, at this point Matador is prepared to go forward at the earliest setting available 22 23 by the Division for a contested hearing date. Matador's 24 intention is to proceed to the development plan, and at this 25 point (inaudible) contested case (inaudible).

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Page 5 HEARING EXAMINER BRANCARD: I see a nod from Ms. Hardy? MS. HARDY: I agree, Mr. Examiner. Earthstone is planning to -- they have already got their well proposal unit on file. HEARING EXAMINER BRANCARD: All right. Well, since you are the only status conference so far, you get June 2 then. MS. HARDY: Thank you. HEARING EXAMINER BRANCARD: And I will issue a prehearing order today. (Concluded.) 

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| 1  | STATE OF NEW MEXICO  |
| 2  | COUNTY OF BERNALILLO   |
| 3  |  |
| 4  | REPORTER'S CERTIFICATE                                       |
| 5  |  |
| 6  | I do hereby certify that I reported the                      |
| 7  | foregoing virtual proceedings in stenographic shorthand and  |
| 8  | that the foregoing pages are a true and correct transcript   |
| 9  | of those proceedings to the best of my ability.              |
| 10 | I FURTHER CERTIFY that I am neither employed by              |
| 11 | nor related to any of the parties or attorneys in this case  |
| 12 | and that I have no interest in the final disposition of this |
| 13 | case.  |
| 14 | I FURTHER CERTIFY that the Virtual Proceeding was            |
| 15 | of poor to good quality.                                     |
| 16 | Dated this 21st day of April 2022.                           |
| 17 | /s/ Irene Delgado  |
| 18 | Irene Delgado, NMCCR 253                                     |
| 19 | License Expires: 12-31-22                                    |
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