

OCD Regular Docket October 9, 2025 [NEW LINK]- 20251009_171439UTC-Meeting Recording Transcript

DISCLAIMER: This transcript was auto-generated with the assistance of Microsoft AI technology and may contain errors, omissions, or not reflect the original audio's nuances. Its intended purpose is to provide general information only. The official record is the video recording of the hearing, which is posted to the **OCD's** YouTube channel, which can be viewed here: [OCD Pecos Hall - YouTube](#)

48:18

For the ninth, this is the first regular docket of the Oil Conservation Division.

48:25

These are hearings by affidavit.

48:28

There were some late filed exhibits, so I'm going to run down a list of the cases in advance so that the parties know that the cases won't be heard today.

48:38

We will try to get these heard rapidly though, and I think we have a solution for that.

48:44

But here are the cases that were late filed.

48:48

Case number one on our docket.

48:49

I, I can either say the line or the case number or both.

48:54

I think I'll just say both.

48:56

Case number 125519 was late filed.

48:59

We have case number 32558125582.

49:06

We have cases 12 through 12 through 14 relate file.

49:14

These are 255161718.

49:19

We have a late filing XTO Energies 25577 number 16 on our docket.

49:27

Cases 18 through 21 relate file 255858687 and 88.

49:33

We have late filings in case 27 and 28 in our docket 25597 and 98 and the final two cases.

49:46

Oh actually well there were, I'll, I'll leave those to the end.

49:50

41 and 42 that's 25630 and 25631 were late filed.

49:57

And unfortunately case number 45, the the exhibits and the pre hearing statement for MRNM, we're also not received in time to review them.

50:11

That was an IT problem that we are currently investigating on all levels and we're trying to get to the bottom of how that happened.

50:22

So with that in mind, we will have the motion hearing on intervention though in that final case.

50:30

I, I think the, the most expedient way to hear these late filed cases is to move them.

50:37

We're not going to move them, but the applicants move them, continue them to the October 14 docket.

50:43

So it's a delay of one week and I can't stress enough that the 5:00 PM deadline is a hard deadline on the Thursday before.

50:52

Yeah, Mr.

50:54

Hearing exhibit that moved pretty quickly and a lot of those were my cases.

50:58

Can you please go through those a little bit?

51:00

I'll give you the line number.

51:02

Is the line number.

51:02

OK, that works.

51:03

Thank you.

51:04

By all means, let's start with line one, line three, line 4, line 12, line 13, line 14/16/18, 19202127284142 and 45 for a different reason.

51:41

Mr.

51:41

Hearing Examiner, may I ask a quick clarifying question?

51:44

It's always been my understanding that pre hearing statements had to be filed by 5:00, but that exhibits did not have to be filed by 5.

51:51

So is this a reflection that exhibits now do need to be filed by 5 on Thursday?

51:56

Yes.

51:56

For the case to be heard on the regular docket, everything has to be filed by 5:00 PM so that the technical reviewers have the time to review the exhibits and the pre hearing statement.

52:10

When it's a special docket, then it's four business days before.

52:17

OK.

52:24

Miss Bennett, I'm not calling the your cases, but I do want to mention something to you.

52:32

I don't know if you got Freya's e-mail regarding the Rockwood Kotera closing arguments.

52:39

I did not.

52:40

You do not yet, not have you sent that yet?

52:42

If not, Oh, you have not, Miss Bennett, Pray maybe.

52:49

I guess you should still send it so that Caitlin Luck gets it as well.

52:53

But today was the is the deadline.

52:56

OK, good.

52:57

Because when when we came here last month, the parties asked for some more time to negotiate.

53:03

Do you want to tell me whether you've negotiated the settlement?

53:06

The parties are still in discussions and I believe the negotiations are proceeding really well.

53:13

But I also understood that today was the deadline.

53:16

So I'm prepared to file.

53:17

But if the division's willing to give us an extension of time, of course, I'd consider it for everyone's sake.

53:22

I mean, the division may not want to spend time on a brief that it's ultimately unnecessary.

53:29

What I would recommend you and Miss Luck doing is filing your closing arguments and if you want to file an additional document, a pleading basically saying could we have some more time before you make a decision on this?

53:42

I don't want to change the deadline that we've already delayed at least once, but you, you're more than welcome to file an unopposed motion to, you know, for another couple weeks or whatever you think it's necessary.

53:56

But we do want the closing arguments at this point.

53:58

Yes, thank you.

53:58

And I am prepared to file mine today by 5:00 PM.

54:02

And it does say in the brief, in the, in the introduction to the brief, it does say that I'm filing the brief out of an abundance of caution and to comply with the divisions request, but also that I'm hopeful that it will become unnecessary.

54:19

Wonderful.

54:20

Thank you.

54:20

OK, we're, we're, we're, we're never on the record in those cases.

54:23

So we're not off the record in those cases.

54:25

OK, let's proceed #2 on our, on our worksheet was continued by Mr.

54:33

Bruce.

54:34

So we're going to skip over that one.

54:36

We're going to move to #5 which is the first case.

54:40

And this is Mr.

54:41

McClure's case.

54:42

So Dean McClure is the technical examiner for lines 5 through 9 and then for the final case, 45 today.

54:52

So Mr.

54:53

McClure, do we have, oh, I see your picture.

54:55

There we are.

54:55

OK.

54:56

So I'm calling a Hill Corp Energy, I'll call a bunch of cases here.

55:02

256-O, four, 256-O6 and 256-O8 edges of appearance, please.

55:09

Good morning, Mr.

55:10

Hearing Examiner Paula Vance with the Santa Fe Office of Holland and Heart on behalf of the applicant.

55:16

And since we sort of moved things around and shifted things, I need to get all the hearing packets up really quick.

55:22

If you can give me just one moment in case I need to share or refer to them.

55:29

I believe these cases were heard before and we're coming.

55:34

No, they were not heard before.

55:35

These are new.

55:38

OK.

55:39

But I will let you know off the bat that our land man has not previously testified in our reservoir engineer whose statement we included in exhibits we included.

55:51

He's actually very sick today and not able to make it.

55:54

But we do have Marcus Hill, who has previously testified he's he's with Hillcorp, he is a reservoir engineer.

56:03

His credentials have been accepted as a matter of record, and he's standing in for hour.

56:10

While you're getting yourself together, why don't you call your land man?

56:13

Let's get him qualified as an expert.

56:15

That'll give you some time.

56:17

His name is Carson Rice, and I believe he should be on the line.

56:22

I see somewhere there's Marcus and I see Carson in a conference room.

56:27

So he's right there.

56:29

And we included a copy of his resume.

56:32

Our sick reservoir engineer, he has not previously testified.

56:36

We did include his resume.

56:38

So, Mr.

56:39

Rice, hard to see you.

56:42

You're a little far away from the camera.

56:44

Is it possible for you to move your your laptop?

56:47

And I don't know where your microphone is, but are you?

56:51

Can you see me?

56:52

Yeah.

56:53

I can hear you.

56:53

Yes.

56:53

All right.

56:54

So would you raise your right hand?

56:56

Do you swear, Affirm under penalty of perjury that testimony you're about to give is the truth, the whole truth and nothing but the truth.

57:04

Yes, Sir.

57:05

OK.

57:05

You can lower your hand, spell your name for the record, DARSON.

57:10

Last name is Rice.

57:11

RICE.

57:13

OK.

57:15

What field of expertise are you seeking to be qualified as an expert before this division?

57:21

Landman, San Juan Basin.

57:23

OK.

57:24

So, Mr.

57:25

Rice, why don't we start with your education?

57:27

Let's be specific about dates and degrees.

57:31

What, what is your education that goes toward this field?

57:35

So I graduated from Texas Tech University, excuse me, in 2016 with a degree in petroleum Land Management.

57:45

OK.

57:46

And did you, have you done any other, Oh, I don't know, do you belong to any other societies or have you done any other continuing education?

57:59

Yes, APL.

58:00

I'm a member at AAPL and HAPL.

58:04

And what do those, what do those mean?

58:07

Houston Land Association and AAPL is the American Land Man Association.

58:14

OK, All right.

58:16

And what experience do you have toward a petroleum land man?

58:20

So from 20, excuse me, from 2017 until 20/21, I worked our Texas, Louisiana and Northeast US assets.

58:31

And from 2022 until present, I've been working our San Juan Basin assets.

58:37

OK, who's our Hillcorp energy company?

58:40

Hillcorp.

58:41

OK, so you've been employed with Hillcorp from when to when?

58:45

From 2017 until now.

58:47

OK, And what's your title?

58:49

Senior lineman?

58:51

OK.

58:51

And what does it mean when you say working assets do I work with our San Juan Basin asset team to prepare new projects for drilling re complete work overs PNA that ownership look at title and work with attorneys, contractors and fields land men to prepare projects to get ready to go.

59:14

All right.

59:15

Thank you, Mr.

59:15

Rice.

59:15

You're hereby qualified as an expert before this division in the field of petroleum land matters.

59:22

Miss Vance, thank you.

59:26

So I split these up.

59:27

There's basically 2 sets of well density cases, one involving the Blanco Mesa Verde gas pool and that pool is pool code is 72319 and then the other is pertains to the basin Dakota gas pool which is the pool code is 75 or 71599.

59:52

So I'm confused I called 3 cases are are you dividing them up into two different?

59:57

No, I think that I'm sorry.

59:59

Sorry, I'm trying to do too many things this morning.

1:00:03

But yeah, so you called 25604256-O6 and 256-O8, is that correct?

1:00:11

OK, So that would be that first pool that I just spoke up, the Blanco Vert Mesa Verde gas pool.

1:00:17

Again, that pool code is 72319.

1:00:22

And in each of those cases, Hill Corp is seeking an exception to the special pool rule to include additional wells in the spacing unit.

1:00:35

And in Case 256-O four, which involves the north half of Section 26, Township 31 N, Range 11, W Helcorp is seeking to add the Randleman 1M, which would make it 5 wells in that spacing unit.

1:00:52

And then in Case 256-O6, the acreage would be lots one and two, the South half of the northeast quarter and the southeast quarter.

1:01:03

And that's the equivalent of the east half of a regular Section 5 and that's in Township 30 N, range 11 W and Hill Corp seeking to add the Rhoda Abrams 2P.

1:01:16

And again in that case, it'll be increased well density to five wells to that dedicated to that spacing unit in that particular pool.

1:01:24

And then lastly IN256-O8, it's the acreages lots 4 through 710 and 15 in the southeast quarter, the northwest quarter, in the northeast quarter of the southwest quarter.

1:01:40

And that is the West half equivalent of irregular Section 6 Township 30 N, range 11 W in.

1:01:48

In that spacing unit, Hill Corp is seeking to include the Jager Com 1M and Jager COM 1 N increasing that that spacing unit to six wells total.

1:02:01

In our hearing packet for that set of cases, we have included Mr.

1:02:06

Carson, Mr.

1:02:07

Carson Rice's resume that you've already gone over.

1:02:10

Also included with his testimony as an exhibit is the notice area, a list of the affected parties.

1:02:16

And then obviously as I told you, Mr.

1:02:20

Sikander Khan, he is out because he's sick.

1:02:24

But we did include his resume.

1:02:26

We do have Mr.

1:02:27

Marcus Hill filling in.

1:02:28

And then we have included some sub exhibits related to the reservoir engineering including spacing unit overview and targeted reserves, original gas in place, the cumulative gas produced the remaining recoverable gas in the volumetric analysis.

1:02:47

And then lastly of course is the notice stuff which includes myself, a firm statement of notice, a sample copy of the notice that went out, which was timely out, it went out on July 19th, 2025.

1:02:59

And then lastly is my affidavit of notice of publication which was timely published on September 24th, 2025.

1:03:09

And I will say it's going to be the same type of exhibits for the next two cases.

1:03:13

So I won't bother going through them in such specificity.

1:03:17

But I would ask that the exhibits and sub exhibits for these three cases be taken, be admitted into the record and that these cases be taken under advisement.

1:03:28

Thank you.

1:03:28

Miss Vance.

1:03:29

I don't believe there's any other parties entered on these cases.

1:03:32

So without exception.

1:03:35

Mr.

1:03:35

McClure, which cases do you have questions for?

1:03:40

I'm going to have questions for both case 2506 and 25608606 and 6:08.

1:03:50

OK, Which do you have Land man questions for, Mr.

1:03:53

Rice?

1:03:55

That is correct.

1:03:55

Mr.

1:03:56

Herring, Examiner.

1:03:56

They'll be for the land man.

1:03:58

OK, Mr.

1:03:58

Rice, can you get closer to the microphone 'cause we're going to have some questions for you.

1:04:03

We want the AI transcript to be accurate.

1:04:07

And I remind you, Mr.

1:04:08

Rice, you're under oath.

1:04:09

All right, Mr.

1:04:10

McClure, please proceed.

1:04:12

Mr.

1:04:13

Rice, I'm looking at case 25606.

1:04:20

I believe this is the Rhoda.

1:04:25

That's correct.

1:04:28

I'm looking at your Exhibit B2.

1:04:31

This should be referencing the surrounding tracks that were noticed.

1:04:36

Specifically, I'm looking at, excuse me, Exhibit B3, page 14 of 31.

1:04:49

Are you with me, Mr.

1:04:50

Rice?

1:04:51

Yes, Sir.

1:04:51

I can hear you OK.

1:04:53

On this page that looks like Miss Vance is sharing for us, there's a list of five persons.

1:05:00

Do you see where I'm referring to?

1:05:03

Are those the persons that you identified that needed to have received notice of this application?

1:05:09

That's correct.

1:05:21

A Mr.

1:05:21

Hearing Examiner for this specific case, I don't have any more questions except for Miss Vance.

1:05:27

Do you want me to move on to a different case with Mr.

1:05:30

Rice or no?

1:05:31

Let's finish this case.

1:05:33

Let's go one case at a time.

1:05:34

So, Miss Vance, Miss Vance, if I can draw your attention to your notice spreadsheet, page 29 of 31, there seems to only be two persons listed here.

1:05:50

Do you see where I'm looking at?

1:05:52

Yes.

1:05:52

Hold on.

1:05:55

Let me see.

1:05:56

And it may be.

1:05:57

Let me just double check.

1:06:06

OK?

1:06:08

Yeah.

1:06:08

I'm not sure what happened there, sorry.

1:06:14

I'm checking between the list that was up here and then.

1:06:26

OK.

1:06:29

Yeah, no, I, I need to talk with my legal assistant because those, all of those parties should have been listed here.

1:06:35

I'm not sure how those are not on there at this point.

1:06:42

Is it your assumption that the party, the persons that's listed are the persons that received notice of this case?

1:06:48

Then yes, it could be that they just when she was putting the mailing report together that not all of the parties were put on that list.

1:06:59

But typically she forms it so that all of the parties that we have listed are on there.

1:07:05

I'm not sure.

1:07:08

I guess what I would request.

1:07:11

I'll go ahead.

1:07:11

Miss Pants.

1:07:12

I I was going to say I in between the cases, I can send her a quick e-mail and just ask her to send the corrected mailing report.

1:07:20

And I am happy to file a revised hearing packet so that it shows.

1:07:26

I will say that even though they're not listed on the mailing report, they are all listed on the notice of publication.

1:07:34

So even though they are not showing as listed on our mailing report, we did provide notice, we did provide constructive notice to those parties.

1:07:48

I guess what my request will be, Miss Vance, is if it turns out that notice what written notice was provided to each of these five persons, then I'll request that you submit me an amended notice spreadsheet that includes all of those records.

1:08:10

Otherwise, if it turns out that only these two persons had received notice of this application, then Hillcore is going to need to cure notice and provide written notice.

1:08:22

Those other three persons.

1:08:24

Understood.

1:08:25

I will.

1:08:26

Like I said, in between this case and any of the other ones being presented, I'm going to reach out to my legal assistant because I'm sure it's just a formatting issue that those parties got missed on.

1:08:39

Just putting the mailing report together.

1:08:42

Why don't we move on to 256-O8?

1:08:45

Did you have questions for the land man in this case?

1:08:48

Yes, I do, Mr.

1:08:49
Hearing Examiner.

1:08:50
Go right ahead, Mr.

1:08:52
Rice, if I can.

1:08:53
I'm looking at case 25025608.

1:09:01
So specifically looking at, I mean, I guess we can look at anywhere here.

1:09:08
Your land man statement is good enough.

1:09:12
I'm looking at page 10 of 33.

1:09:28
And it looks like Miss Vance is sharing it for us on the on the screen.

1:09:31
Are you with me, Mr.

1:09:32
Rice?

1:09:33
Yes, Sir.

1:09:34
OK.

1:09:35
Do you see here where it seems Hillcore is proposing the new wells to be called Jaeger, spelled YAGER?

1:09:47
That's correct.

1:09:51
Is that the name that Hillcore is proposing for those wells or is that a typo?

1:09:58

No, that's, that's the correct name.

1:10:00

That's based off one of the parent leases that's out there.

1:10:05

There is a well in there spelled Yeager.

1:10:10

That's the Jaeger number one that was misspelled back in the day.

1:10:14

So all these wells are spelled correctly.

1:10:18

OK.

1:10:18

Is it Hillcore's intent to submit a change of plans and correct the misspelling of that existing parent?

1:10:29

Well, we can do that if that's something you would recommend.

1:10:34

That's been I think that Wells been producing for 2030 plus years.

1:10:41

Yeah, essentially how our system works with the reporting of production, the property number is associated with the well name.

1:10:50

So, yeah, it's definitely something that arguably we might even require, I guess, nevertheless, just recommend.

1:11:07

Thank you, Mr.

1:11:08

Rice.

1:11:08

So, Mr.

1:11:09

Hearing Examiner, I have no further questions for these three cases.

1:11:14

OK.

1:11:15

It sounds to me like we can take 256-O4 and 256-O6 under advisement.

1:11:25

I believe that's incorrect.

1:11:29

It's six O 4 and six O 8 that we can take under advisement.

1:11:33

Oh, I thought that's what I said.

1:11:34

That's what I meant to say.

1:11:35

I didn't say I might have misheard you too.

1:11:38

I'm not sure, but that's correct.

1:11:40

Those, the first one and the last one, I guess.

1:11:42

Perfect.

1:11:43

All right, so 256-0425, six O 8 are taken under advisement.

1:11:49

Let's move on to two other Hill Corp energy applications, 256-0525 six O 7.

1:11:57

Thank you, Mr.

1:11:58

Hearing Examiner.

1:11:59

And as I stated, it's a lot of the it's basically the same exhibit, so I won't run through that.

1:12:04

But in this case, Hill Corp is requesting an an exception to the special pool or the special pool rules related to the basin Dakota gas pool.

1:12:13

And again, that cool code is 71599.

1:12:17

So in case 256-O5, this involves the Lots 7, excuse me, Lots 7 and 8, the South half of the southwest quarter and the southeast quarter.

1:12:31

And that being the South half equivalent of a regular Section 5 Township 30 N, range 11 W And Hill Corp is seeking to add the Rhoda Abrams 2P and that'll be 3 wells in the same quarter section.

1:12:48

And then in case 256-O7, that's involving the following acreage, Lots 4-5 and then eight through 12.

1:12:57

And that would be the north half equivalent of a regular Section 6 Township 30 N range 11 W.

1:13:04

And that would be adding the Jaeger Com 1M and Jaeger Com one in.

1:13:10

And again, it's similar adding three wells to the same quarter section.

1:13:16

And I will skip down to just the notice is all the same as well, same dates.

1:13:23

Sample notice letter is attached and timely mailed out on July 19th, 2025.

1:13:29

Affidavit of Notice of Publication timely published September 24th, 2025.

1:13:34

And unless there are any questions, I would ask that the exhibits and sub exhibits be admitted into the record and that these cases be taken under advisement at this time.

1:13:44

Thank you.

1:13:44

Without exception, Mr.

1:13:46

McClure.

1:13:46

Any questions on these two cases?

1:13:49

Mr.

1:13:49

Herring examiner I do have a quick clarifying question for case six O 7 for the land man.

1:13:55

OK, go right ahead.

1:13:58

Thank you.

1:13:58

Mr.

1:13:58

Herring examiner.

1:14:00

Mr.

1:14:00

Rice for case 2/5, 6/07 this is similar, similar to O 8IN at the proposed wells by Hill Core.

1:14:12

Is Jaeger spelled YAGER correct?

1:14:19

Is that the correct proposed name?

1:14:23

Yes, that's the same thing that we talked about on the last one, the YAGER.

1:14:28

That's the correct spelling.

1:14:30

So the Jager com one M and the Jager com 1 N will be spelled YAGER, the parent.

1:14:38

Well, the Yeager number one that was misspelled.

1:14:45

OK, thank you, Mr.

1:14:46

Rice.

1:14:46

And then it is Hillcore's intent to submit.

1:14:49

Excuse me, It would be the same exact.

1:14:50

Well, I guess is the other case.

1:14:52

I'm not sure I'll caught my head, but OK.

1:14:55

So then just confirming for this case it it would it would be Hill Corps's intent to go ahead and change the parent wells name to match these newly proposed wells, is that correct?

1:15:05

Correct.

1:15:06

OK, thank you, Mr.

1:15:07

Rice.

1:15:08

Thank you, Mr.

1:15:08

Herring.

1:15:08

Examiner, I have no further questions for either of these cases.

1:15:11
All right.

1:15:12
These two cases will be taken under advisement.

1:15:14
And Mr.

1:15:16
Rice, before you go, is it your intent to file something to clarify the name Jaeger?

1:15:23
Yes, Sir.

1:15:23
That's correct.

1:15:24
All right.

1:15:24
Sounds good.

1:15:26
OK, So, Miss Vance, let's circle back to your case, 256-O6.

1:15:31
Have you received any notice from.

1:15:33
I am trying to e-mail her right now because I want to try and get this done during the hearing.

1:15:39
So we'll come, we'll come back to it When you do receive something, let me know in between cases so we can recall it.

1:15:44
So we're in recess on that case.

1:15:46
The others are taking under advisement.

1:15:47
All right.

1:15:48
Thank you.

1:15:48
Mr.

1:15:49
McClure.

1:15:50
Mr.

1:15:51
Ford ICE, are you with us?

1:15:56
Yes, Mr.

1:15:57
Hearing Examiner, I'm here.

1:15:58
All right, very good.

1:15:59
We're going to start your cases.

1:16:00
Starting with #10 This is Coterra Energy 255 O 8 entry, please.

1:16:06
Good morning, Mr.

1:16:07
Examiner.

1:16:07
Deena Bennett on behalf of Coterra Energy operating, and good morning, Mr.

1:16:12
Examiner.

1:16:13
Dana Harden with Hardy McLain on behalf of Permian Resources operating and we are monitoring only perfect.

1:16:19

Miss Bennett, Thank you.

1:16:21

In this case, Kotera is seeking A1 year extension of time to commence drilling the wells under the order.

1:16:27

And originally, well, I, this case was originally an Avant case, Avant operating, but Kotera is Avant's successor and interest, which is why Kotera is the applicant in this case seeking the extension of time.

1:16:42

Also, the order in this case, the original order was, which is order number R23302 was issued under the division's new form of order that allows for essentially A deemed approved extension of time.

1:17:00

There's a That's that says, and I'm paraphrasing here, that if an operator wants an extension of time, then they can notify OCD and the other parties.

1:17:11

And if no objection is received within 20 days, then the extension is approved.

1:17:15

Well, I was in contact with Mr.

1:17:18

Garcia about how to effectuate or memorialize that approval process and hadn't yet heard how to do that as of the time that we needed to file this application.

1:17:29

So I filed the application out of an abundance of caution seeking the extension of time.

1:17:33

So there will be a notice that will be signed by the director and posted on our website very soon.

1:17:41

It will outline the process for seeking an amendment or a diversion from the original order when there are no objections.

1:17:53

It's not in effect yet.

1:17:55

It will go into effect November 1st once it's posted.

1:17:59

So until that point we go through the old process.

1:18:02

Yes, thank you.

1:18:03

So in, as I mentioned, in this case, Coterra is requesting A1 year extension of time to commence the drilling of the wells under the order and we have provided in the materials the declaration of Trey Robertson.

1:18:17

Mr.

1:18:17

Robertson is a senior land man for Coterra Energy and he's worked for Coterra for 15 years.

1:18:24

He has never testified before this division before, although he is a member of the American Association of Petroleum Land Men and the Permian Basin Land Man's Association.

1:18:34

And I've included a copy of his resume for the division and he's available today to go through his qualifications if necessary.

1:18:43

And then I've also included of course the extension application, the original pooling order and my notice showing that notice was timely filed and publication was timely done.

1:18:55

And Mr.

1:18:56

Roberson's declaration does identify the good cause for the extension of time to the extent that that's still necessary.

1:19:04

And in his declaration, he notes that this, the development that's taking place in under this proposed order is for the Ruby Wells and the Ruby Wells and the Sapphire Wells are going to be Co developed.

1:19:18

And the order for the Sapphire Wells was only recently issued.

1:19:21

And so that slowed the development for the Ruby Wells as well.

1:19:25

And so with that, I would ask that the exhibits in case number 25508 be admitted into the record and that the case be taken under advisement.

1:19:34

Thank you.

1:19:35

Without exception, Mr.

1:19:36

Roberson.

1:19:37

Let's get you qualified so you don't have to do this again.

1:19:40

Would you raise your right hand?

1:19:42

Do you swear?

1:19:42

Affirm under penalty of perjury.

1:19:43

The testimony you're about to give is the truth, the whole truth?

1:19:46

Nothing but truth.

1:19:47

I did.

1:19:48

Great.

1:19:48

You can lower your hand.

1:19:49

Will you spell your name, please?

1:19:51

It's Trey.

1:19:52

Trey Robertson.

1:19:53

Roberson.

1:19:56

Great.

1:19:57

Did you hear what I went through with Mr.

1:19:59

Rice earlier?

1:20:00

Yes, I did.

1:20:01

Great.

1:20:01

Can we start with your education?

1:20:03

Well, first of all, what expertise are you seeking to be acknowledged before this division as a petroleum land man?

1:20:11

OK, Perfect.

1:20:11

What's your education background?

1:20:13

I graduated in 2006 from Wayland Baptist University with the Bachelor's Administration, Business Administration.

1:20:20

After that I pursued to go to law school at Texas Tech University.

1:20:24

I graduated in 2010 with my Juris Doctorate that has given me the ability to analyze leases, negotiate draft documents, legal documents, and I'm currently a member of Permian Basin Landman Association, New Mexico Landman Association, American Associate of Patrolling Landman, and I'm in good standing with the State Bar of Texas.

1:20:49

For the past 15 years, I've taken 15 hours of CL ES each year to continue to update my education to correct the record.

1:20:59

I have been at Kotera for one year.

1:21:01

I've spent 12 years in house between Boaz Energy, Boaz Energy 2, and now Kotera and Endeavour Energy Resources.

1:21:13

I've spent three years as a field land man working independently.

1:21:17

Through these processes, I've managed assets from negotiating leases through plugging wells.

1:21:24

I currently in my role at Koterro working on developments, getting assets ready to drill, pooling orders, analyzing title opinions, requirements and the legal risk associated with with drilling wells.

1:21:42

All right, thank you.

1:21:42

You're recognized before this division as a petroleum land man.

1:21:46

Mr.

1:21:46

Fordyce, any questions on this case?

1:21:49

Yeah, I have a question for Mr.

1:21:51

Robertson.

1:21:52

Go right ahead.

1:21:55

Mr.

1:21:55

Robertson, I'm looking at your statement on page four of the exhibits and specifically paragraph 12.

1:22:07

In paragraph 12, it says paragraphs 20 and 21 of the order require Kottera to commence sterling the initial well within one year of the date of the order unless Kottera obtains a time extension.

1:22:22

So to clarify, the one year deadline in the order applies to all of the wells listed in the pooling order.

1:22:29

Are you aware of that?

1:22:31

Yes, I am.

1:22:32

OK.

1:22:33

So maybe to follow up it would it then be Kotera's intention and and does Kotera have the resources to complete drilling these nine wells and that when you're deadline, do you feel that it is our intention to drill the all the wells under the order?

1:22:50

OK, very well.

1:22:51

I, I have no further questions.

1:22:53

All right.

1:22:53

Can we take this case under advisement?

1:22:56

Yes, Mr.

1:22:57

an examiner.

1:22:58

All right, thank you.

1:22:59

We're off the record in this case.

1:23:01

Thank you, Mr.

1:23:01

Robertson.

1:23:02

Thank you.

1:23:02

All right, let's move on to newborn oil case.

1:23:06

It looks like we have one that we can hear.

1:23:08

It's 25515.

1:23:10

Well, that's my case, but I can tell you that I'm ready to go back to the Hillcorp case because I have a Yeah, I can pull that up and I'll.

1:23:18

So let me get Mr.

1:23:19

McClure back with us.

1:23:21

He may be listening and I I do realize what the miscommunication was an issue.

1:23:28

OK, so we're back on the record in 256-O6.

1:23:31

Miss Vance.

1:23:32

Sure.

1:23:32

I'm gonna just share my screen.

1:23:34

We do have the give me one second here.

1:23:52

So these Rhoda, we had one set of cases for each of those different pools and and so we had two sets of tracking, but there was overlap in the notice between two of them and just some of those parties.

1:24:10

I'm probably making this way more complicated.

1:24:12

I have the mailing report and I can attach it and I have it up on the screen here.

1:24:16

You can see that these are the three additional parties, you know, for this case, which are Passport, MJM and Juniper.

1:24:26

But again, there were two rota cases and there was overlap between the notice parties, and it's just this secondary notice list didn't make it into the case for 256-O6 and I just need to attach it.

1:24:40

Mr.

1:24:41

McClure, if Miss Vance files a supplement exhibit, does that clarify any questions?

1:24:50

Yeah, assuming that she submits a minute exhibit packet that would that would clarify it.

1:24:56

I will do that today.

1:24:57

I will get it done today.

1:24:58

If we can take this under advisement, then we'll take this case under advisement once we receive your amended exhibit packet with this document in there.

1:25:05

Perfect.

1:25:05

And a cover letter explaining what's going on here.

1:25:08

You got it.

1:25:09

Thank you, Mr.

1:25:09

McClure.

1:25:10

Thank you.

1:25:12

OK.

1:25:12

Now we skip over some lines here and we go to so Newborn Oil 25515.

1:25:25

Good morning, Mr.

1:25:25

Hearing Examiner Paula Vance with the Santa Fe office of Holland and Heart on behalf of the applicant Newburn.

1:25:30

And if you'll give me just one moment and it was just the first case, correct?

1:25:40

I'm sorry, what The first case 25515, yes.

1:25:43

OK.

1:25:44

So in this case, Newburn is seeking to pool all of the uncommitted interests in A320 acre more or less spacing unit, which is underlying the West half of the east half of Sections 16 and 21 and that's in Township 24 S, range 28 E and that's in Eddy County, New Mexico.

1:26:06

And this involves the Bone Spring formation and the pool.

1:26:09

There is the Corral Canyon Bone Springs S pool and the pool code is 13354.

1:26:16

In this case we have included with the hearing packet a copy of the filed application, the compulsory pooling checklist, as well as the self affirm statements of our land man Brock Dixon and our geologist Tyler Hill, both of whom have previously testified before the division and their credentials have been accepted as a matter of record.

1:26:37

In the case.

1:26:40

We have included all the standard land and geology sub exhibits required for both, both experts.

1:26:47

And then following that we have included myself affirm statement of notice with a sample copy of the letter that went out to interest owners and those were timely sent on July 18th, 2025.

1:27:02

And then a secondary follow up letter went out on September 10th, 2025.

1:27:10

And then we do have an affidavit of notice of publication that was timely published on July 19th, 2025, and then a secondary one that was published on September 20th, 2025.

1:27:24

And unless there are any questions, I would ask that the case that the exhibits and sub exhibits be admitted into the record and that this case be taken under advisement at this time.

1:27:32

OK, thank you.

1:27:33

Without exception.

1:27:35

Mr.

1:27:35

Fordyce.

1:27:37

Yes, Mr.

1:27:38

Hearing Examiner, I'm going to be requesting my correction to Geology Exhibit D2, which depicts the spacing unit incorrectly.

1:27:50

It depicts it as the entire east half, when it should be only the West half of the east half for the spacing unit in this case.

1:28:01

Thank you.

1:28:02

Do you need to speak to or question the geologist or is that it?

1:28:07

That is it.

1:28:08

All right.

1:28:08

Thank you, Miss Vance.

1:28:10

That's fine.

1:28:11

I think the reason why it was done like that is because the two credence cases, similar to the Kansas cases are side by side and the geology exhibits are encompassing all of the development, the acreage included in the development.

1:28:29

But I'm happy to do that.

1:28:31

And I'm assuming since my other three cases got pushed and they're similarly filed, Mr.

1:28:36

Fordyce will want to see the same thing for the other geology exhibits.

1:28:40

I'd rather save time and get it done before October 14th, if if that's the case.

1:28:45

I'm not.

1:28:45

I don't believe Mr.

1:28:46

Fortis reviewed those other cases to be able to give you that feedback.

1:28:50

But I think if you know what he's looking for, you could just look at the documents.

1:28:54

That works for me.

1:28:55

We will go ahead and do that.

1:28:56

Thank you.

1:28:57

So you're going to continue this case along with lines 1213 and 14 to the October 14 docket?

1:29:10

Yes.

1:29:10

OK, good.

1:29:10

And that's a virtual docket.

1:29:12

I just want to make sure you know that works for me.

1:29:15

Excellent.

1:29:15

OK, thank you.

1:29:17

Mr.

1:29:17

Fordyce, we're off the record.

1:29:19

In that case, let's go to Spur Energy Partners #15 on the docket.

1:29:25

This is 25532.

1:29:27

Yes.

1:29:27

Good morning, Jackie McClain, on behalf of Spur Energy Partners, thank you.

1:29:31

And no other parties have entered?

1:29:32

No other parties.

1:29:33

Go right ahead.

1:29:34

Thank you.

1:29:35

In case number 25532, Spur seeks an order pulling all uncommitted interests from the top of the Yaso formation to approximately 5000 feet.

1:29:44

TVD underlying A320 acre more or less standard horizontal spacing unit comprised of the South half of Section 3 Township 19 S, Range 25 E in Eddy County and this unit will be dedicated to the Frisian 3 Federal Commonwealth.

1:30:02

There is a depth severance and this unit so spurs only seeking to pull those interest from the top of the GESO to 5000 feet TBD.

1:30:13

The exhibits submitted for this case include testimony and corresponding exhibits of Marcus Wessner, as well as geology testimony exhibits from Matthew Van Wee, both of who have been previously admitted to testify as experts in their respective fields.

1:30:28

Finally, we have a notice testimony along with copies of the notice letter which was timely sent to all interested parties on September 19th, 2025, as well as an affidavit of publication for September 23rd, 2025 and without.

1:30:45

I ask that the exhibits be admitted for case number 25532 and that the case be taken under advisement without exception.

1:30:53

Mr.

1:30:54

Fordice, yes, Mr.

1:30:57

Herring, Examiner, I'm going to be requesting a correction to the application checklist.

1:31:05

The there's no mention of proximity tracks in the other situations section for proximity tracks and defining well, but there are proximity tracks included in the spacing unit for the freezing three Federal Comm #1H, if we could get that corrected.

1:31:28

Yes, I see that and we can submit that today.

1:31:35

Since it's just a typo in the checklist.

1:31:39

That's not a problem.

1:31:41

Mr.

1:31:41

Fordes, is that something that you want to review or can that be submitted without your review?

1:31:47

That probably could be submitted without my review.

1:31:50

OK.

1:31:51

All right.

1:31:51

Thank you, Mr.

1:31:52

Fordyce.

1:31:53

So Miss McClain, as long as you submit that today, yes.

1:31:57

Is that going to be like an amended packet which will have a cover letter?

1:32:02

We can do that because it's just going to be adding a little bit of language into the checklist so we can do a full packet and do a cover letter.

1:32:10

Perfect.

1:32:11

OK.

1:32:11

So 5:00 PM today is the deadline for that.

1:32:14

Otherwise, you can move the case to October 14 for further review.

1:32:19

Yes, we will definitely submit it today.

1:32:21

I thought so.

1:32:22

OK, we're off the record in 25532.

1:32:24

Let's move on to and we're skipping over 16.

1:32:28

That was a late filing.

1:32:31

Let's move on to Matador Production.

1:32:33

This is 25579.

1:32:36

Good morning.

1:32:36

Mr.

1:32:36

Hearing Examiner Paula Vance with the Santa Fe Office of Holland and Hart on behalf of the applicant MRC Toro LLC and it's Matador Production Company.

1:32:47

Mr.

1:32:47

Examiner Dana Hardy with Hardy McClain on behalf of Burlington Resources and Conoco Phillips for monitoring purposes only.

1:32:54

Perfect.

1:32:54

Thank you.

1:32:55

Go ahead, Miss fans.

1:32:56

Thank you.

1:32:57

So in this case, Matador is seeking to pull the uncommitted interest in a 467.3 acre horizontal well spacing unit and that's in the Wolf Camp formation.

1:33:09

It's a long pool code, so I won't read it out where the pool name is a long one.

1:33:15

But the pool code is 98234 and that is underlying the West half of the east half and the east half of the West half of Section 27 and the northwest quarter of the northeast quarter and lot 2, which is the West half of the northeast quarter equivalent.

1:33:31

And the northeast quarter of the northwest quarter.

1:33:35

And lot 3, which is the east half of the northwest quarter equivalent of of irregular Section 34 Township 26 S, range 36 E and that's in Lee County, New Mexico.

1:33:50

And I will say we filed an amended application or yeah, we did a, an amended application and we redid the notice in this because we did notice there was a discrepancy in the land description.

1:34:04

I I don't remember what it previously was, but we, we corrected it to for it to say range 36 E.

1:34:12

And we noted that in the amended application.

1:34:16

And Matador seeks to initially dedicate the Jon Stewart State COM 220 U-turn well to the spacing unit.

1:34:25

In the hearing packet we have included a copy of the application, the CPAC as well as the self affirmed statements of Landman, Addison Costly and Geologist Blake Herber, both, both of whom have previously testified before the Division and their credentials have been accepted as a matter of record.

1:34:45

Along with their statements we have included the standard land exhibits for Mr.

1:34:50

Costly and the standard geology exhibits for Mr.

1:34:54

Herber.

1:34:55

Following that is myself a firm statement of notice with a sample copy of the notice that was mailed out on September 19th, 2025, which was timely and and then following that is the notice of public, the affidavit of notice of publication which was timely published on September 23rd, 2025.

1:35:15

And unless there are any questions I would ask that the exhibits and sub exhibits be admitted into the record and that this case be taken under advisement at this time.

1:35:25

Thank you.

1:35:26

Without objection, Mr.

1:35:28

Mr.

1:35:28

Fordyce.

1:35:30

Mr.

1:35:31

Earring Xamer, I have questions for the land man.

1:35:33

Great.

1:35:34

Would you call your land man please?

1:35:36

Sure.

1:35:37

Mr.

1:35:37

Costly, He should be on the line.

1:35:43

Yes.

1:35:45

Good morning.

1:35:45

Mr.

1:35:46

Costly.

1:35:46

I'm looking at.

1:35:47

Hold on.

1:35:48

I got.

1:35:49

He's not.

1:35:50

He's not been sorted out of myself.

1:35:52

Mr.

1:35:53

Costly, please raise your right hand.

1:35:55

Do you swear to affirm under penalty of perjury that the testimony you're about to give is the truth?

1:35:59

The whole truth?

1:35:59

Nothing but the truth.

1:36:00

I do.

1:36:02

Great.

1:36:02

You can put your hand down.

1:36:03

Spell your name for the record, please.

1:36:05

Yes.

1:36:05

Addison.

1:36:06

Addison Costly.

1:36:09

COSTLEY And you've been previously qualified as an expert in what field?

1:36:15

Petroleum line management.

1:36:17

Perfect.

1:36:17

Mr.

1:36:17

Fordice, it's all yours.

1:36:19

Mr.

1:36:20

Costly, I'm looking at your Exhibit C3, which is on page, and I'm looking specifically at page 22.

1:36:34

This shows that in tracks 1-2 and three MRC Toro LLC has 100% working interest, but with an* and the and at the bottom it says pending state land office assignment.

1:36:52

I'm wondering if you could clarify what state of pending we're in for these leases?

1:36:58

Yes, Sir.

1:36:58

So these leases were previously owned under emerit of New Mexico.

1:37:04

MRC Toro acquired that entity and so the name change or assignment from Meredith, New Mexico into MRC Toro is currently ending with the State Land Office.

1:37:18

The entity itself in the ownership is owned by Matador, but we just need the entity to be to be transferred with the state office.

1:37:25

And so that that's the* that wins that.

1:37:30

So just the a name change of entity.

1:37:34

Yes, Sir, more or less.

1:37:37
OK.

1:37:38
Very well.

1:37:38
I have no further questions.

1:37:40
And can we take this case under advisement?

1:37:43
Yes, perfect.

1:37:46
We're off the record in this case as taken under advisement.

1:37:50
Let's move on now.

1:37:51
We're skipping over some late filed cases.

1:37:53
We're moving on to some cases that are joined together.

1:37:59
They're for Matador production cases 22 through 26 on our docket, 255-899-0919 two 93.

1:38:11
Good morning, Mr.

1:38:12
Hearing Examiner Paula Vance with the Santa Fe office of Holland and Heart on behalf of the applicant.

1:38:18
And I think this is another MRC Toro.

1:38:22
But again, it's not a door production company.

1:38:24

And if you'll give me just one moment to pull up the hearing packets just in case we need to reference them, I would appreciate it.

1:38:40

Thank you.

1:38:45

So I'll go.

1:38:47

So the case 25589 and 25591 vote both involve the Wolf Camp formation and the acreage is all in Township 25 S, Range 36 E and that's Lee County, New Mexico.

1:39:04

Specifically in case number 25589 Matador is or MRC Toro is seeking to pool the uncommitted interests in A320 acre more or less horizontal well spacing unit and that is underlying the West half of the east half of sections 17 and 20 and initially dedicate that spacing unit to the Dogwood 253620 Federal Com one O 6 H.

1:39:29

And then in case number 25591, MRC is seeking to pull the uncommitted interest in A320 acre more or less horizontal well spacing unit, and that is underlying the east half of the east half of sections 17 and 20.

1:39:45

And initially dedicate that spacing unit to the Dogwood 253620, Federal COM 115 each.

1:39:53

And then in the other 3 cases, those involve the Bone Spring formation.

1:39:58

It's a long pool name, so I won't go through that.

1:40:01

But the pool code is 97088.

1:40:06

And I'm not sure if I said the Wolf Camp pool pool code, but it is 33813.

1:40:11

And I like to always say those just in case we find out on the fly that it's the wrong pool name and code.

1:40:19

I think Mr.

1:40:20

Fordice is frozen, by the way, up there on the screen.

1:40:25

All right.

1:40:25

I just want to make sure he's listening.

1:40:27

OK, he's up.

1:40:28

And I just want to make sure that the technical examiner is hearing my my cases.

1:40:33

OK.

1:40:34

So in case number 25590, MRC is seeking to pull the uncommitted interest in A320 acre more or less horizontal well spacing unit and that is underlying the east half of the West half of sections 17 and 20 and initially dedicate that spacing unit to the Dogwood 253620 Federal COM 93 H and 113 H.

1:40:56

In case number 25592, MRC is seeking to pool the uncommitted interest in A320 acre more or less horizontal well spacing unit and that is underlying the West half of the east half of sections 17 and 20, and initially dedicate that to the Dogwood 253620 Federal Comm 124H.

1:41:17

And then lastly, case number 25593, MRC is seeking to pull the uncommitted interest in A320 acre more or less horizontal well spacing unit and that is underlying the east half of the east half of sections 17 and 20 and initially dedicate that spacing unit to the Dogwood.

1:41:35

253620 Federal Comm 126 H.

1:41:40

In each of our hearing packets we have included a copy of the filed application, the C pack along with the self affirm statement of our land man in this case, who is Mr.

1:41:54

David Jones Johns, I'm sorry.

1:41:57

And then our geologist is Blake Herber, both of whom have previously testified before the division and their credentials have been accepted as a matter of record.

1:42:08

And the sub exhibits are all of the standard land and geology sub exhibits.

1:42:13

And then following all of that is myself a firm statement of notice with a sample copy of the letter that was timely mailed on August 22nd, 2025 and an affidavit of notice of publication which was timely published on August 26th, 2025.

1:42:29

And unless there are any questions, I would ask that the exhibits and sub exhibits be admitted into the record and that these cases be taken under advisement at this time.

1:42:39

Thank you.

1:42:39

Thank you.

1:42:40

Without exception, Mr.

1:42:41

Fordyce, Mr.

1:42:43

Hearing Examiner, I actually have no questions for these cases.

1:42:47

Then they're all taken under advisement.

1:42:49

Thank you.

1:42:51

Let's move on now.

1:42:52

We're skipping over a couple of late filed cases to WPX Energy.

1:42:58

We have two cases, 256-112-5612 So just to recap, good morning during Savage with Aberdeen Shill appearing on behalf of the applicant, WPX Energy Premier and LLC.

1:43:56

I don't believe there's any other parties.

1:43:59

No.

1:44:01

Cases 25611 and 25612 covers lands in sections 26 and 35, Township 26 S, Range 29 E Eddie County, New Mexico.

1:44:11

The land man, Tim Proud, has testified previously before the Division and his credentials have been accepted as an expert witness of petroleum land matters, as so has the geologist Russell Gooden, who has testified previously before the Division and his credentials have been accepted in the area of geology.

1:44:28

What was the name of the geologist Russell Gooden?

1:44:31

Can you Freya, will you put the geologist on the screen too please?

1:44:35

Great ahead.

1:44:37

In case number 25611, Devon's WPX seeks an order pulling all in committed mineral interest in the Bone Spring formation designated as an oil pool underlying a standard 430.41 acre more or less spacing unit comprised of the east half of sections 26 to 35.

1:44:53

The unit will be dedicated to the steel guitar 3526 fed calm wells as five initial wells.

1:45:00

Orientation of the wells to stand up north to South and the wells have standard locations.

1:45:05

Mr.

1:45:05

Prouts exhibit A4 case 25611 includes his land man self affirm statement C1O2 and ownership breakdown.

1:45:11

We'll propose a letter with AFE and the chronology of contacts.

1:45:15

Mr.

1:45:16

Gooden's Exhibit B for this case includes his self affirmed statement along with five standard geology exhibits.

1:45:22

Mr.

1:45:23

Savage, call your geologist so that we can find him.

1:45:28

OK.

1:45:29

Mr.

1:45:29

Gooden, are you available?

1:45:34

Proud, you know, Mr.

1:45:36

Proud, you know, if Mr.

1:45:37

Gooden's available today, now I'm not sure.

1:45:51

Mr.

1:45:51

Savage, I'm asking this because I believe we're going to have questions for the geologist, which is why I'm trying to get him OK on the screen.

1:45:58

Mr.

1:45:59

Prout can do you know if you can text him or E e-mail him to see if you can address any questions.

1:46:07

Yes, I just sent him a note.

1:46:09

Great.

1:46:09

Thank you.

1:46:10

Why don't you proceed, Mr.

1:46:11

OK, thank you.

1:46:12

Where this goes?

1:46:12

So back here, so continuing.

1:46:19

Mr.

1:46:20

Gooden's exhibits include his five standard geology exhibits.

1:46:24

Exhibit C provides a self affirmed statement of notice for mailings and publication notice.

1:46:29

Notice was timely mailed on September 15th, 2025 and notice by publication was timely published on September 18th, 2025.

1:46:38

In the next case, 25612 WPX 6 in order pulling all the commitment interest in the Bone Spring formation underlying a standard 431.99 acre more or less spacing unit comprised of the West half of sections 26 and 35.

1:46:55

The unit will be dedicated to the again to the steel guitar fed com wells as four initial wells.

1:47:02

Orientation is stand up and the wells have standard locations.

1:47:06

Mr.

1:47:07

Prouts exhibit A for this case includes his layman's statement C1O2 ownership breakdown.

1:47:13

We'll propose a letter with AFV and the chronology of contacts and Mr.

1:47:18

Goodman's.

1:47:18

Exhibit B for this case includes his self affirm statement along with five standard geology exhibits.

1:47:25

And again, Exhibit C is the self affirm statement of notice for mailings.

1:47:29

Publication notice and notice was timely mailed on September 15th, 2025 and notice by publication was timely published on September 18th, 2025.

1:47:40

At this time I move the exhibits AB and C and all sub exhibits be admitted into the record for these two cases, 25611 and 25612 and that the cases be taken under advisement.

1:47:52

Mr.

1:47:52

Proud is certainly available for questions and we're on the lookout for Mr.

1:47:57

Gooden and I myself am also available.

1:47:59

Thank you.

1:48:00

OK.

1:48:00

Without objection, Mr.

1:48:02

Fordyce Questions.

1:48:04

Yeah, I have questions for black man.

1:48:06

Mr.

1:48:07

Proud.

1:48:09

Yes.

1:48:09

Mr.

1:48:09

Proud, would you raise your right hand if you swear or affirm under penalty of perjury the testimony you're about to give is the truth, the whole truth?

1:48:16

Nothing but the truth.

1:48:18

Yes, Sir.

1:48:19

Thank you.

1:48:19

You can lower your hand.

1:48:20

Will you spell your name for the record?

1:48:22

Yes.

1:48:22

It's Tim.

1:48:23

Tim Prout.

1:48:26

Prout.

1:48:27

OK, Go ahead, Mr.

1:48:29

Fordice.

1:48:30

Mr.

1:48:31

Prout, I'm looking at your exhibit on page 14 and paragraph 6 specifically.

1:48:39

To start, Mart says the wells proposed here in our Orthodox in their locations as take points comply with set back requirements under statewide rules.

1:48:54

I would like to now move to page 24, which is a plat for AC1O2 for the #33-H.

1:49:09

Well, Mr.

1:49:14

Pratt, would you say that this well location is orthodox?

1:49:20

You say it's the 333?

1:49:24

Yes, Sir.

1:49:25

On page 24, I'm looking at the plat for reference.

1:49:40

No, Sir.

1:49:43

We are going to need an NSL on that one.

1:49:48

I agree with you, Mr.

1:49:49

Prout.

1:49:49

So we, we don't deal with the NS LS compulsory polling hearings.

1:49:55

But just to point out and, and to clarify that it looks like for that, well, you'll have to apply for an NSL administratively.

1:50:03

In addition to that, just clarification, I noticed that there's two things.

1:50:13

Again, looking at the plat, the spacing unit is not outlined on any of the Platts.

1:50:19

And there's, if you scroll up to the previous page, page 23 for the 33-H, well, for example, there's quite a bit of information missing.

1:50:29

So I'm wondering if we could just get these C1O twos updated, corrected, amended.

1:50:36

I know that information must be available.

1:50:37

They have API numbers on them.

1:50:40

OK, we, we can get that.

1:50:46

Very well, Mr.

1:50:47

Prow, I have.

1:50:47

I have no further questions for you.

1:50:49

All right.

1:50:51

So that's for the correction for the C1O twos, please.

1:50:54

So Mr.

1:50:54

Fordice, is that just for 25611?

1:50:58

That will probably be no, that's for 25612 as well.

1:51:03

The same corrections to the C10 twos in Exhibit A1.

1:51:07

OK, so I assume you're going to want to review that.

1:51:12

Yes, Sir.

1:51:13

OK.

1:51:13

So Mr.

1:51:14

do you OK.

1:51:15

So Mr.

1:51:15

Fortis, do you have any other questions for any other witness or are you done with your questions?

1:51:19

I am requesting maybe if Mr.

1:51:23

Gooden is available, But just a correction to the geology exhibits.

1:51:30

If we look at page 56, which is Exhibit B2, it's a cross section from A to a prime.

1:51:42

But I cannot find anywhere in the geology exhibits where it demonstrates where A to a prime is located.

1:52:00

So if we could just get that corrected and and added Mr.

1:52:05

Savvy.

1:52:06

Yeah, that that should be a direct correction.

1:52:08

Is it correct?

1:52:09

So why don't you file an amended exhibit packet with the with the request that Mister Fordez has and then continue these two cases to the October 14 docket and we'll see if there's any further review or if we can take them under advisement at that time.

1:52:25

OK, thank you.

1:52:26

OK, you're welcome.

1:52:27

We're off the record in these two cases.

1:52:29

Thank you.

1:52:30

Let's move on now to Spur Energy Partners.

1:52:35

It looks like 25613.

1:52:38

Yes, Jackie McClain on behalf of Star Energy Partners, thank you.

1:52:41

Are there any other parties there or not?

1:52:42

Go right ahead.

1:52:43

Thank you.

1:52:44

In case number 25613 Spur seeks in order pulling all uncommitted entrance from the top of the ASO formation to the base of the blind Bree underlying a 480 acre more or less standard horizontal spacing unit comprised of the north half of Section 9 and the northeast quarter of Section 8.

1:53:03

Township 17 S, Range 29 E in Eddy County and the unit will be dedicated to the Peaky 9 Eighth State Commonwealth.

1:53:14

There is a depth severance and for that reason Spur is only seeking to pull uncommitted interest.

1:53:20

From 3900 to 5220 feet.

1:53:24

MD.

1:53:26

The exhibits that were submitted for this case include the land testimony and corresponding exhibits of Drew Oldes and geology testimony, exhibits of Matthew Van Wee, both of who have previously been admitted to testify as experts in their respective fields.

1:53:43

We also have notice testimony that includes a copy of the notice letter which was sent on September 16th and the affidavit of publication for September 23rd, 2025.

1:53:56

That I ask that the exhibits be admitted for case number 25613 and then the case be taken under advisement.

1:54:04

Thank you.

1:54:05

Without objection, Mr.

1:54:07

Forde's questions on this case.

1:54:09

Mr.

1:54:10

Hearing Examiner, I have no questions for this case.

1:54:12

This case is taken under advisement.

1:54:14

Let's move on to 25614 Devon Energy.

1:54:18

Mr.

1:54:18

Examiner, Dana Hardy with Hardy McLean on behalf of Devon Energy Production And there are no other parties in this place.

1:54:25

Thank you.

1:54:27

In this case, Devon seeks an order pulling uncommitted interest in the Bone Spring formation underlying a 319.64 acre more or less standard horizontal spacing unit comprised of the east half of the West half of Section 11 and the east half of the West half equivalent of irregular Section 2, Township 23 S, Range 31 E in Eddy County.

1:54:50

The unit will be dedicated to the Belloc 11/2 Fed State Commonwealths and Devin is applying administratively for approval of non standard well locations and also for the overlapping spacing.

1:55:02

Unit exhibits were submitted timely and include the land testimony and corresponding exhibits of Landman Aaron Young, who has previously had been admitted to testify as an expert in petroleum land matters before the Division.

1:55:16

We've also submitted the geology testimony and exhibits of Joshua O'Brien, who has also previously been admitted to testify as an expert geologist before the Division.

1:55:26

Our notice testimony is provided in Exhibit C along with the letter which was timely sent to all parties on September 16th, 2025, and we provide the electronic receipts for the returns and a timely affidavit of publication for September 20th of 20/20/25.

1:55:45

So with that, I ask that the exhibits be admitted and that this case be taken under advisement without objection.

1:55:52

Mr.

1:55:53

FORDYCE.

1:55:55

Yes.

1:55:56

Mr.

1:55:56

Hearing Examiner, I'm going to request a correction to the C1O2 for one of the three wells.

1:56:05

If we can look at page #11, that's C1O2 for the #122H and for this particular well, the range was listed incorrectly as 35 E for the kickoff point, so that error should just be corrected to 31 E.

1:57:03

Do you, are you searching for where I'm referring to on page 11 under the kickoff point?

1:57:09

Yes, as 35 E right here.

1:57:13

35 E, it'd be 31, yes.

1:57:20

OK, Miss Hardy, were you trying to figure out from your other exhibits whether that's actually correct or not?

1:57:27

Yes, I was.

1:57:29

You wanted to finish doing that?

1:57:30

Let me just make sure.

1:57:31

Just look very quickly.

1:57:33

I assume it's it looks like it.

1:57:39

Yes.

1:57:39

I think it should be 31 E, so.

1:57:43

OK, we can get that corrected.

1:57:45

All right.

1:57:47

Was there anything else?

1:57:48

Mr.

1:57:48

Fordyce?

1:57:49

No, that is all Mr.

1:57:50

Herring, Examiner.

1:57:52

All right, Miss Hardy, can you get that in before the end of today?

1:57:56

Yes, I think we can.

1:57:58

OK, well, if you can, then we'll take the case under advisement.

1:58:02

We'll leave the record open till 5:00 PM because that to me is a typo.

1:58:05

So, OK, thank you.

1:58:08

We'll we can get it in today.

1:58:10

OK, so 5:00 PM today and we'll take it under advisement.

1:58:14

If not, you can just continue it to the the 14th of October and we'll take it under advisement at that time.

1:58:19

We'll plan to get it in today.

1:58:21

Perfect.

1:58:21

Let's go on to 25615 and Mr.

1:58:26

Examiner Dana Hardy with Hardy McLean on behalf of Newborn Oil Company.

1:58:30

OK.

1:58:31

Good morning.

1:58:32

Mr.

1:58:32

Examiner.

1:58:33

Dina Bennett on behalf of Paloma Permian and I filed an entry of appearance in this case last night.

1:58:39

And your position.

1:58:41

We're monitoring the case to preserve our rights, Paloma, Paloma resources and discussions with Newborn and is hoping to enter into a JOA.

1:58:50

So I'm here to hopefully move that along.

1:58:53

Perfect.

1:58:53

Thank you, Miss Hardy, thank you.

1:58:57

In this case, Newborn seeks an order pooling interest in the Bone Spring formation underlying a 238.17 acre more or less standard horizontal spacing unit comprised of the South half of the South half of Section 13, Township 18 S, Range 29 E, and the South half of the southwest quarter of Section 18, Township 18 S, Range 30 E in Eddy County.

1:59:19

And the You don't be dedicated to the study.

1:59:21

Butte, 1813 fedcom.

1:59:24

528 H Well exhibits were timely submitted and include the land testimony and exhibits of Braxton Blandford, who has previously been admitted to testify as an expert in petroleum land matters before the division, and also the geology testimony and exhibits of Charles Crosby, who has previously been admitted to testify as an expert witness in geology before the Division.

1:59:46

Our notice testimony is provided in Exhibit C and includes our notice letter which was timely sent on September 10th of 2025, return receipts and the affidavit of timely public, the affidavit of publication which was timely on September 18th, 2025.

2:00:03

S With that, I ask that the exhibits be admitted and that the case be taken under advisement.

2:00:07

Thank you.

2:00:08

Without objection.

2:00:09

No objections.

2:00:11

All right.

2:00:11

Mr.

2:00:11

Fordyce.

2:00:14

Mr.

2:00:14

Hearing Examiner, I'm going to be requesting a corrected C1O2 for this case.

2:00:20

OK.

2:00:22

We could look at page pages 11 and 12 are the C1O twos.

2:00:30

If you, if we're looking at page 12 on the plat, could you bring it up on the screen?

2:00:37

Hold on, Mr.

2:00:38

Fordex.

2:00:38

Yes.

2:00:38

Let me just get there closely.

2:01:05

Page 12, Mr.

2:01:07

Fordyce.

2:01:07

Page 12 Yes, we make it bigger so we can try to see it.

2:01:18

At least I can try to see it.

2:01:21
OK.

2:01:24
OK.

2:01:24
So what I would like to point out is that the spacing unit that is shown on this plat is correct and consistent with all of the other information in the application and the land men's exhibits and the geology exhibits.

2:01:44
The issue with this C1O2 on page 11 and 12 is that the first take point is shown to be in approximately a half a mile east of outside of the spacing unit.

2:02:04
Yes, I see that.

2:02:11
OK.

2:02:12
And the first take point on page 11 is listed as unit P in section 18, which is inaccurate.

2:02:23
OK.

2:02:24
So it's a matter of the spacing unit diagram box, correct with the first take point.

2:02:31
So yeah, yeah, yeah, yeah.

2:02:33
So to clarify a little bit further in that S half of the southeast quarter of 18 that is not included, but shown to be part of the completion interval.

2:02:44
There's an there's an existing well there and I'm assuming there's an existing pad at that surface location that they're showing on this plat.

2:02:54
And they are indeed from what I can tell planning to drill about a half a mile into this spacing unit.

2:03:00
So I mean, everything else is consistent, it's just that the completed intervals are not accurate.

2:03:08

The first take point is not accurate if that, if that, if that makes sense.

2:03:13

It it does, we can get that corrected.

2:03:17

And I can confirm with Newburn, hopefully we can do it today.

2:03:22

We will endeavour to do it today.

2:03:26

I'm going to ask you to continue this case to October 14.

2:03:30

So that gives Mr.

2:03:32

Fordeis a chance to review whatever document that you do end up correcting and filing.

2:03:37

OK.

2:03:37

OK.

2:03:38

OK.

2:03:39

So Mr.

2:03:39

Fordeis, this case is not taken under advisement yet.

2:03:42

We're going to wait to see what's submitted in a revised exhibit packet.

2:03:48

OK Any other questions?

2:03:50

No further questions.

2:03:51

All right, perfect.

2:03:52

We're off the record in 25615.

2:03:55

Let's move on now to newborn oil cases 25617 and 18.

2:04:03

Mr.

2:04:03

Examiner Dana Hardy with Hardy McLane on behalf of Muburn.

2:04:07

Thank you.

2:04:08

And we had, there are no other parties.

2:04:10

We had filed a motion to dismiss these cases because the extension order is no longer required.

2:04:15

Thank you.

2:04:15

It says there are notes here, says dismissal is pending.

2:04:20

OK, thank you.

2:04:22

So we're off the record in these cases.

2:04:24

Let's move on now to Tescosa Energy 25619.

2:04:29

Yes, Jackie McClain on behalf of Tescosa, are there any other parties?

2:04:34

There are no other parties that have entered an appearance.

2:04:36

Perfect.

2:04:37

Right ahead.

2:04:38

Thank you.

2:04:38

In this case, Tescosa seeks an order pulling all uncommitted interests in the Bone Spring formation underlying a 720 acre more or less standard horizontal spacing unit comprised of the South half, northeast quarter and N half SE quarter of Section 7, the north half S half and South half N half of Section 8 and the South half, northwest quarter, N half, southwest quarter, southwest quarter, northeast quarter and northwest quarter SE quarter of Section 9, Township 20 S, Range 26 E and Eddy County.

2:05:14

And this unit will be dedicated to the Anna 79 feet #2O3H well.

2:05:20

Exhibits submitted in this case include the land testimony and corresponding exhibits of John Shoberg, as well as the geology testimony exhibits from Elder Alvarez who have both previously been admitted to testify as experts in their respective fields.

2:05:37

We've also included notice testimony that with copies of the notice letter which was timely sent on September 17th, 2025, as well as the affidavit of publication for September 23rd.

2:05:52

With that, I ask that the exhibits be omitted for case number 25619 and that the case be taken under advisement without objection.

2:05:59

Mr.

2:06:00

McClure.

2:06:01

I'm sorry, Mr.

2:06:02

Fordeis, you have a question for the lineman.

2:06:06

Did you call your Landman?

2:06:07

Yes.

2:06:07

Mr.

2:06:08

Schoberg should be available.

2:06:11

I see.

2:06:12

Would you, please?

2:06:13

Hello.

2:06:14

Would you please raise your right hand?

2:06:15

Do you swear or affirm under penalty of perjury that the testimony you're about to give is the truth, the whole truth and nothing but the truth?

2:06:23

I do.

2:06:24

Great.

2:06:25

Would you spell your name?

2:06:27

John.

2:06:28

John Schoberg SHOBERG.

2:06:33

And you've been previously recognized as an exhibit.

2:06:36

Exhibit as an expert in what field?

2:06:40

Petroleum Lane management.

2:06:41

Perfect.

2:06:42

Mr.

2:06:42

Fordeis, Go ahead.

2:06:45

Good morning.

2:06:45

Mr.

2:06:45

Schoberg.

2:06:46

I was wondering just for my information, maybe if you could help me understand the relationship between Tascosa and El Hugo Grande.

2:07:00

Pascosa Energy is the entity that we operate under bonded so forth.

2:07:07

El Hugo Grande is another entity that we have that owns a large percentage of the operating rights or the working interests.

2:07:18

So it's it's same company, just two different entities.

2:07:23

OK.

2:07:24

So it if I were to describe it, because I'm going to keep notes on this for my archives, but it's sort of a partnership where Tascosa operates for El Hugo Grande.

2:07:37

Is that correct?

2:07:38

Would that be a correct way of saying it?

2:07:40

That'd be a correct way of saying it, yes.

2:07:43

OK, very good.

2:07:44

Thank you.

2:07:45

I don't have any further questions for the Land Man Thank you.

2:07:49

We'll take this case under advisement.

2:07:51

I do have a correction though, Mr.

2:07:53

Hearing Examiner.

2:07:54

I didn't know about that, so let me back up.

2:07:56

What's the correction?

2:07:59

Let me go to it in the geology exhibits.

2:08:09

Let me see on starting on page 30.

2:08:17

The spacing unit is depicted incorrectly in Exhibit B3, so page 3031 and 32.

2:08:33

Exhibit B3 is page 32.

2:08:38

Is it all three of is it 30 through 3230?

2:08:42

Thirty yeah, 30 I'm looking at 3031 and 32.

2:08:45

So.

2:08:46

So the issue is that the the acreage is more like the South half of the north half, the north half of the OR this S half of the north half and the north half and the north half of the South half.

2:09:01

So it this the spacing unit is depicted where it extends too far North and South on these three exhibits or these 3 pages of exhibit B3 would be the correct way of saying that I believe.

2:09:22

Well, and actually I misspoke to it's exhibit B1 through B3.

2:09:42

So you're referring to the red box on those B1 through B3?

2:09:46

I just want to make sure that we understand that is correct.

2:09:51

OK, thank you.

2:09:52

Well, and you can refer to the plat on page 12 if that helps.

2:10:05

OK, We'll ask the geologist to fix this.

2:10:08

Mr.

2:10:09

Fordyce, do you want to review that and have this come back on the 14th?

2:10:16

Yeah, that would be fine.

2:10:18

Would you please continue this case to the 14th of October?

2:10:22

We will do that.

2:10:23

All right, thank you.

2:10:24

Let's move on.

2:10:25

We're off the record in that case.

2:10:26

Let's move on to Permian Resources.

2:10:28

There are two cases, 25624 and 25.

2:10:31

Mr.

2:10:31

Examiner, Dana Hardy, on behalf of Permian Resources, thank you.

2:10:34

And there are no, oh, another party.

2:10:38

Good morning, Jordan Kessler, on behalf of EOG Resources monitoring this case.

2:10:43

Good morning, Miss Kessler.

2:10:44

Thank you.

2:10:45

OK, Thank you, Miss Moon.

2:10:46

Thank you.

2:10:47

In case number 25624, Permian Resources seeks to pull uncommitted interest in the Wolf Camp formation underlying a 319.77 acre standard horizontal unit comprised of the north half of the north half of Section 24 Township 20 S, Range 26 E and the north half N half equivalent of irregular Section 19 Township 20 S, Range 27 E.

2:11:12

And that unit will be dedicated to the Le Mans State COM 201H well.

2:11:16

And then in case 25625, Permian Resources seeks to pull uncommitted interest in the Wolf Camp underlying a 319.88 acre standard horizontal unit comprised of the South half of the north half of Section 24 Township 20 S, Range 26 E and the South half of the north half equivalent of your regular Section 19 Township 20 S, Range 27 E in Eddy County.

2:11:41

And that, you know, will be dedicated to the Le Mans stay.

2:11:43

Com 202H Well exhibits were submitted for these cases and include the land testimony and exhibits of Ryan Curry, who has previously testified before the division as an expert in petroleum land matters.

2:11:57

And we've submitted the geology testimony and exhibits of Chris Canton, who has also previously been admitted to testify as an expert in geology before the division.

2:12:07

Our notice information is included in Exhibit C and we have provided the notice letter which was timely sent on September 18th, 2025, and the affidavit of publication for September 20th, 2025.

2:12:22

So with that, I ask the exhibits be admitted and that these cases be taken under advisement.

2:12:27

Thank you.

2:12:28

Without objection, Mr.

2:12:31

Fordyce, Mr.

2:12:33

Hearing Examiner, I have no questions for these two cases.

2:12:36

Thank you.

2:12:36

They're both taken under advisement.

2:12:38

Thank you.

2:12:39

Moving on to EGL Resources 25626, Dana Hardy on behalf of EGL Resources.

2:12:48

Good morning, Mr.

2:12:48

Hearing Examiner Paula Vance with the Santa Fe Office of Holland and Heart on behalf of XTO.

2:12:53

And we are just preserving rights.

2:12:55

Perfect.

2:12:57

EGL is requesting A1 year extension of time until October 23rd of 2026 to commence drilling the wells authorized by order number R23498.

2:13:08

And that order pulled interest in the Bone Spring underlying a 640 acre more or less standard horizontal unit comprised of the West half of Sections 10 and 15 Township, 18 S, Range 33 E in Lee County and dedicated the unit to the Smithers 1015 fed calm wells.

2:13:26

We are also requesting that the division amend the compulsory pulling checklist attached to Order R23498 to correct a typographical error in the range and we had discovered that while we were preparing the exhibits for this case and we have included a revised compulsory polling checklist as our Exhibit A3.

2:13:45

Our exhibits were submitted timely include the land testimony and exhibits of Ruth Pelzel, who has previously been admitted to testify as an expert in petroleum land matters before the Division.

2:13:56

Our notice exhibits provided in Exhibit C include the notice letter which was sent on September 18th, 2025, and the affidavit of publication which was timely on September 21st, 2025.

2:14:10

So with that I asked that the exhibits be admitted and that the case be taken under advisement And Miss Hardy, What is the good cause for the extension?

2:14:18

They have had to adjust their drilling schedule to accommodate lease expirations and other acreage and rig availability.

2:14:26

All right, thank you.

2:14:27

Without objection, your exhibits are admitted.

2:14:30

Mr.

2:14:30

Fornice.

2:14:32

I have no questions for this case.

2:14:34

Mr.

2:14:34

Herring Examiner, thank you.

2:14:36

This case is taken under advisement.

2:14:37

Thank you.

2:14:38

Let's move on to Permian Resources for sorry, 25629.

2:14:43

Yes, Jackie McClain on behalf of Permian Resources.

2:14:45

And there are no other parties in this case.

2:14:47

Perfect, go right ahead.

2:14:49

In this case, Permian Resources seeks an order pulling all uncommitted interest in the Wolf Camp formation underlying a 645.64 acre more or less standard horizontal spacing unit comprised of the north half equivalent of regular Section 31 and the north half of Section 32, Township 19 S, Range 28 E in Eddy County, and the unit will be dedicated to the Bolander Wells.

2:15:14

The exhibits that were submitted for this case include land testimony and corresponding exhibits of Ryan Curry, as well as geology testimony and exhibits from Chris Canton, both who have previously been managed to testify as experts before the Division.

2:15:29

And we've also included notice testimony along with copies of the notice letter which was sent on September 18th, 2025, and an affidavit of publication for September 23rd, 2025.

2:15:43

With that, I ask that the exhibits be admitted and that the case be taken under advisement.

2:15:48

Thank you.

2:15:48

Without objection, Mr.

2:15:49

Fordice, I have no questions for this case.

2:15:52

Mr.

2:15:53

Herring, Examiner, This case is taken under advisement.

2:15:56

OK, We're moving over some late filed cases.

2:15:59

Let's go on to Spur Energy Partners.

2:16:02

This is 25632.

2:16:17

Good morning, Mr.

2:16:18

Hearing Examiner Yarit Sapenya, on behalf of Spur Energy Partners.

2:16:22

Thank you.

2:16:22

Are there any other parties?

2:16:23

Not that I'm aware of.

2:16:24

Go right ahead.

2:16:25

Give me just one second.

2:16:31

In this case, Spur seeks an order pulling all in committed interest in the San Andreas formation underlying a 123.23 acre standard horizontal spacing unit comprised of the South half northwest quarter of the and the southwest quarter northeast quarter of irregular section 30 in Township 17 S, range 28 E in Eddy County, New Mexico.

2:16:53

And this unit will be dedicated to the Fizzy Cola State Com 110 H Well exhibits were timely filed in this case and include the land testimony of Colleen Bradley, who has previously testified before the division and geology testimony of Matthew than we, excuse me, who have also been previously admitted to testify before the division.

2:17:17

We also included our notice testimony with copies of the notice letter that was timely sent on September 17th, 2025 and the affidavit of publication for September 20th, 2025.

2:17:29

And with that, I ask that the exhibits be admitted for case number 25632 and that the case be taken under advisement.

2:17:36

Thank you.

2:17:36

Without objection, Mr.

2:17:37

Fordyce.

2:17:40

Yeah, I would like to ask for correction to the C1O2 or maybe the correct way to say it was to correct it for completeness.

2:17:51

There's no kick off point demonstrated on the C1O2 or the OR the plat.

2:18:02

Can you pull up?

2:18:03

Thank you.

2:18:03

What page number?

2:18:04

Mr.

2:18:05

That would be pages 10 and 11.

2:18:08

Thank you.

2:18:24

OK, See the kickoff point needing to fill be filled in and then also depicted on the plat?

2:18:33

The C1O2?

2:18:35

Yes, if that's possible.

2:18:38

Yes.

2:18:38

And I say if that's possible, the only thought I had was this might be in a such a preliminary state that that hadn't been determined from a, you know, engineering trajectory design.

2:18:52

But if that's available, I would like to have as much, you know, have the forms completed as as thoroughly as possible.

2:19:05

So, yeah, we can ask our client to see if that's possible to be filled in and we can submit an amended C102.

2:19:13

Your client, you have witnesses here with us?

2:19:16

We do, Yeah.

2:19:17

They're both on as well.

2:19:18

Who?

2:19:19

Who would would that be the land man or would that be the geologist?

2:19:23

Miss Bradley may be able to answer that question.

2:19:26

Let's get that witness on the screen, please.

2:19:29

There we go.

2:19:29

Thank you.

2:19:30

OK.

2:19:31

Good morning.

2:19:31

Miss Bradley, would you raise your right hand?

2:19:35

You swear to affirm under penalty of perjury.

2:19:36

The testimony you're about to give is the truth.

2:19:38

The whole truth is nothing but the truth.

2:19:41

I do.

2:19:42

Thank you.

2:19:42

You can lower your hand.

2:19:43

Please spell your name.

2:19:45

Colleen Bradley.

2:19:46

COLLEA EE NBRADLEY.

2:19:54

Thank you.

2:19:55

What?

2:19:55

What field have you been previously qualified Landman?

2:20:00

Lemon.

2:20:00

Perfect.

2:20:01

Mr.

2:20:01

Fordeis, do you want to ask this witness any questions or Miss Pena, did you want to ask?

2:20:09

Go ahead.

2:20:09

Mr.

2:20:09

Fordeis.

2:20:10

Yeah.

2:20:10

Miss Bradley, I could just ask, is there is there a reason that this kickoff point hasn't been determined or listed yet or could we include that in an amended exhibit?

2:20:21

Not that I'm aware.

2:20:22

I think we would be able to include it in an amended exhibit because normally we do include that.

2:20:29

Yes.

2:20:30

So for thoroughness, I would, I would like to just have the, you know, as much complete information as possible for the exhibits.

2:20:38

OK, will do.

2:20:39

And can we get that over to you?

2:20:41

We should have that if we can.

2:20:44

So Miss hold on.

2:20:46

So Miss Penny, do you have any questions for Miss Bradley?

2:20:49

Not right now.

2:20:50

OK, very good.

2:20:51

So I, I know that Mister Fortes would like to review the amended C1O2 and the exhibit.

2:20:57

So would you file an amended exhibit packet and then continue this case to October 14th?

2:21:02

Yes, we can definitely do that.

2:21:04

Thank you Miss Bradley.

2:21:04

Appreciate it.

2:21:06

Thank you.

2:21:07

All right.

2:21:07

We have one more case and then we're going to have a little sort of a motion hearing and I'm going to take a break after this case about a 5 minute break so the parties can discuss and talk to their witnesses.

2:21:20

Let's call 25633 Permian Resources.

2:21:23

Jackie McLean on behalf of Permian Resources and there are no other parties that have entered into this.

2:21:28

Go right ahead.

2:21:29

Thank you.

2:21:30

In this case, Permian Resources seeks an order pulling all uncommitted interests and the third Bone Spring interval of the Bone Spring formation underlying a 1600 acre more or less non standard overlapping horizontal spacing unit comprised of the east top of Section 34 in all of Sections 35 and 36 Township 18 S, range 30 E in Eddy County, New Mexico And this unit will be dedicated to the Jakku wells.

2:21:58

There is a depth severance and for that reason Permian Resources is only seeking to pull uncommitted interest at a stratigraphic equivalent of approximately 8900 feet DVD to 9780 feet DVD.

2:22:15

We're also seeking approval of a non standard spacing unit and approval of overlapping spacing units.

2:22:21

The exhibits that were submitted for this case include the land testimony and corresponding exhibits of Ryan Curry, as well as geology testimony and exhibits from Chris Canton, both of who have been previously managed to testify as experts before the Division.

2:22:36

So we've also included notice testimony that adds copies of the notice letter, which was timely sent on September 18th and 19th, 2025, as well as an affidavit of publication for September 20th, 2025.

2:22:52

With that, I ask that the exhibits be admitted for case number 25633 and that the case be taken under advisement without objection.

2:23:00

Mr.

2:23:00

Fordeice.

2:23:02

Mr.

2:23:03

Hearing Examiner, I have no questions for this case.

2:23:05

Perfect.

2:23:06

This case is taken under advisement.

2:23:08

Mr.

2:23:08

Fordeis, you can drop off if you want to.

2:23:10

Mr.

2:23:11

Mr.

2:23:13

McClure is going to attend the motion hearing in about 5 minutes when we pick back up again.

2:23:19

So we're off the record for a few minutes.

2:23:22

Very well, thank you.

2:23:23

Thank you.

2:29:50

I'm sorry, what?

2:29:52

Oh.

2:29:52

Oh, OK, she's outside.

2:29:56

OK, so we're not back on the record.

2:30:27

Thank you.

2:31:21

Sure.

2:32:08

Yes.

2:32:15

OK, now we're back on the record.

2:32:17

OK, I'm now going to call case number 25642 entries, please.

2:32:22

Jackie McClain on behalf of MRNM.

2:32:28

Good morning, Mr.

2:32:28

Hearing Examiner Paula Vance with the Santa Fe office of Holland and Heart on behalf of Mac Energy and Chase, their affiliate.

2:32:39

Now, I know the parties had some time to discuss the intervention.

2:32:43

We're here because there was a notice of intervention filed by Mac.

2:32:48

It was responded to yesterday, which I've read, I have here, I've read it, I've gone through the affidavit.

2:32:57

Oh, not the well, yes, the self affirmed statements and the exhibits.

2:33:01

Where are we with this Miss Vance?

2:33:04

Make sure my mic's on.

2:33:06

So I'll tell you, we filed, Mac Energy filed their own compulsory pulling application this morning and there is some overlapping acreage which is in the South half of the South East quarter of Section 31.

2:33:25

And so neither party actually owns an interest in that tract and we're both on the same page with that.

2:33:33

But at this point the parties want to, sorry, it's been a long no Moga week and I'm trying to rally myself to get through the hearing.

2:33:44

So, yeah, the parties would like some time to negotiate and we have said that we'll withdraw our objection and and I think that Miss McLean will go ahead and say we've asked them if they will continue their case to the November docket.

2:34:01

So it gives the party some time to negotiate and we can go from there.

2:34:06

So based on based on what I saw and I know we have a Landman, A Landman here from Mr.

2:34:15

OK, yes, based on what?

2:34:19

Sorry, what?

2:34:20

Mr.

2:34:20

New Mexico, I'm not going to say that I know it's not the case.

2:34:24

Basically basically the bottom line here it based on your standing in this case was that it was alleged that you have no interest in the southeast quarter of 31 and you have no correlative rights in the southeast quarter of 31.

2:34:48

Now you tell me that you have filed a application for compulsory pooling.

2:34:54

I guess you're going to be also working with is it 36 section 36?

2:34:59

That's correct.

2:35:00

I thought so.

2:35:00

OK, so and I know that you have an APD.

2:35:05

Yes, that covers that acreage that we that's in question.

2:35:09

And and I, I know that I know that Miss McLean brought up the the subject of an improperly filed APD and we're not going to talk about that today.

2:35:19

But I, I know that that was addressed in this response.

2:35:25

Let me hear from you, Miss McLean.

2:35:28

Yes, I think that at this point it appears to me that there's no reason to have a motions hearing today because Mac is going to be withdrawing their notice of intervention and then we will would like to continue our case to the November 13th docket for presentation by affidavit.

2:35:50

And you know I think that's where the parties are at this point.

2:35:55

OK, so you clarified a little more than Miss Vance.

2:35:58

So let me make sure Miss Vance is on the same page with you.

2:36:01

You said you were going to withdraw your objection, but you didn't say you were going to withdraw your notice of intervention.

2:36:07

That's correct.

2:36:07

I think we'll maintain our notice of intervention similar to if it was an entry of appearance and objection and just withdrawing the objection.

2:36:15

We still have an interest in this the case moving forward.

2:36:21

So we would want to maintain that notice of intervention, but we wouldn't be objecting at this point.

2:36:27

So we'll withdraw the objection.

2:36:29

So how do you have an interest?

2:36:31

What I'm trying to understand is how do you have an interest in the case going, I understand you're going to withdraw the objection part, not the notice of intervention.

2:36:41

How do you what, what, what is your intervention based on then?

2:36:44

So as I pointed out in our in our notice of intervention, we do have an approved APD.

2:36:51

We also filed our compulsory pulling application covering this acreage, covering that overlapping acreage this morning.

2:37:00

And again, Mr.

2:37:03

Mr.

2:37:04

I just want to keep saying Mr.

2:37:05

New Mexico, MRNM is also in the same boat.

2:37:09

They if you look at their filed hearing packet similar to Mac, they don't own an interest in that acreage.

2:37:17

So both parties are actually in the same position.

2:37:21

And I would expect that maybe they might, I'm not going to speak for Mr.

2:37:25

McLean, for Miss McLean, but she may file a notice of intervention in our case.

2:37:29

I don't know, but you know, just to preserve rights because both parties have an interest in these two in the developments before you filed your compulsory pooling application, which I guess you filed today, you said this morning, this morning.

2:37:46

OK, Freya, do you have that?

2:37:48

I believe I did see it come through.

2:37:52

OK, great.

2:37:53

Does it get, do you have a case number for it yet?

2:37:56

We don't.

2:37:57

I could process it quickly.

2:37:58

Yeah.

2:37:58

Would you please and then give me the case number because we're going to join it with this other case for the purposes of a contested hearing unless of course you withdraw the case based on your negotiations.

2:38:14

Well, I think that what we have a, what we, the parties have discussed is that we would like to just keep our case right now and have the MN Eastern New Mexico continue their case to the November docket.

2:38:34

But you know, we just filed our case.

2:38:37

I guess I'm really confused about setting it for a contested hearing.

2:38:40

I'm not setting it for a contested hearing, OK?

2:38:42

I'm not setting it at all.

2:38:43

I'm joining it with this case because it it's going to compete with this case in this section SE quarter of 31.

2:38:52

Yes.

2:38:52

OK.

2:38:53

That's what I thought.

2:38:54

So, So what I'm what I'm finding out is a case number so I can join the two in our system.

2:39:01

OK.

2:39:03

Did you say something?

2:39:04

I have the case.

2:39:05

Go right ahead.

2:39:06

It's 25698.

2:39:09

Did you hear that, Miss Vance?

2:39:10

Yes.

2:39:11

So what?

2:39:12

We're going to mark it in our system as as joined for the purposes of a contested hearing, if a contested hearing is necessary.

2:39:20

If necessary.

2:39:22

Miss McLean has asked me to keep this case.

2:39:25

Well, to to that she's going to move this case to the N13 docket for a hearing by affidavit, unless you re object to that case because you're withdrawing your objection as of now.

2:39:40

That's right.

2:39:40

And I, again, I think we have asked for that so that the parties have adequate time to be able to negotiate and hopefully things will shake out and you know, we won't, you know, they'll be able to.

2:39:54

Something will happen.

2:39:55

Somebody will move forward by application.

2:39:57

So will you file a document withdrawing your objection to this case?

2:40:03

Miss McClain?

2:40:03

Will you continue your case to November 13?

2:40:07

And then, Miss Vance, if you renew your objection, then this case will get moved to the second docket in November for a status conference.

2:40:18

We'll also hear your case at that time and we'll set a contested hearing at that time.

2:40:25

I hope we don't need any of that, but that sounds great.

2:40:29

We'll find out.

2:40:30

Miss McLean, anything further?

2:40:31

I just want to clarify one thing, our A.

2:40:37

So because the topic of APDS came up, I just want to be really clear about this.

2:40:41

Our AP DS and the C1O twos that we submitted for with our AP DS as well as with our hearing submits do not contain an operator certification, Max do and that's why we believe they're improperly filed AP DS and ours are pursuant to the rule.

2:40:59

OK, sounds good.

2:41:01

Mr.

2:41:01

McClure, do you have anything to to ask or address?

2:41:05

We do have a land man here from M RNM if necessary, are we?

2:41:14

Is it your intent to rule anything on the motion today that we need to elicit evidence for or we just continuing the case?

2:41:23

Let me ask, Let me ask a question to follow that up, Mr.

2:41:26

McClure.

2:41:26

So, Miss, Miss McClean, what you've understood now is that the notice of intervention stands without the objection and there'll be a document filed to correct that you have a response that I should, that I should rule against a notice of intervention.

2:41:49

What's happening with your response?

2:41:51

Well, I mean, I guess if they're not withdrawing the notice of intervention, I stand by my response.

2:41:55

I, I can't intervene.

2:41:57

I, I figured you would.

2:41:58

Yes, I, I gathered that.

2:41:59

And we, you know, I mean, I don't think you want to hear a lengthy argument unless you do.

2:42:04

And I'm happy to give you one.

2:42:06

That's why we submitted our response as well as the affidavit.

2:42:11

We don't believe that they have any standing to intervene.

2:42:14

They don't own an interest.

2:42:15

They have AP DS that should be rescinded by the division.

2:42:21

They there is no overlapping spacing unit at this point.

2:42:25

So they were not entitled to notice of either the hearing application or the overlapping spacing unit.

2:42:32

It's the overlapping spacing unit that they did use as a basis for their current intervention.

2:42:38

And so we ask that that be denied.

2:42:41

Thank you.

2:42:42

Before I go to you, Miss Vance, does your argument change at all now that you've been informed that?

2:42:48

I don't think you knew that they just filed this morning a compulsory pooling application.

2:42:56

Yeah, we did not know until this morning.

2:43:00

I mean, obviously if they have a competing application that's a different story.

2:43:08

But you know, we still I don't believe that they that the basis that they have asserted, you know, for their intervention is that overlapping spacing unit.

2:43:20

We brought up the issue of the no, no interest in the section with the the AP DS that you know are should be rescinded.

2:43:31

But you know, there's no, there's no compulsory pulling order or anything.

2:43:37

So they still can't sign the operator certification.

2:43:40

But I guess as far as the, the currently filed notice of intervention, we do not believe that at the time of their filing they had a basis for that, right.

2:43:51

And, and, and, and I think we have a different argument now.

2:43:56

We have a different case now.

2:43:58

I'm not sure.

2:43:59

Do you even need to intervene in, in their case?

2:44:03

But since you have your own compulsory pooling application in well, it would be, I mean both parties are in the same exact position, right?

2:44:11

Neither owns an interest in the overlapping acreage.

2:44:14

I mean, if they're not going to file a notice of intervention in our case, I mean, I guess we can withdraw ours.

2:44:20

But you know, typically like in the situation, I would like to preserve rights and it makes sense since we have filed A competing application to just make sure that we have an appearance here.

2:44:32

And again, we're not objecting at this point.

2:44:35

But you know, if we need to withdraw our notice of intervention and basis base it off of the fact that we filed our compulsory pulling application, which I did mention in our filing our notice of intervention, I was clear that we that proposals went out that covered the overlapping acreage and that Mac Energy had plans to file a compulsory pulling application.

2:44:58

It just, it feels like, you know, more administrative process by filing, you know, withdrawing and then refiling.

2:45:08

But you know, at the end of the day, I would prefer to convert with my client to make sure that they were comfortable completely withdrawing the notice of intervention.

2:45:18

We only discussed the objection.

2:45:22

Hold on one second.

2:45:23

I, I, I get it.

2:45:24

Hold on one second here.

2:45:25

I want to look at your notice of intervention for a moment, because the way it was filed, the way it was filed to me, there were a lot of unknowns in your, in your notice you wrote here and, and I think things have changed since you filed your competing application.

2:45:46

But what you wrote here, you said plans to file for compulsory pooling if necessary.

2:45:56

That meant that meant to me, I'm not sure what you're doing at that point.

2:46:00

So that was #1 #2 you said you were currently engaged in good faith negotiations with an interest owner in the southeast quarter of 31.

2:46:18

To me, that meant, you know, you didn't have an interest in that.

2:46:21

And I understand that they don't have an interest in it also, but that's what that said to me.

2:46:31

So what is the what is the current?

2:46:38

And this I don't know the answer to.

2:46:39

So I'm going to ask both of you, what is the current?

2:46:45

I know that I can allow intervention to protect correlative rights.

2:46:49

I know that.

2:46:50

OK, so it says it right here, you know, you need to show standing which Miss McLean was very clear about unless the intervenor shows that intervenors participation will contribute substantially to the prevention of waste, protection of relative rights or protection of public health in the environment.

2:47:06

I don't think you're trying to protect the public health of the environment or prevent waste.

2:47:11

So I'm assuming you are, you know trying to protect relative rights by intervening in this case.

2:47:16

Yes, because at this point we have filed our our competing overlapping compulsory pulling application.

2:47:23

But again, I think that this is going down a road where I don't think that either party was wanting it to go, which is to be adversarial.

2:47:34

It's my understanding that the parties do want to engage in good faith negotiations.

2:47:39

So again, if you know, I I would like to maintain our notice of intervention at least until I've had an opportunity to discuss with my client because we really only discuss withdrawing the objection.

2:47:54

And you know, if if they are comfortable with that, that's fine.

2:47:59

But again, you know, at this point, I think the parties have agreed to, you know, that in Mr.

2:48:06

New Mexico, MRNM has agreed to continue their case to the November docket.

2:48:13

You know, I guess at this point it's up to you if you want to allow for us to maintain our intervention.

2:48:20

Will I ask what her position was?

2:48:23

And, and she was very clear that, you know, her response stands.

2:48:29

And so I have to make some sort of decision on her response, basically saying, hey, you know, when she wrote this response, facts were slightly different.

2:48:39

Now facts are new and so they have changed.

2:48:42

And I would say, I mean, we made mention of that in our filing.

2:48:46

And, you know, if you don't agree with it and you don't want to maintain our notice of intervention, then it has nothing to do with what I want it.

2:48:57

It has to do with what the law tells me I need to do.

2:49:00

So, So Miss McLean.

2:49:06

Miss McLean, I know that facts have changed since you filed your response.

2:49:13

Is there a legal reason?

2:49:15

Let's just get cut to the quick here.

2:49:18

Is there a legal reason why I would strike a notice of intervention when a compulsory pooling application, right.

2:49:28

So there is no reason I would no.

2:49:30

And I think that also could like for us, we already had our application filed, right?

2:49:37

I think at this point because we have our application, we can just file an entry of appearance and objection.

2:49:43

I don't think we have to technically intervene under the rule because we have that, but I don't think at this point, since they have the application, OK, there's nothing we can really do about that.

2:49:53

All right, so, so Miss Vance, what I'm saying here is I, I believe you have a right to intervene to protect correlative rights now that you have a case.

2:50:05

But I'd like your intervention notice to be clear and clean.

2:50:09

And as is is now it's not.

2:50:12

So would you please substitute a new notice of intervention with the current facts that you have a case number now with the competing compooling application and that you are not and that you are objecting to their case?

2:50:28

Well, again, I think they're not.

2:50:29

Yeah, they're not objecting.

2:50:31

Yeah.

2:50:32

I mean, and the whole point of the notice of intervention is the fact that we are we don't own an interest and so we're not entitled to notice based on similar to them.

2:50:45

But I'm so just correct me if I'm wrong.

2:50:48

You want me to withdraw the objection and notice of intervention and refile a new notice of intervention.

2:50:54

If we, if we decide to do that, what I'm what I'm suggesting my ruling in this because I have a notice of object, notice of intervention and objection from you.

2:51:05

I have a response to strike it from them.

2:51:09

You guys have worked out something that impartially alleviates to need for me to do something and rule on something.

2:51:18

But we still have your notice of intervention and objection that needs to be amended in some way anyway.

2:51:25

So why don't you file an amended notice of intervention, include Exhibit A as a copy of your application for your compulsory pooling.

2:51:37

It has a number.

2:51:37

Now that you have and withdraw your objection at this point, I will do that.

2:51:43

That's perfect.

2:51:45

OK.

2:51:45

Anything further, Miss McLean?

2:51:46

No, thank you.

2:51:47

Good luck to the parties to negotiate.

2:51:50

Mr.

2:51:51

McClure, is there anything that I've left out?

2:51:53

I don't think so.

2:51:54

Mr.

2:51:54

Her examiner.

2:51:56

Perfect.

2:51:57

Thank you, Miss McClain.

2:51:57

Hope you feel better.

2:51:59

We're off the record.