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5

6 **OCD Regular Docket December 4, 2025-** 7 **20251204_191627UTC-Meeting Recording**

8 December 4, 2025, 4:56PM

9 2h 19m 55s
10

11 **PH Pecos Hall 56:35**

12 Good morning.

13 I know it's 8 minutes before 11, but I'd like to get started as early as we can.

14 'Cause we had a 2 hour delay.

15 And we have 43 cases to get 44 cases to get through.

16 So my name is Gregory Chakalian.

17 I am the hearing examiner for the Oil Conservation division.

18 It is Thursday.

19 It is our regular docket.

20 We are hearing cases by affidavit today.

21 Our first case had a last minute protest, but I'm going to call it anyway.

22 It is.

23 25757 inches please.

24 Good morning, Mr. Examiner.

25 Dana Hardy with Hardy McLane on behalf of Target Midstream. Morning.

26 Who protested?

27 Devon did and I see Mr. Savage Online, but it looks like he's muted.
28

29 **DS Darin Savage 57:22**

30 Good morning, Mr. hearing examiner Darren Savage with Abbott and Schill, on
31 behalf of Devon Energy Production Company LP.
32

33 **PH Pecos Hall 57:28**

34 Good morning.

35 You protested.

36

37 **DS** **Darin Savage** 57:30

38 Yes.

39

40 **PH** **Pecos Hall** 57:31

41 Can you tell me why?

42

43 **DS** **Darin Savage** 57:34

44 I wasn't notified yesterday by Devin. They had received just received notice of this
45 and they stated that the depths targeted.

46 They have a number of wells producing wells in this vicinity and they also have
47 development plans for future wells and they had concerns. They saw that the depths
48 targeted would.

49 Negatively impact.

50 Impact the mechanical integrity of the wells and affect production.

51

52 **PH** **Pecos Hall** 58:07

53 OK, Miss Hardy, how do you want to proceed? Mr. Examiner? Targa is working and
54 meeting with Devin to try to resolve these issues. They regularly work with Devon.
55 And So what I would propose is that we have another status conference on
56 December 18th to give the party some.

57 Time to talk and at this point I don't think we need to set a contested hearing.

58 Perfect. Will you move your case to December 18 for a status conference? Yes, I will.

59 Thank you.

60 Anything else, Mr. Savage?

61

62 **DS** **Darin Savage** 58:36

63 No, no, thank you.

64

65 **PH** **Pecos Hall** 58:38

66 All right, I'm gonna ask that.

67 The parties keep their presentations as succinctly as possible so that we can get to
68 the issues that we have with a few cases.

69 Many of these cases can be taken under advisement.

70 I've already reviewed these with the technical examiner, so that's the good news

71 here.

72 So let's go to #2 XTO energy 25655.

73

74 **JP James Parrot 59:04**

75 Thank you, Mr. Chairlian.

76 This is James Parrot with Beatty and Wozniak representing XTO Energy Inc, case
77 number 25655.

78

79 **SS Shaheen, Sharon 59:12**

80 Hello.

81

82 **JP James Parrot 59:13**

83 This is an application to establish standard horizontal spacing unit and pool with two
84 wells committed in the Wildcat Bone spring pool.

85 It's about 770 acres.

86 I'll note the southernmost section is a state border section and so.

87 Rather than being the typical 640 acres, it's a little less than half that.

88 Given your advisory, before I started talking, I would be happy to skip an explanation
89 of each and every exhibit and cover any specific exhibits that you find to be
90 particularly interesting. Or if you prefer me just to go through each exhibit as kind of
91 standard practice, I'm happy.

92 To do that as well.

93

94 **PH Pecos Hall 59:56**

95 No, we don't need you to go through every exhibit we have them.

96 They've been reviewed.

97 Let's get them into evidence.

98 So why don't you move whatever you have into evidence?

99

100 **JP James Parrot 1:00:06**

101 Certainly we have exhibits A through E along with the pooling checklist.

102 Move those be admitted into the record.

103

104 **PH Pecos Hall 1:00:12**

105 OK, without objection.

106 Thank you, Mr. Parrot, and good morning to you.

107 By the way, Mr. Technical examiner, do you have any questions in this case?

108

109  **McClure, Dean, EMNRD** 1:00:21

110 I was gonna say I just now joined the meeting, but I don't believe I do.

111 It's the XTO case we're talking about.

112

113  **Pecos Hall** 1:00:28

114 Yes, Sir. This is the second case on our docket 25655 and I apologize that we started
115 earlier and you didn't know.

116

117  **McClure, Dean, EMNRD** 1:00:37

118 No Vicky and and Mr. Herring. Examiner. I do not have any questions in this case.

119

120  **Pecos Hall** 1:00:42

121 All right, Mr. Parrot.

122 Good news. Your case is taken under advisement. Thank you.

123

124  **James Parrot** 1:00:45

125 Thank you.

126 Have a great day.

127

128  **Pecos Hall** 1:00:46

129 Yes, you too, Sir. OK.

130 Let's call number three and four simirex energy 256-8485.

131

132  **Benjamin Holliday** 1:00:56

133 Good morning, Mr. hearing examiner Ben Holiday, on behalf of the applicant,
134 Simarex Energy Company of Colorado.

135

136  **Pecos Hall** 1:01:01

137 Good morning, Mr. holiday.

138

139  **Benjamin Holliday** 1:01:04

140 So these these were admitted exhibit packets filed primarily to cure a publication

141 notice concern.
142 We put our cover pages standard cover pages outlining those changes that were
143 made to the exhibit packet and filed them last week.
144

145  **Pecos Hall** 1:01:19

146 Perfect. We'll accept those into evidence without objection, Mr. McClure.

147

148  **McClure, Dean, EMNRD** 1:01:25

149 No questions, Mr. herring examiner.

150

151  **Pecos Hall** 1:01:27

152 Thank you, Mr. Holiday.

153 They're taken under advisement.

154

155  **Benjamin Holliday** 1:01:30

156 Thank you all.

157

158  **Pecos Hall** 1:01:31

159 Let's move on to some cases. Matador production, they 256-972-5699.

160

161  **+15*****12** 1:01:40

162 Mr. Examiner.

163 Jim Bruce representing Appleton.

164

165  **Pecos Hall** 1:01:43

166 Yes, Sir.

167

168  **+15*****12** 1:01:45

169 I.

170 I am unaware of any other appearances.

171

172  **Pecos Hall** 1:01:48

173 OK.

174

175  **+15*****12** 1:01:51

176 Mr. Examiner, in this in these cases matador or excuse me, MRC Permian seeks to
177 pool separately the Bone Spring formation in the Wolfcamp formation in the West
178 half of section 1724 S.
179 34 E.
180 These are to drill several wells.
181 These are U-turn wells.
182 The exhibit package contains the usual pool and checklist.
183 Landmans affidavit which?
184 Pursuant to division, requirement, does contain at the end a list of the committed
185 and uncommitted interest owners.
186 There, besides MRC Permian, there is only one working interest owner, Chevron, who
187 is being pooled and then several overriding royalty owners. The geologist affidavit
188 contains the usual.
189 Exhibits.
190 And then there's the affidavit of certified mailing all parties. But one received the
191 green card.
192 Those notices were mailed in October.
193 And then the affidavit of publication cures any lack of notice, ABS.
194 To the one party and that was filed or I should say public in October.
195 Were also, so that was timely and with that.
196 In each case, I moved the admission of exhibits a through F and open it up to
197 questions by the examiners.

198

199 **PH Pecos Hall 1:03:36**

200 All right.

201 Thank you, Mr. Bruce. Have your experts that drafted these sub affirm statements,
202 have they been admitted as experts before this division before?

203

204 **+15*****12 1:03:37**

205 Thank you.

206 I believe they have one thing, Mr. Examiner, the land man.

207 David Johns had an unavoidable conflict come up just a couple of days ago.

208 And the land man, who who is familiar with the land matters.

209 Who is testifying as Addison costly?

210 I've never dealt with that land, man, so I can't say for a fact that he is. I believe the
211 geologist.

212

213 **PH Pecos Hall** 1:04:18

214 OK.

215

216 **+15*****12** 1:04:19

217 Says being qualified.

218

219 **PH Pecos Hall** 1:04:22

220 OK.

221 All right, so your exhibits are admitted without exception.

222 Let's get your witnesses on camera.

223 You want to call them, Mr. Bruce.

224

225 **+15*****12** 1:04:33

226 Yes, I'm calling Addison Costly the Landman and.

227

228 **M Matador** 1:04:38

229 Yes.

230

231 **PH Pecos Hall** 1:04:41

232 And I recognize Mr. Costly from previous hearings, so I know he's been admitted as
233 an expert.

234

235 **M Matador** 1:04:46

236 Yes.

237

238 **+15*****12** 1:04:47

239 OK.

240

241 **PH Pecos Hall** 1:04:47

242 Do we?

243 Do we have the geologist?

244

245  **Matador** 1:04:49

246 Yes.

247

248  **+15*****12** 1:04:50

249 Yeah. Yeah, Blake herber.

250

251  **Pecos Hall** 1:04:55

252 OK.

253 That's not any of my recognized Mr. Herber.

254 Have you been admitted as an expert in geology before this division?

255

256  **Matador** 1:05:01

257 I have.

258

259  **Pecos Hall** 1:05:02

260 You have excellent. OK, so, Mr. McClure, do you have questions for either one or
261 both?

262

263  **McClure, Dean, EMNRD** 1:05:10

264 I believe Mr. Bruce may be able to resolve my questions.

265 Otherwise, possibly I might ask questions for the land man.

266

267  **Pecos Hall** 1:05:17

268 OK.

269 Go right ahead.

270

271  **McClure, Dean, EMNRD** 1:05:20

272 Mr. Bruce.

273 It appears that there may have been two separate notices provided to the hour, or

274 I'm probably saying it wrong, but it's like all our company.

275 Are you familiar with?

276

277  **+15*****12** 1:05:35

278 Yeah.

279 Yeah, Mr. Examiner, we I did send out notice on August 15th to everyone and then
280 subsequently.

281

282  **McClure, Dean, EMNRD** 1:05:38

283 I'm sorry, what?

284

285  **+15*****12** 1:05:47

286 MRC said.

287 And and one of those parties notified was an LR entity and then this is the main
288 entity.

289 They just wanted to be saved to make sure that they had notified the correct
290 overriding royalty owner and I sent that notice out on N1.

291 Which is timely.

292

293  **McClure, Dean, EMNRD** 1:06:10

294 And that was gonna be my next question is when that was conducted.

295 Regarding your CPAC.

296 You say that the spacing unit is not standard.

297 Was that your intent? Is everywhere else in the application.

298 It appears to be listed as standard.

299

300  **+15*****12** 1:06:34

301 Oh, I I'm sorry if I did.

302 I made a mistake.

303 It is.

304

305  **McClure, Dean, EMNRD** 1:06:40

306 Yeah, I was going to say directly what it.

307

308  **+15*****12** 1:06:40

309 Oh, I see.

310

311  **McClure, Dean, EMNRD** 1:06:43

312 Yeah, it seems.

313

314  +15*****12 1:06:43

315 Yeah, I I see now it I think it is a standard unit.

316 It's just EU turn wells are kind of a different deal, that's all.

317

318  **McClure, Dean, EMNRD** 1:06:54

319 Yeah. And I was kind of wondering if that was kind of the reason for that.

320

321  +15*****12 1:06:59

322 And I I could correct that today and refile if necessary.

323

324  **McClure, Dean, EMNRD** 1:06:59

325 If I.

326 I am gonna want the IT to be refiled to, assuming we're all in agreement that you
327 believe it's a standard horizontal spacing unit, then yeah, I want that to be changed
328 to yes, and I don't think we really need to mention the EU turn I guess aspect.
329 Of it.

330

331  +15*****12 1:07:22

332 OK.

333 Thank you.

334

335  **McClure, Dean, EMNRD** 1:07:32

336 And Mr. Herring, examiner that is. I'm just checking my note for the other case.
337 I believe that resolves all the questions I had for these two cases.

338

339  **Pecos Hall** 1:07:41

340 So, Mr. McClure, do you want amended exhibit packets for both cases, or just one?

341

342  **McClure, Dean, EMNRD** 1:07:46

343 Both cases, Mr. Herring examiner.

344

345  **Pecos Hall** 1:07:46

346 Both both cases.

347 Is that going to be subject to your further review?

348

349  **McClure, Dean, EMNRD** 1:07:54

350 I mean, I'm going to.

351 I mean, I kind of know what he's going to put on there, but I think just to stick with

352 our current how we typically been doing it would be a continuance though.

353

354  **Pecos Hall** 1:08:02

355 OK.

356 OK, sounds good.

357 Mr. McClure.

358 Could we?

359 Would that be something that we could add to the December 18 status conference

360 docket or would that require more review then or questions then than I'm

361 anticipating?

362

363  **McClure, Dean, EMNRD** 1:08:27

364 I would be fine if you're fine putting on the status conference, I'd be fine with us

365 putting it there.

366

367  **Pecos Hall** 1:08:32

368 Yeah, I'd like to.

369 I'd like to keep the cases moving if we can.

370 That's great.

371 So, Mr. Bruce, please file the amended exhibit packet with cover letter for both cases
372 and then continue your cases.

373 As a courtesy, the division will hear it on the status conference document December
374 18. If that works for you.

375

376  **+15*****12** 1:08:52

377 Yes, it does, Mr. Examiner. And both of the pool and checklist are in part one of my
378 two-part exhibits.

379 Could I just correct the part one on each packet?

380

381  **Pecos Hall** 1:09:04

382 Yes, Sir.

383

384  +15*****12 1:09:05

385 Thank you.

386

387  **Pecos Hall** 1:09:06

388 All right, we're off the record in those two cases.

389 Let's go to 3R operating 25707.

390 Yes, good morning. Jackie McLean with Hardy McLean on behalf of 3R operating and
391 there are no other entries of appearance.

392 Thank you.

393 And in case 257073, R seeks to pool all uncommitted interest in the Woodford
394 formation. In the West half W half of sections 28 and 21, Township 26 S range 27, E
395 in Lee County.

396 And to dedicate the unit to the Pioneer 2128.

397 FedEx 951 H well.

398 The exhibit packets that were submitted include the testimony of Landman Kyle
399 Mendez, who has not previously testified before the division.

400 So I'd like to request that he be recognized as an expert and if necessary, he can be
401 on call to answer any questions.

402 And that's your land, man, correct.

403 All right. So, Mr. McClure, since we're on a time constraint today, do you have
404 questions for their land, man?

405 If so.

406 So I'll get him qualified and sworn in.

407

408  **McClure, Dean, EMNRD** 1:10:10

409 I'll have questions for the geologists regarding the land man though.

410 We should be fine on the land, man.

411 I don't have any questions for the land man.

412

413  **Pecos Hall** 1:10:21

414 So M's McLean normally I would go through the trouble of getting them qualified,
415 but we're on a time thing, so I'm not going to do it today.

416 OK.

417 That's fine.

418 Then if there's questions for the geologist, first I'd ask that the exhibits be admitted
419 for case number 25707, and then we can get him for questions.

420 OK, without exception, your exhibits are admitted into evidence. And who is your you
421 want to call your geologist?

422 Yes, Mr. Brian Atwell.

423 And he has previously testified perfect.

424 Mr. Atwell, would you raise your right hand, please?

425

426  **Brian Atwell** 1:11:00

427 Yes, Sir.

428

429  **Pecos Hall** 1:11:01

430 Perfect. I can see you now.

431 Do you swear?

432 Affirm the testimony you're about to give is the truth, the whole truth.

433 Nothing but truth.

434

435  **Brian Atwell** 1:11:10

436 I do.

437

438  **Pecos Hall** 1:11:11

439 All right.

440 Thank you, Sir.

441 This is not the best connection, just so you know.

442 But Mr. McClure go right ahead.

443

444  **McClure, Dean, EMNRD** 1:11:17

445 Commissioner herring examiner Mr. Atwell.

446

447  **Brian Atwell** 1:11:19

448 Thank you.

449

450  **McClure, Dean, EMNRD** 1:11:23

451 I'm looking at your cross section that you have included in your exhibit B4.

452

453 **BA** **Brian Atwell** 1:11:29

454 Yeah.

455

456 **PH** **Pecos Hall** 1:11:30

457 Would you like me to put this on?

458

459 **BA** **Brian Atwell** 1:11:31

460 Yeah, you.

461

462 **PH** **Pecos Hall** 1:11:33

463 The on the screen.

464 Yes, thank you.

465

466  **McClure, Dean, EMNRD** 1:11:35

467 It doesn't matter to. Oh, I can miss here anytime. If he wants it. Yep.

468

469 **PH** **Pecos Hall** 1:11:39

470 Thank you, Mr. McCall, and Mr. Atwell, if you want to turn off your camera, you're
471 more than welcome to. You might have a better connection if you do.

472

473 **BA** **Brian Atwell** 1:11:49

474 OK.

475 OK.

476 Sure. That and sorry about that. I had a terrible connection here.

477

478 **PH** **Pecos Hall** 1:11:56

479 I can see that.

480 All right, go ahead, Mr. McClure.

481

482  **McClure, Dean, EMNRD** 1:11:59

483 Thank you, miss.

484 Hearing examiner Mr. Atwell.

485 I'm looking at the debts on that right hand track.

486 I can't really make them out. If I were to ask you to provide us with a higher
487 resolution image of this, do you understand what I'm asking for?

488

489  **Brian Atwell** 1:12:17

490 Higher resolution image on on what exhibits, Sir.

491

492  **McClure, Dean, EMNRD** 1:12:21

493 Is it exhibit B4?

494 It's your cross section.

495

496  **Brian Atwell** 1:12:27

497 Oh, before the cost action.

498 Yes, I can provide that.

499 In a better resolution.

500

501  **McClure, Dean, EMNRD** 1:12:36

502 OK.

503 Very good.

504 Now it appears that you believe your completion is going to be.

505 An oil producing well, is that correct?

506

507  **Brian Atwell** 1:12:52

508 Correct.

509

510  **McClure, Dean, EMNRD** 1:12:53

511 Do you have?

512 Do you have any?

513 What information I guess are you basing it being oil rather than gas, I guess.

514

515  **Brian Atwell** 1:13:09

516 That information is coming largely from development that's going on in Texas, across

517 the border in Andrews County, Continental has brought on wells that similar TVD,

518 and they're classified as oil wells and producing azoil wells.

519 And so that's the information we're used for that assessment.

520

521  **McClure, Dean, EMNRD** 1:13:31

522 What is the Gor of the the Gor of those wells?

523

524  **Pecos Hall** 1:13:32

525 YouTube.

526

527  **Brian Atwell** 1:13:38

528 There are 1000 to 2000 Gor at that CVD.

529

530  **McClure, Dean, EMNRD** 1:13:44

531 And the units for that is cubic feet per barrel or is that MCF per barrel?

532

533  **Brian Atwell** 1:13:52

534 That is, cubic feet per barrel.

535

536  **McClure, Dean, EMNRD** 1:13:55

537 OK.

538 So then you would, you would imagine then that this is going to be very similar then,
539 is that correct?

540

541  **Brian Atwell** 1:14:05

542 Yes, yes. Based on the information we have at the time that that is our expectation.

543

544  **McClure, Dean, EMNRD** 1:14:11

545 OK. Sounds very good. Just for your awareness, I believe once the APD gets
546 approved, we'll probably be issuing addition of approval that we will be looking at
547 the GR for this.

548

549  **Pecos Hall** 1:14:12


550 That's.


551


552  **McClure, Dean, EMNRD** 1:14:23


553 Well, the reason I bring it up is if it does turn out that this well is gas, then we may
554 have to end up revisiting any orders that get issued from this case. And I wanted to


555 make sure that 3R was aware of that possibility.
556 Do you understand what I everything. I just laid out, OK?
557


558  **Brian Atwell** 1:14:43
559 Understood. And we will.
560 We and we'll comply with any reevaluation at that time.
561


562  **McClure, Dean, EMNRD** 1:14:53
563 It sounds very good.
564 Thank you, Mr. Atwell.
565


566  **Pecos Hall** 1:14:57
567 Or is that just the witness?
568


569  **McClure, Dean, EMNRD** 1:15:00
570 I'm sorry, Mr. Herring. Examiner, I didn't catch that.
571 Mr. Herring, examiner, can you hear me?
572

573  **Paula M. Vance** 1:15:22
574 It looks frozen.
575

576  **Brian Atwell** 1:15:24
577 I can hear you, Mr. McClure, but.
578

579  **McClure, Dean, EMNRD** 1:15:28
580 Yeah, I'm wondering if maybe Paycheck's Hall might be.
581

582  **Pecos Hall** 1:15:31
583 Ah, Mr. McClure.
584

585  **McClure, Dean, EMNRD** 1:15:33
586 Oh, I can hear you now, Mr. Examiner. Go ahead.
587

588  **Pecos Hall** 1:15:34
589 OK.

590 All right.

591 Well, we're gonna take a one minute break and the minute break is over.

592 So let's continue.

593 Mr. McClure does. That. Does that finish your questions for this case?

594

595  **McClure, Dean, EMNRD** 1:15:45

596 It finishes my questions for the expert, but I do have guidance for Miss McLean on
597 this.

598

599  **Pecos Hall** 1:15:52

600 She's right there. Go right ahead.

601

602  **McClure, Dean, EMNRD** 1:15:54

603 M's McLean on your CPAC, where you reference a pull.

604

605  **Pecos Hall** 1:16:03

606 Yes.

607

608  **McClure, Dean, EMNRD** 1:16:03

609 This is this is the incorrect pull.

610 There is not a pull even close to this area, so if we can correct that to just simply have
611 just simply Wildcat Woodford and do not include an actual pool name or pool code
612 because that's something our district geologists will have to assign once we receive
613 the AP.

614 For this well.

615

616  **Pecos Hall** 1:16:27

617 Alright, we can do that.

618 Alright, so Mr. McClure, it sounds like this case is coming back for additional review.

619 Once you get your clarified exhibit B4.

620

621  **McClure, Dean, EMNRD** 1:16:42

622 That's correct, Mr. Herring. Examiner.

623

624  **Pecos Hall** 1:16:43

625 All right, so Miss McLean, how long will it take you to provide that?
626 It would just depend on Mr. Atwell getting me that exhibit, but I don't imagine it will
627 take beyond the end of the week.
628 You wanna try for December 18?
629 Yeah, that would be wonderful.
630 Alright, you'll have your CPAC corrected as well. Yes, all right.
631 Would you fix a cover letter to that? And then I think we would also need to change
632 the C1O2 to take off the pool and pool code.
633 That's your prerogative.
634 So M's McLean so we will continue to December 18th.
635 You're gonna continue it to December 18?
636 And please affix a cover letter to explain what you're changing will do.
637 Thank you.
638 Thank you.
639 We're off to. We're off the record.
640 In that case, let's move on to taprock operating.
641 This is number 825710.

642
643 **MS Miguel Suazo 1:17:38**

644 Good morning, Mr. Examiner.
645 Miguel Suazo with Badian Wozniak appearing today on behalf of Taprock operating.
646

647 **PH Pecos Hall 1:17:44**

648 Good morning, Mr. Suazo.
649 Let's keep it 6 inches.

650

651 **MS Miguel Suazo 1:17:47**

652 Sure, in this case Taprock seeking an application to approve a standard horizontal
653 spacing unit.

654 What's notable is that this is seeking to amend order 23945 after TAPROCK
655 determined that there were uncommitted and unleased mineral interest owners in
656 their beer 30 fcom unit who are not originally pooled. They identified that the New
657 Mexico Department of Transportation owns a small.

658 Unleas mineral interest in the unit.

659 And we have the standard suite of exhibits.

660 So exhibit A is the application exhibit B is the original pooling order.
661 Exhibit C is the affidavit from Taprock senior lineman, Erika Shoemaker, who has
662 testified previously and Exhibit D is the notice affidavit indicated that notice letters
663 were mailed on October 22nd, 2025. Unless the division requires any additional detail
664 or questions, I would ask that this matter.
665 Be taken under advisement and that the exhibits be admitted into the record.

666

667  **Pecos Hall** 1:18:45

668 Thank you, Mr. Suazo admitted. Without exception, Mr. McClure is this case good to
669 go.

670

671  **McClure, Dean, EMNRD** 1:18:51

672 Yes, it is, Mr. Examiner.

673

674  **Pecos Hall** 1:18:52

675 All right, we'll take it under advisement.

676 We're off the record. Let's move on.

677

678  **Miguel Suazo** 1:18:55

679 Thank you.

680

681  **Pecos Hall** 1:18:55

682 Let's move on to case number 925711, Burke royalty.

683 Good morning, Mr. hearing examiner, Yadid Sapna with High Plains natural
684 resources. Thank you.

685 I don't believe that there are any other parties in this case. In this case, High Plains is
686 a successor in interest to Stewart Energy and is seeking A1 year extension until
687 October 20th 2026 to commence drilling the wells.

688 Good 'cause exists for this one year extension as High Plains ability to commence
689 drilling the wells has been impacted by High Plains acquisition of Stewart's assets.
690 We timely filed exhibits last week and include the testimony of and corresponding
691 exhibits of Josh Moran, who has not previously testified.

692 Before the division and we would seek to have him recognized as an expert.

693 See the land man. He is the land man. What's his name?

694 Josh Moran, Morian can we get him on the screen?

695

696 **JM Josh Morian** 1:19:49

697 Yes, Sir.

698

699 **PH Pecos Hall** 1:19:50

700 Excellent, Mr. McClure.

701 Are you going to have questions for the land man?

702

703  **McClure, Dean, EMNRD** 1:19:54

704 Yes, I will, Mr. Examiner.

705

706 **PH Pecos Hall** 1:19:56

707 All right, let's get him qualified then.

708 And let me interrupt your presentation, Miss Pena. Once I can see him, we're there.

709 We go, OK.

710 All right, Mr. Morian, please raise your right hand.

711 Do you swear a firm under penalty of perjury at the testimony you're about to give is

712 the truth? The whole truth? Nothing but the truth.

713

714 **JM Josh Morian** 1:20:14

715 Yes, Sir.

716

717 **PH Pecos Hall** 1:20:15

718 Spell your name for the record.

719

720 **JM Josh Morian** 1:20:17

721 JOSH MORIAN.

722

723 **PH Pecos Hall** 1:20:22

724 And you seeking to be qualified as an expert in what field?

725 OK.


726 Can you briefly review your education and experience that goes to that qualification?


727


728 **JM Josh Morian** 1:20:36


729 Yes, Sir. I have a Bachelor of Science degree in Bio Environmental Science from Texas


730 A&M University, graduated in 2008.
731 I've been a practicing land man for the past 17 years.
732 The past ten of those years have been for Burke royalty as an in House land man.
733

734  **Pecos Hall** 1:20:56
735 What are your duties?
736

737  **Josh Morian** 1:20:58
738 To oversee the development of leases.
739 Oversee the development of well schedules, drilling review contracts.
740 Joint operating agreements, farm outs, farm insurance, surface use agreements
741 pipeline right away.
742 Easements negotiate with surface owners, mineral owners and non operated working
743 interests.
744

745  **Pecos Hall** 1:21:21
746 Are you a member of any professional associations?
747

748  **Josh Morian** 1:21:24
749 Yes, Sir. I'm a member of the American Association of the Professional Landmen and
750 I hold a certificate or certificate from them as a certified professional land man.
751

752  **Pecos Hall** 1:21:35
753 OK. You're recognized as an expert in petroleum land matters and Miss Pena. Thank
754 you.
755 In our exhibit packet, we also include our notice testimony with copies of the notice
756 letter.
757 The letter, sent on October 24th, 2025, and the affidavit of publication on October
758 29th.
759 With that, I ask the exhibits A&B be admitted into the record and that the case be
760 taken under advisement.
761 Perfect. Thank you.
762 Yes, they are admitted without exception, Mr. McClure.
763

764  **McClure, Dean, EMNRD** 1:22:02

765 Thank you, Mr. hearing examiner.

766 Mr. Moraine, I'm looking at your.

767 Self affirm statement. Can you provide me a little bit more details in regards to your
768 good 'cause for requesting an extension?

769

770  **Josh Morian** 1:22:21

771 Sure. So we spent the better part of the first half of this year performing due
772 diligence on this acquisition. We had originally intended to be the contract operator.
773 On behalf of High Plains, when the deal.

774 Matured such that we would actually own High Plains and would be responsible for
775 future drilling obligations.

776 That's when we really started to take a look at these, the.

777 Drilling plans that Stuart had and what it would take to get those picked back up.

778 And so we were just caught a little flat footed with our planning.

779 And so that's why we're trying to take this one step at a time to make sure we
780 understand what's expected of us, make sure that we dot all of our i's and cross all of
781 our T's and proceed accordingly.

782

783  **McClure, Dean, EMNRD** 1:23:14

784 OK.

785 So are these wells now on your drilling schedule?

786

787  **Josh Morian** 1:23:18

788 Yes, Sir.

789

790  **McClure, Dean, EMNRD** 1:23:20

791 And win approximately.

792 Do you speculate that you'll conduct or you'll start drilling?

793

794  **Josh Morian** 1:23:29

795 For this, well in particular.

796

797  **McClure, Dean, EMNRD** 1:23:32

798 Yes, Sir.

799

800  **Josh Morian** 1:23:34

801 Our drilling program is going to commence in the first quarter of 2026 this well
802 depending on the outcome of this hearing will either be in the first quarter or second
803 quarter of 2026. Based on our plans right now.

804

805  **McClure, Dean, EMNRD** 1:23:49

806 OK.

807 Thank you, Ms. Moraine.

808 Mr.

809 Hearing examiner, I have no further questions for this case.

810

811  **Pecos Hall** 1:23:56

812 Perfect. Can we take it under advisement?

813

814  **McClure, Dean, EMNRD** 1:23:58

815 Yes, we can miss her examiner.

816

817  **Pecos Hall** 1:24:00

818 All right, we're off the record.

819 Thank you. Thank you.

820

821  **Josh Morian** 1:24:02

822 Thank you.

823

824  **Pecos Hall** 1:24:03

825 All right, let's move on to COG operating 25712.

826 Mr. Examiner Dana Hardy, on behalf of COG operating and MRC Delaware Resources,
827 entered an appearance in this case.

828

829  **Paula M. Vance** 1:24:17

830 Good morning, Mr. hearing examiner Paul advance with the Santa Fe Office of
831 Holland and Heart, on behalf of MRC Delaware Resources and we are just
832 monitoring.

833

834  **Pecos Hall** 1:24:25

835 Perfect, miss Hardy.

836 Thank you. Cog seeks to pool uncommitted interest in the Wolfcamp underlying a
837 640 acre standard horizontal spacing unit comprised of the east half of sections 12
838 and 13, Township 26 S, range 28 E and Eddy County, and will dedicate the unit to the.
839 Tater salad fedcomwells.

840 Our exhibits include the land testimony and exhibits of Shelley Klingler.

841 And she has previously been admitted to testify as an expert in petroleum land
842 matters.

843 And we have also provided the geology testimony and exhibits of Jessica Pontiff,
844 who has also been previously qualified as an expert in geology before the division,
845 and then our notice information is provided and shows that we sent timely notice by
846 certified Mail on October 15th, 2025.

847 And published notice timely on October 25th, 2025.

848 So with that, unless there are questions, I ask that the exhibits be admitted and that
849 the case be taken under advisement.

850 Thank you, Ms. Hardy admitted. Without exception, Mr. McClure.

851

852  **McClure, Dean, EMNRD** 1:25:25

853 I'm Mr. Examiner.

854 I will have questions for the land man.

855

856  **Pecos Hall** 1:25:29

857 OK.

858 Let's get the landmen on.

859

860  **Klingler, Shelley C** 1:25:32

861 I'm here.

862

863  **Pecos Hall** 1:25:33

864 Wonderful. Would you raise your right hand, please? You swear?

865 Affirm under penalty of perjury, that the testimony you're about to give is the truth,
866 the whole truth.

867 Nothing but truth. Spell your name please.

868

869  **Klingler, Shelley C** 1:25:42

870 I do.

871 Shale Shelley, Klingler K.

872 LINGLER.

873

874  **Pecos Hall** 1:25:50

875 Thank you.

876 And you've previously been admitted as an expert in what field?

877

878  **Klingler, Shelley C** 1:25:55

879 Petroleum Land Management.

880

881  **Pecos Hall** 1:25:56

882 Before this division.

883

884  **Klingler, Shelley C** 1:25:58

885 Yes.

886

887  **Pecos Hall** 1:25:59

888 Thank you, Mr. McClure.

889

890  **McClure, Dean, EMNRD** 1:26:01

891 Thank you, Mr. Examiner.

892 Miss Klingler, I'm looking at your exhibit.

893 A3.

894 Specifically, page 30 of 63 of the exhibit packet.

895

896  **Klingler, Shelley C** 1:26:15

897 30.

898 OK.

899 Yes.

900

901  **McClure, Dean, EMNRD** 1:26:23

902 Are you sharing with us too?

903 M's Hardy.

904

905  **Pecos Hall** 1:26:27

906 Let me do that.

907 Page 33, Mr. McClure.

908

909  **McClure, Dean, EMNRD** 1:26:42

910 30 is the one I'm looking at.

911

912  **Pecos Hall** 1:26:43

913 30.

914 OK.

915

916  **McClure, Dean, EMNRD** 1:26:53

917 Miss Klingler here. There's a reference of total project area working interest kind of at
918 the bottom of that table you see what I'm referring to.

919

920  **Klingler, Shelley C** 1:26:59

921 Yes, yes.

922

923  **McClure, Dean, EMNRD** 1:27:03

924 Here you have cog entities listed out.

925

926  **Klingler, Shelley C** 1:27:08

927 Yes.

928

929  **McClure, Dean, EMNRD** 1:27:09

930 Which companies are you referring to by that?

931

932  **Klingler, Shelley C** 1:27:12

933 Cog operating Concho, oil and gas.

934

935  **McClure, Dean, EMNRD** 1:27:17

936 OK. Does it?

937 Cog production LCCLG acreage.

938 Are those included?

939

940  **Klingler, Shelley C** 1:27:29

941 I think the title was showing us cog operating in conjoined oil and gas.

942 I'll double check on the COG production.

943

944  **McClure, Dean, EMNRD** 1:27:38

945 Well, I guess if I can direct your attention to the next page down is where I was
946 getting those other two entities from.

947 I don't know if that brings anything to mind for you.

948

949  **Klingler, Shelley C** 1:27:47

950 Oh, I'm sorry, you're right.

951 Yes, I forgot for that one.

952 Yes, because there were 3 old operating agreements under this tater salad drilling
953 spacing unit.

954 So cog production and COG acreage.

955

956  **McClure, Dean, EMNRD** 1:28:00

957 OK.

958 So essentially, they'll see that TLD entities is referring to these four OK.

959

960  **Klingler, Shelley C** 1:28:06

961 Yes, Sir.

962

963  **McClure, Dean, EMNRD** 1:28:08

964 Thank you, Mr. Klingler.

965 Yeah, I think we should be going on exhibit A3.

966 I have no more, no further questions for this case.

967 Mention hearing examiner, but I do have a request for Miss Hardy on the CPAC.

968

969  **Pecos Hall** 1:28:28

970 Go right ahead.

971

972  **McClure, Dean, EMNRD** 1:28:30

973 M's Hardy, you have the set back.

974 Listed as being statewide.

975 You see where I'm referring to.

976

977  **Pecos Hall** 1:28:39

978 Yes.

979

980  **McClure, Dean, EMNRD** 1:28:41

981 Can we correct that to match the purple sage setbacks?

982 Whether you want to say 3:30 or reference purple sage or reference at hearing order

983 however you wish to do it.

984

985  **Pecos Hall** 1:28:49

986 Yes.

987 Yes, I can do that.

988

989  **McClure, Dean, EMNRD** 1:28:54

990 It's probably fine, OK.

991 Thank you, miss Hardy.

992 Thank you, miss hearing examiner.

993 I have nothing further for this case.

994

995  **Pecos Hall** 1:28:59

996 So. So Mr. McClure, since they're going to be resubmitting information, do you want
997 the land man to correct that other exhibit?

998

999  **McClure, Dean, EMNRD** 1:29:09

1000 I mean, we could have the land man do a breakout of those different entities.

1001 I'm assuming it's kind of under the same umbrella, but I miss Clinger.

1002 Do you have that information available to you at hand?

1003 The breakout between the four entities.

1004

1005  **Klingler, Shelley C** 1:29:24

1006 I can do that.

1007

1008  **McClure, Dean, EMNRD** 1:29:26

1009 OK.

1010 Yeah. I guess if we want to submit an amended exhibit A-3 as well, that would be
1011 good.

1012

1013  **Pecos Hall** 1:29:32

1014 Perfect. So M's Hardy, will you do that in enough time to continue this case to
1015 December 18?

1016 Yes, I can do that.

1017 Perfect. That works for you, Mr. McClure.

1018

1019  **McClure, Dean, EMNRD** 1:29:43

1020 Yes, it does, Mr. Herring examiner.

1021

1022  **Pecos Hall** 1:29:44

1023 All right, very good.

1024 We're off the record in this case.

1025 Thank you, Ms. Klingler.

1026 Thank you.

1027 All right, Matador production, this is number 1112 on the docket 2571325714 and it
1028 looks like also 25715 entries of appearance please.

1029

1030  **Paula M. Vance** 1:30:02

1031 Good morning, Mr. hearing examiner.

1032 Mr. Technical Examiner Paula Vance with the Santa Fe Office of Holland and Heart,
1033 on behalf of the applicant, MRC Permian Company.

1034 And I believe there's one party that entered an appearance.

1035

1036  **Pecos Hall** 1:30:15

1037 She's she's trying.

1038 It's having trouble with the microphone.

1039

1040 **PV Paula M. Vance** 1:30:19

1041 OK.

1042

1043 **PH Pecos Hall** 1:30:20

1044 Hi, Caitlin.

1045 Luck appearing this morning for Vicki Meadows and Beau Bays. And there's no

1046 objection to this case, just simply appearing and preserving rights.

1047 Alright, perfect.

1048 Go right ahead, Miss Vance.

1049 You wanna present them all together, please?

1050

1051 **PV Paula M. Vance** 1:30:31

1052 Yes, and I will be very brief.

1053 So in case 25713 and 25714 those are our two bone spurring cases and they are

1054 standard spacing units. And then our case 25715 is our Wolfcamp case that is a

1055 Wolfcamp oil. And again, it's a stand.

1056

1057 **PH Pecos Hall** 1:30:33

1058 Thank you.

1059

1060 **PV Paula M. Vance** 1:30:49

1061 Spacing. Our experts are Hox. Holder is the land man and our geologist is Andrew
1062 Parker.

1063 Both of whom have previously testified before the division.

1064 We've included all the standard exhibits.

1065 Including the CPAC and a copy of the filed application. And then of course myself
1066 affirmed statement of notice.

1067 And our notice of publication all notice was timely and unless there are any
1068 questions, I would ask that the exhibits and sub exhibits be admitted into the record
1069 and that these cases be taken under advisement at this time.

1070

1071 **PH Pecos Hall** 1:31:23

1072 Thank you, Miss Vance.

1073 Miss luck?

1074 No dakshin.

1075 Thank you. Without exception, Miss Vance.

1076 Mr. McClure.

1077

1078  **McClure, Dean, EMNRD** 1:31:32

1079 Mr. Examiner, I have no questions for the witnesses, but a request for Miss Vance on
1080 the Bone Spring cases.

1081

1082  **Pecos Hall** 1:31:39

1083 And what case numbers are those?

1084

1085  **McClure, Dean, EMNRD** 1:31:42

1086 The first two that will be.

1087

1088  **Pecos Hall** 1:31:44

1089 OK.

1090 Got it. 1/3 and 1/4 go right ahead.

1091 So in other words, we can take 15 under advisement.

1092

1093  **McClure, Dean, EMNRD** 1:31:52

1094 That is correct, Mr. Examiner.

1095

1096  **Pecos Hall** 1:31:53

1097 All right, go right ahead.

1098

1099  **McClure, Dean, EMNRD** 1:31:57

1100 Miss Vance for the Bone Spring cases, there's only one bonespring pool in the area,
1101 so if we can correct the CPAC and the form C-102 to reflect that the pool is your Salt
1102 Lake Bone Spring Pool code 5356 zil.

1103

1104  **Paula M. Vance** 1:32:21

1105 OK.

1106 And I would just ask the same courtesy that we are able to continue this to the 18th

1107 and we will file those revised hearing packets.

1108 And you know, have these taken under advisement at that time, would that be
1109 appropriate?

1110

1111 **PH Pecos Hall 1:32:36**

1112 Yes, Miss Vance.

1113 Yes, Miss Vance. That's granted.

1114 So we'll see these two cases on December 18 when you file your amended exhibit
1115 packet with cover letter and continue them.

1116

1117 **PV Paula M. Vance 1:32:48**

1118 Thank you.

1119

1120 **PH Pecos Hall 1:32:49**

1121 All right, so we're off the record in those three cases.

1122 Let's move on to Permian Resources.

1123 Looks like we have a bunch of cases here.

1124 I'm going to read the case numbers 2571920212324 and 25 entries please.

1125 Good morning, Mr. hearing examiner Yoditz opinion on behalf of Permian Resources
1126 operating.

1127 Yes, ma'am. And good morning again, Mr. Hearing Examiner Caitlin Locke appearing in
1128 this case for WR Non Op LLC.

1129 And an all six cases.

1130 Sorry and your position.

1131 Oh, no objection. Just preserving rights.

1132 Thank you. Perfect. Thank you.

1133 Thank you. Mr. Hearing Examiner are in all of these six cases. Permian is seeking A1
1134 year extension of time until February 19th, 2027. These all these orders pulled
1135 uncommitted interest in the Bone Spring and Wolfcamp formations in sections 11
1136 and 14 in Township 20 S.

1137 Range 33 E in Lee County and dedicated the various spacing units to the Anaconda
1138 Federal Commonwealth.

1139 Our exhibit packet includes the land testimony and corresponding exhibits of Mark
1140 Kajik, who has previously testified before the division and has been recognized as an
1141 expert in patrol and land matters. And we also include our notice testimony with
1142 copies of the notice letter that was sent to all.

1143 Parties on October 20th, 2025 and the affidavit of publication on October 29th, 2025.
1144 With that, I ask that all the exhibit packets be admitted into each case, and that the
1145 cases be taken under advisement.

1146 Sounds good. I don't think Mr. McClure has questions on these cases, so let me just
1147 ask you myself. After admitting your exhibits, without exception, what is the good
1148 'cause to grant the extension?

1149 So Permian?

1150 Seeks this extension because they have been impacted by permitting delays and the
1151 rig availability in the area.

1152 OK.

1153 All right, Mr. McClure, that's sufficient.

1154

1155  **McClure, Dean, EMNRD** 1:34:37

1156 Yes, it is, Mr. Examiner.

1157

1158  **Pecos Hall** 1:34:39

1159 All right, Miss Penny, these cases are taken under advisement.

1160 Thank you. Thank you.

1161 Move on to mubar oil 25726.

1162 Mr. Examiner.

1163 Dana Hardy, on behalf of Muburn Oil company, go right ahead. Thank you.

1164 In this case, MUBARAN seeks an extension of time to convince drilling operations
1165 under order R 23512, and also to amend the order to add or correct the pool name
1166 and code.

1167 After the original order was received, OCD notified MUBAR that the pool needed to
1168 be changed.

1169 And because this was a nonstandard spacing unit, we needed to apply for a hearing
1170 to do that.

1171 So those are the requests and we have provided the self affirm statements of land
1172 man, Braxton Blandford, who has previously testified before the division. And our
1173 notice information shows that notice was timely, provided and published.

1174 So with that, I would ask that the exhibits be admitted and that the case be taken
1175 under advisement.

1176 Thank you, miss Miss Hardy.

1177 Without exception, Mr. McClure questions on this case.

1178

1179  **McClure, Dean, EMNRD** 1:35:41

1180 Mr. Examiner.

1181 No questions, but some requests for Ms. Hardy.

1182

1183  **Pecos Hall** 1:35:46

1184 Go right ahead.

1185

1186  **McClure, Dean, EMNRD** 1:35:48

1187 M's Hardy.

1188 The original CPAC, or I should say, the CPAC that is associated with the original
1189 order.

1190 Can you update that to have the correct pool on it and provide us with the amended
1191 CPAC?

1192

1193  **Pecos Hall** 1:36:06

1194 Sure, we can do that.

1195

1196  **McClure, Dean, EMNRD** 1:36:08

1197 OK. And then one additional request.

1198 I know the divisions been requesting for our NSP applications. If we could identify
1199 the interests in each of the surrounding tracks.

1200 Do you understand what I'm asking for by that, Miss Hardy, I guess.

1201

1202  **Pecos Hall** 1:36:30

1203 Yes. And I believe that we had done that in our exhibit A3.

1204

1205  **McClure, Dean, EMNRD** 1:36:42

1206 Yeah, as I say, looking at the A3, you have the affected tracks identified, but you
1207 don't have the owners listed there for for each of the tracks.

1208

1209  **Pecos Hall** 1:36:52

1210 I see the owners are listed on the next page, but it's not by tract so like.

1211

1212  **McClure, Dean, EMNRD** 1:36:58

1213 My understanding is the divisions been requesting that we provide that for each of
1214 the identified tracks rather than just a blanket list.

1215

1216  **Pecos Hall** 1:36:59

1217 You're us, OK?

1218 OK, we can do that.

1219 M's Hardy, December 18th.

1220 That's fine.

1221 It gives you enough time. Yes, thank you.

1222 Alright, Mr. McClure, December 18 looks like it's gonna be busier than we thought
1223 originally.

1224 Alright.

1225

1226  **McClure, Dean, EMNRD** 1:37:20

1227 Well, it should be pretty fast. I hope though regardless, but.

1228

1229  **Pecos Hall** 1:37:22

1230 Hopefully yes, we all we, we all help share in that hope all right.

1231 So we're off the record.

1232 In that case, let's go on to Matador.

1233 There are a number of cases here. I'm gonna call them 21 through.

1234 Oh.

1235 29 on our dockets they are case numbers 2572830313233343536 and three 7.

1236

1237  **Paula M. Vance** 1:37:54

1238 Good morning, Mr. hearing examiner Paul Vance with the Santa Fe Office of Holland
1239 and Heart, on behalf of the applicant, MRC Permian Company.

1240

1241  **Pecos Hall** 1:38:02

1242 Thank you.

1243 Don't we have another party?

1244

1245  **Paula M. Vance** 1:38:08

1246 Yes, EOG made an appearance in some of these cases.

1247

1248 **PH Pecos Hall** 1:38:12

1249 OK.

1250 Would that be Jordan Kessler?

1251

1252 **PV Paula M. Vance** 1:38:14

1253 Ah.

1254 It would be, but I am not seeing her.

1255

1256 **PH Pecos Hall** 1:38:18

1257 OK.

1258 That's fine, that's fine.

1259

1260 **PV Paula M. Vance** 1:38:19

1261 OK.

1262

1263 **PH Pecos Hall** 1:38:19

1264 But I know why she enters an appearance.

1265 It's OK.

1266 Go right ahead.

1267

1268 **PV Paula M. Vance** 1:38:23

1269 OK, OK. There are a couple of nuances with these, so I'll just point those out. Our

1270 Bone spring cases are 2572830313233 and that's it. We do have one other Bone

1271 Spring case that we did continue, but.

1272

1273 **PH Pecos Hall** 1:38:23

1274 M's Vance.

1275

1276 **PV Paula M. Vance** 1:38:45

1277 That case is on the January 8th docket.

1278 That being said, case 25728 and 257.

1279 730 both involve a depth severance.

1280 They're complementing each other, so 25728 is pulling the second Bone spring and

1281 then 25730 is pulling everything except for the second Bone spring.

1282 Those cases also include overlaps, overlapping approval, as well as the other bone
1283 spring cases, and then in case 25733 again, it's another.
1284 Depth severance that exists there and in this particular case.
1285 It is pulling everything except for the second Bone spring and then that other case
1286 that I spoke of that we continue to the January docket pools everything.
1287 It pulls the second Bone Spring and then the other cases.
1288 Case numbers 25734 through 37 are our Wolfcamp cases and that is a oil wolf camp.
1289 We have included a copy of the application, the CPAC.
1290 And then the statements of our land Man Hawks holder.
1291 And then our geologist, Andrew Parker, both of whom have previously testified
1292 before the division and their credentials have been accepted as a matter of record.
1293 And then, of course, all of the required sub exhibits for each expert.
1294 And then that is followed by our notice, including myself, affirm statement and then
1295 the notice of publications.
1296 And with that, unless there are any questions, I would ask that.
1297 All of the exhibits and sub exhibits be admitted into the record and that these cases
1298 be taken under advisement at this time.

1299

1300  **Pecos Hall** 1:40:31

1301 Perfect, Miss Vance.

1302 Thank you all of your exhibits are admitted without exception, Mr. McClure from our
1303 earlier conversation, I understand that case number 22 and 25 on the docket.

1304 You have some concerns about which cases of these can we take under advisement.

1305

1306  **McClure, Dean, EMNRD** 1:40:52

1307 The wolf camp cases we can take under advisement.

1308 Those would be.

1309 734 through.

1310 737.

1311

1312  **Pecos Hall** 1:41:06

1313 All right, perfect.

1314 So, M's Vance. You heard that right.

1315

1316  **Paula M. Vance** 1:41:09

1317 Yes.

1318

1319  **Pecos Hall** 1:41:10

1320 All right. So, Mr. McClure, you have questions for is it just M's Vance or do you have
1321 some witness questions as well?

1322

1323  **McClure, Dean, EMNRD** 1:41:17

1324 I'll have for the two that you referenced 7:30 and.

1325

1326  **Pecos Hall** 1:41:23

1327 733.

1328

1329  **McClure, Dean, EMNRD** 1:41:23

1330 733 I'll have questions for the Landman and geologist.

1331 Preferably geologist first, yeah, but both. Yeah.

1332

1333  **Pecos Hall** 1:41:28

1334 Both.

1335 OK.

1336 What about OK.

1337 All right, let's get them sworn in.

1338 So M's Vance, would you call your witnesses, please?

1339

1340  **Paula M. Vance** 1:41:36

1341 Yes, Mr. Hawks, holder and Mr. Andrew Parker.

1342 And they are right there.

1343

1344  **Pecos Hall** 1:41:42

1345 Excellent.

1346 OK.

1347 I see both gentlemen here.

1348 I recognize one of them, but let's get them both sworn in now.

1349 I don't see anyone.
1350 Can we stop sharing the screen just for a moment?
1351
1352 **PV Paula M. Vance** 1:41:58
1353 Sorry about that.
1354
1355 **PH Pecos Hall** 1:41:59
1356 That's perfect.
1357 OK. Gentlemen, would you please raise your right hand?
1358 Do you swear?
1359 Affirm under penalty of perjury, that testimony you're about to give is the truth.
1360 The whole truth and nothing but the truth.
1361
1362 **M Matador** 1:42:10
1363 Yes, yes.
1364
1365 **PH Pecos Hall** 1:42:12
1366 All right, you can put your hands down.
1367 Would you spell your names individually for me?
1368
1369 **M Matador** 1:42:18
1370 Andrew Parker, that's a N.
1371 DREWPARKER.
1372
1373 **PH Pecos Hall** 1:42:25
1374 OK. And Mr. Parker, I recognize you, but I'm gonna ask you anyway. What field of
1375 expertise have you been admitted before this division?
1376
1377 **M Matador** 1:42:34
1378 Geology.
1379
1380 **PH Pecos Hall** 1:42:35
1381 You're the geologist. OK, very good.
1382 And then the other gentleman please.

1383

1384  **Matador** 1:42:40

1385 Yes, Hawks, holder HAWKSHOLDER.

1386

1387  **Pecos Hall** 1:42:47

1388 And you have been admitted as an expert before this division in what field?

1389

1390  **Matador** 1:42:51

1391 I have.

1392 Petroleum Lane management.

1393

1394  **Pecos Hall** 1:42:54

1395 OK.

1396 Very good, Mr. McClure, you can ask your question to the either as a panel and
1397 whoever is qualified can answer if you like.

1398

1399  **McClure, Dean, EMNRD** 1:43:03

1400 Yeah, that'll work for me.

1401 Thank you, Mr. Examiner.

1402 Mr. Parker specifically, I'm looking at the two cases in which it appears Matador is
1403 requesting to.

1404 Requesting the division to force pull the Bone Spring except for the Bone Spring 2.

1405 Are you familiar with which cases I'm referring to?

1406

1407  **Matador** 1:43:27

1408 Can can you reference the?

1409 Can we?

1410 Can we reference the well Members in these cases or?

1411 'Cause, I'm not sure which ones were which ones have been moved on and which
1412 ones were holding up here.

1413

1414  **McClure, Dean, EMNRD** 1:43:42

1415 One of the cases, one of the case numbers would be case 25730. If you want to bring
1416 it up, Miss Vance, or you can do 733.

1417 That might reference it for your witnesses.

1418 If you could Scroll down to the CPAC, that might give him the well numbers.

1419

1420  **Matador** 1:44:04

1421 OK.

1422 So we got 131 and 134, OK.

1423

1424  **McClure, Dean, EMNRD** 1:44:09

1425 OK.

1426 So you're familiar with the instances that I'm referring to, Mr. Parker.

1427

1428  **Matador** 1:44:14

1429 Yes, Sir.

1430

1431  **McClure, Dean, EMNRD** 1:44:16

1432 In this instance, is it correct that?

1433 The Bone Spring One and the Bone Spring three are not directly touching.

1434

1435  **Matador** 1:44:32

1436 Well, both.

1437 Both of these wells in these two cases are targeting the third Bone Spring sand.

1438

1439  **McClure, Dean, EMNRD** 1:44:40

1440 Is it accurate to say that Matador is requesting the division to force pull?

1441 Interest in the upper Bone Spring as well as the Bone Spring 3.

1442

1443  **Matador** 1:44:53

1444 To my knowledge, we're asking to pull the entire Bone Spring Formation, which
1445 which includes, you know, all of the Bone Spring Sands, first, second and Third Bone
1446 Spring sands. But for these these two wells, we will be targeting the third Bone
1447 Spring sand.

1448

1449  **McClure, Dean, EMNRD** 1:45:18

1450 Mr. Holder, did you hear the question I just asked Mr. Parker?

1451 Is it accurate that Matador is requesting to force pool?

1452 I guess the entirety of the Bone Spring, except for the Bone Spring two in these two
1453 cases.

1454

1455  **Matador** 1:45:35

1456 That's correct.

1457

1458  **McClure, Dean, EMNRD** 1:45:37

1459 OK, Mr. Parker, did you just hear what Mr. Holder responded?

1460

1461  **Matador** 1:45:41

1462 Yes, yeah, I understand now.

1463

1464  **McClure, Dean, EMNRD** 1:45:44

1465 So is it accurate to say that the Bone Spring one is not directly connected to the
1466 Bone Spring 3?

1467

1468  **Matador** 1:45:57

1469 You're talking about the first Bone Spring sand.

1470

1471  **McClure, Dean, EMNRD** 1:46:01

1472 That's correct, Mr. Parker.

1473

1474  **Matador** 1:46:03

1475 Yes, it's it's not touching or connected to the third Bone Spring.

1476

1477  **McClure, Dean, EMNRD** 1:46:07

1478 And are these two intervals separated by the Bone Spring 2?

1479

1480  **Matador** 1:46:14

1481 Yes, it's in between them.

1482

1483  **McClure, Dean, EMNRD** 1:46:18

1484 And based off of Mr. Holder's earlier response, is it also accurate to say that Matador
1485 is not including the Bone Spring 2 within this particular proposed unit?

1486

1487  **Matador** 1:46:35

1488 Yeah, but to to my knowledge, yes, I'm not.

1489 I'm not, you know, an expert on the depth severances here, but.

1490 If we're excluding the second bone here, then that's that's separate from the Third
1491 Bone Spring.

1492

1493  **McClure, Dean, EMNRD** 1:46:50

1494 Are you aware?

1495 Of how hydrocarbons from the Bone Spring 1 can be produced by wells within the
1496 Bone Spring 3. Without that production traversing the Bone Spring 2.

1497

1498  **Matador** 1:47:13

1499 I'm not sure I understand your question.

1500

1501  **McClure, Dean, EMNRD** 1:47:16

1502 OK.

1503 You have two separate vertical intervals that you're asking the division to force pull.
1504 But there is another vertical interval, the Bone Spring two, that separates those two
1505 vertical intervals.

1506 My question to you how is Matador proposing to produce from that upper vertical
1507 interval without it going through the middle interval?

1508

1509  **Matador** 1:47:52

1510 I guess I'm. I guess I'm confused because.

1511 We're we're not.

1512 We're not talking about producing from the first Bone Spring in in this well.

1513

1514  **McClure, Dean, EMNRD** 1:48:08

1515 However, Matador is asking the division to force pull the Bone Spring 1 correct?

1516

1517  **Matador** 1:48:17

1518 Well, I mean.

1519 We're we're force pulling the Bone Spring formation, yes.

1520

1521  **McClure, Dean, EMNRD** 1:48:30

1522 Mr. Holder.

1523 Why did?

1524 Why is Matador requesting the division to force pull the entirety of the Bone Spring
1525 except for the Bone Spring?

1526 Two, when it can't produce the Bone Spring one by its proposed wells.

1527

1528  **Matador** 1:48:51

1529 So we're it's because of the dev separate.

1530

1531  **McClure, Dean, EMNRD** 1:48:58

1532 OK, let me re ask my question. Considering that the normal Ave.

1533 Would be to pool these in two separate cases.

1534 Why did?

1535 Matador ask to force pool these two separate intervals in a singular case.

1536 If you don't know the answer, that's fine too, Mr. Holder.

1537

1538  **Matador** 1:49:33

1539 Oh, I think you just cut out.

1540 We lost probably the last 15 to 30 seconds.

1541

1542  **McClure, Dean, EMNRD** 1:49:40

1543 Do you want me to re ask my question?

1544

1545  **Matador** 1:49:42

1546 Yes, please.

1547

1548  **McClure, Dean, EMNRD** 1:49:44

1549 OK, considering that the normal Ave. is to pull would be to pull the two separate
1550 vertical intervals in two separate cases.

1551 Why is Matador asking the division to force pull them in a singular case in this

1552 instance?

1553

1554  **Matador** 1:50:00

1555 I would defer to council on that.

1556

1557  **McClure, Dean, EMNRD** 1:50:13

1558 Mr.

1559 Hearing examiner, I don't have anything further for the.

1560 Experts, but I do have questions for Miss Vance.

1561

1562  **Pecos Hall** 1:50:24

1563 Now just to be clear, Miss Vance is not a witness who has been sworn in, so she can't
1564 provide, you know, evidence the way the land man or the geologist can.

1565 But go right ahead.

1566

1567  **McClure, Dean, EMNRD** 1:50:39

1568 OK.

1569 Yeah, I guess maybe I don't necessarily have questions for M's fans.

1570

1571  **Pecos Hall** 1:50:44

1572 I think she want.

1573 I think she wants to say something. So go right ahead.

1574

1575  **Paula M. Vance** 1:50:48

1576 Would it be possible for me to ask my own witnesses some questions that I might
1577 that might help Mr. McClure?

1578

1579  **Pecos Hall** 1:50:54

1580 Go right ahead, Miss Vance.

1581

1582  **Paula M. Vance** 1:50:59

1583 Mr. Holder and I don't see you up. Is the interest the same between the 1st and the
1584 3rd Bone Spring?

1585

1586  **Matador** 1:51:08

1587 Yes it is.

1588

1589 **PV** **Paula M. Vance** 1:51:09

1590 And is the interest different specifically for the Second Bone Spring?

1591

1592 **M** **Matador** 1:51:15

1593 It is.

1594

1595 **PV** **Paula M. Vance** 1:51:16

1596 OK.

1597 So sorry, I'm getting some feedback from I think, Miss Shaheen.

1598 Sorry, sorry. I was hearing a lot of noise.

1599 And then for for the, for the wells that are proposed?

1600 For the Bone Spring cases, what? What is the specific target for for those wells?

1601

1602 **M** **Matador** 1:51:43

1603 On the Bone spring cases.

1604

1605 **PV** **Paula M. Vance** 1:51:45

1606 Yes.

1607

1608 **M** **Matador** 1:51:47

1609 Are you referencing the second one?

1610 Spring only case or the 1st and 3rd 1 spring case.

1611

1612 **PV** **Paula M. Vance** 1:51:52

1613 The first and third Bone spring cases.

1614

1615 **M** **Matador** 1:51:55

1616 Specific in the target of the initial wells right now would be the third Bone Spring.

1617

1618 **PV** **Paula M. Vance** 1:52:00

1619 OK. And does Matador plan to come back and do infill wells in the first phase?

1620

1621 **M** **Matador** 1:52:06

1622 Yes, we do.

1623

1624  **Paula M. Vance** 1:52:09

1625 OK.

1626 Sorry, I don't know why Miss Shaheen's keeps getting unmuted.

1627 And and you plan to drill those first Bone Spring wells under the proposed order,
1628 correct?

1629

1630  **Matador** 1:52:26

1631 That's correct.

1632

1633  **Paula M. Vance** 1:52:29

1634 No further questions.

1635

1636  **Pecos Hall** 1:52:31

1637 Mr. McClure, do you have any follow up to those questions?

1638

1639  **McClure, Dean, EMNRD** 1:52:36

1640 I do not, Mr. Herring examiner.

1641

1642  **Pecos Hall** 1:52:38

1643 All right.

1644 How do you want to proceed, Mr. McClure?

1645

1646  **McClure, Dean, EMNRD** 1:52:41

1647 I want to provide some guidance for Miss Vance, if I may.

1648

1649  **Pecos Hall** 1:52:44

1650 Go right ahead.

1651

1652  **McClure, Dean, EMNRD** 1:52:46

1653 M's Vance.

1654 I guess first directing my attention to the two cases.

1655 That we're talking about or the primary ones that we had questions about that being.

1656 Case 730 and case 733.

1657

1658 **PV** **Paula M. Vance** 1:53:07

1659 Mm-hmm.

1660

1661 **McClure, Dean, EMNRD** 1:53:10

1662 We kind of have two options here.

1663 The division will not be approving them as they currently are present it.

1664 You may allow us to go ahead and reject it if you'd like, but your other option would

1665 be to dismiss yourself the interval one of those intervals. Presumably your upper

1666 portion of the Bone Spring, and then receive a compulsory pulling order for just the

1667 Bone Spring.

1668 Three, if you'd like.

1669

1670 **PV** **Paula M. Vance** 1:53:42

1671 If you would, if we could just take a pause from these cases and let me just check

1672 with my client.

1673 But that was going to be my my follow up to suggest.

1674 That was that was going along with your questioning. If if I could have just a

1675 moment. I actually am presenting the next cases, but if I could just have a moment to

1676 discuss with my client and follow up before the end of the hearing, could I do that?

1677 Please.

1678

1679 **PH** **Pecos Hall** 1:54:12

1680 I'm OK with that.

1681 So you're so M's. Vance. You're saying that you are?

1682 You are presenting the hillcorp energy cases.

1683

1684 **PV** **Paula M. Vance** 1:54:21

1685 Yes, I am.

1686

1687 **PH** **Pecos Hall** 1:54:22

1688 Alright. And then so are you prepared to proceed now on the hillcorp cases and then

1689 follow up with your client?

1690

1691 **PV** **Paula M. Vance** 1:54:31

1692 Yes. And actually I've got the one last case after that and I know I may even get an e-
1693 mail while I'm presenting to confirm how Matador would like to proceed, but that
1694 would be I I can definitely let the division know whether or not we'd like to pro.

1695

1696 **PH Pecos Hall** 1:54:34

1697 Perfect.

1698 OK.

1699 OK.

1700

1701 **PV Paula M. Vance** 1:54:49

1702 How Mr. McClure has laid it out.

1703

1704 **PH Pecos Hall** 1:54:52

1705 OK, so M's Vance, we have taken certain cases in the Wolfcamp under advisement,
1706 you know that.

1707

1708 **PV Paula M. Vance** 1:54:58

1709 Yes.

1710

1711 **PH Pecos Hall** 1:54:59

1712 All right, very good. All right.

1713 Why don't you then? We're in recess on the other cases in the Bone Spring.

1714 For now, until you get some direction from your client, let's move on to hillcorp
1715 energy cases.

1716 These are #30.

1717 Through.

1718 30 through 37 on our docket case numbers, 257-3839, 404-142-4344 and 4-5 entries
1719 please.

1720

1721 **PV Paula M. Vance** 1:55:26

1722 You know what?

1723 I already got an answer.

1724 Could I?

1725 I mean however you would like to do it, Mr. Examiner.

1726

1727  **Pecos Hall** 1:55:32

1728 Let's go back on the record to to Matador.

1729 Cases go right ahead, Ms. Vance.

1730

1731  **Paula M. Vance** 1:55:36

1732 OK. We will go ahead and dismiss the first Bone Spring portion and move forward
1733 with the Third Bone Spring. We'll come back with separate applications to pool the
1734 first Bone Spring portion of those two cases.

1735 So for case 25730 and 25733 we would just request to pool the third Bone spring for
1736 those initial wells that are included with the application.

1737

1738  **Pecos Hall** 1:56:04

1739 So, Mr. McClure.

1740 How does that so?

1741 First of all, how does that affect case number 257283132?

1742

1743  **McClure, Dean, EMNRD** 1:56:16

1744 It will. That specifically will not affect those three cases necessary examiner.

1745

1746  **Pecos Hall** 1:56:22

1747 OK.

1748 So do we need?

1749 Do we need something else on those cases I just listed?

1750

1751  **McClure, Dean, EMNRD** 1:56:29

1752 That is correct, Mr. Herring. Examiner for all five of the bonespring I have further
1753 guidance for Miss Vance.

1754

1755  **Pecos Hall** 1:56:34

1756 OK, now so before you give Miss Vance some guidance. Miss Vance, are you gonna
1757 submit a formal document dismissing part of your case?

1758 Your application.

1759 Is that what you're gonna do?

1760

1761 **PV** **Paula M. Vance** 1:56:46

1762 My thought was and I I was kind of wondering how what guidance Mr. McClure was
1763 going to provide, but my thought was going to be to just go ahead and file a revised
1764 hearing packet with an updated CPAC that just provides for pooling that third Bone
1765 Spring port.

1766

1767 **PH** **Pecos Hall** 1:56:53

1768 Sure.

1769 Oh, OK.

1770

1771 **PV** **Paula M. Vance** 1:57:07

1772 Of the of the filed application.

1773 Rather than and, we can and I can include a description in the cover page.

1774

1775 **PH** **Pecos Hall** 1:57:11

1776 OK.

1777

1778 **PV** **Paula M. Vance** 1:57:16

1779 Per the usual process.

1780

1781 **PH** **Pecos Hall** 1:57:18

1782 So so M's Vance, if I'm, if I understand you correctly notice will not be affected
1783 because you're basically contracting the area that you are asking the division to force
1784 pool.

1785

1786 **PV** **Paula M. Vance** 1:57:32

1787 Yes, I I think because we have provided for more than what we are now going to
1788 pool, you know it just would be a matter of revising.

1789 And and conforming to what the division will allow us to pool based on Mr.

1790 McClure's guidance.

1791

1792 **PH** **Pecos Hall** 1:57:47

1793 All right, all right. Mr. McClure, do you want to give Miss Vance guidance on these
1794 five Bone spring cases?

1795

1796  **McClure, Dean, EMNRD** 1:57:55

1797 Yes, I will.

1798 Thank you, Mr. Examiner.

1799 M's Vance, similar to the earlier cases, we have an additional pool that is not correct.

1800 The Bone Spring should be in the in.

1801 Its entirety is in the Salt Lake Bone Spring.

1802

1803  **Paula M. Vance** 1:58:11

1804 Oh.

1805

1806  **McClure, Dean, EMNRD** 1:58:12

1807 Poo cold?

1808 5356 I'll.

1809

1810  **Paula M. Vance** 1:58:16

1811 OK.

1812

1813  **McClure, Dean, EMNRD** 1:58:17

1814 So if we can correct the CPAC sand form C-102's to reflect that, and all five of the
1815 Bone Spring.

1816

1817  **Paula M. Vance** 1:58:23

1818 We'll do that.

1819

1820  **McClure, Dean, EMNRD** 1:58:26

1821 And now that's all I had. Mr. Hank zamner.

1822

1823  **Pecos Hall** 1:58:29

1824 OK.

1825 So now M's Vance with what you understand. What are you submitting and when do
1826 you want to bring these cases back?

1827

1828  **Paula M. Vance** 1:58:35

1829 I would venture to guess that we will be prepared to come back by the 18th and we
1830 will.

1831

1832 **PH Pecos Hall 1:58:42**

1833 OK.

1834

1835 **PV Paula M. Vance 1:58:43**

1836 We will file revised hearing packets to account for the just the one pool for all of the
1837 Bone Spring cases, and then for the case 25730 and 25733. We will revise the Cpac's
1838 there to account for.

1839 Just the pooled portion of the Third Bone Spring.

1840 Per Mr. McClure's guidance.

1841

1842 **PH Pecos Hall 1:59:07**

1843 All right, perfect.

1844 So it sounds like your client has some direction forward with these 5 cases.

1845 We'll come back on the 18th once you continue them and file the proper documents
1846 and hear them at that time.

1847 So we're off the record there.

1848 Let's I think I called your hillcorp energy cases, Miss Vance.

1849

1850 **PV Paula M. Vance 1:59:26**

1851 Yes. And if you give me just one second, I've got a lot of papers in front of me.

1852 Good morning, Mr. hearing examiner. Mr. McClure. Paul Advance with the Santa Fe
1853 Office of Holland and Hart on behalf of the applicant Hillcorp Energy Company, and
1854 there are no other parties in these cases.

1855

1856 **PH Pecos Hall 1:59:44**





1857 Go right ahead.

1858

1859 **PV Paula M. Vance 1:59:45**

1860 OK, in all of these cases, hillcorp is requesting an exception to the well density
1861 requirements in case numbers 25738 through 25740 that involves the Blanco Mesa
1862 Verde gas pool. In that gas pool code is 72319 and.

1863 Then in case numbers 257125741 and 25745.

1864 This is a request from the.
1865 The request for an exception for the Basin Dakota Gas pool in that pool code is 252-
1866 1599.
1867 And I won't go through all of the specifics so that we can keep things moving along.
1868 But in each of the hearing packets, we did provide a statement from our land band,
1869 Gatewood Brown, who has previously testified before the division, and his credentials
1870 have been accepted as a.
1871 Record and then also a reservoir engineer, Mr. Marcus Hill, who has also previously
1872 testified, and his credentials have been accepted as a matter of record.
1873 I will.
1874 And then we've included the required sub exhibits for both of our experts and then
1875 that's followed by my self affirm statement of notice along with the notice of
1876 publication.
1877 I will point out that I did file a revised hearing packet this morning in case 25742
1878 because I noticed a copy of the A sample copy of the notice letter was missing from
1879 the hearing packet. So that did make it into the record and.
1880 We did provide include a cover page for that unless there were any questions, I
1881 would ask that the exhibits and sub exhibits be admitted into the record and that
1882 these cases be taken under advisement at this time.
1883
1884  **Pecos Hall** 2:01:33
1885 Thank you, Ms. Vance. Without exception, Mr. McClure.
1886 I believe these cases were going to be taken under advisement, but now you've
1887 heard something is missing.
1888
1889  **McClure, Dean, EMNRD** 2:01:45
1890 I believe we can still take it under advisement, provided that we're fine if accepting
1891 that amended exhibit from this morning.
1892
1893  **Pecos Hall** 2:01:54
1894 Miss Vance, when can you get that to us?
1895
1896  **Paula M. Vance** 2:01:57
1897 It was already filed.

1898

1899 **PH Pecos Hall** 2:01:58

1900 Oh, it's already filed. OK.

1901

1902 **PV Paula M. Vance** 2:02:00

1903 Yeah, it's already filed and it was approved it it's in the, it's in the case file.

1904

1905 **PH Pecos Hall** 2:02:02

1906 In all.

1907 For all of these.

1908

1909 **PV Paula M. Vance** 2:02:07

1910 It was just for the one case 25742.

1911

1912 **PH Pecos Hall** 2:02:08

1913 OK.

1914

1915 **PV Paula M. Vance** 2:02:11

1916 It was just the sample copy of my notice letter.

1917 For whatever reason, just it it was missing.

1918

1919 **PH Pecos Hall** 2:02:16

1920 Very good. OK, then. Thank you.

1921 Ms. Vance.

1922 Freya, can you verify that in case 25742 we have that additional filing?

1923 We do excellent M's Vance.

1924 We'll take these cases under advisement.

1925

1926 **PV Paula M. Vance** 2:02:31

1927 Thank you very much.

1928

1929 **PH Pecos Hall** 2:02:33

1930 Moving on to Matador production 25749.

1931

1932 **PV Paula M. Vance** 2:02:37

1933 Good morning, Mr. hearing examiner, Paul Evans with the Santa Fe Office of Holland
1934 and hard, on behalf of the applicant, MRC Permian Company.
1935 There are no other parties in this case that I know of, and this is just a request for
1936 extension and we have included a copy of the application, the original order, our
1937 statement from our Landman hochsholder, there's a paragraph five has a talks about
1938 the good 'cause for.
1939 The request.
1940 And then we've included all of the required notice, including myself, affirmed
1941 statement of notice and unless there are any questions, I would ask that the exhibits
1942 be admitted into the record and that this case be taken under advisement at this
1943 time.
1944
1945 **PH Pecos Hall 2:03:22**
1946 Admitted without exception, and the cases taken under advisement.
1947 Thank you.
1948 Let's move on to Mubarak 25751 and 5/2.
1949 Oh, good morning for one more minute, Mr. hearing examiner Raileigh Starnes with
1950 the Santa Fe Office of Holland and Heart.
1951 Could you spell your name?
1952 Yes, raylie RAYLEE, Starnes, STARNES, starnes. Thank you.
1953 Yes, on behalf of the applicant, Mewburn Oil Company and I don't believe there are
1954 any other appearances.
1955 In this case, case numbers 25725751 and 25752 are both seeking pooling orders for
1956 acreage in the Bone Spring formation in the Southeast quarter of Section 18 and the
1957 east half of section 19, Township 18 S range 30.
1958 4 E Lee County, New Mexico.
1959 They're both standard orders, with one exception of 25751 also being in application
1960 for approval of an overlapping.
1961 Spacing units we have included all of the necessary standard exhibits, including
1962 statements by Brendan Johnson, Landman and Charles Crosby, geologist Brendan
1963 Johnson.
1964 The land man has not previously been accepted as an expert in front of the division
1965 and unfortunately he did have an unavoidable conflict today. So with technical
1966 examiner has any questions we we do have Tyler Jolly on the line just in case.
1967 But if there are not any questions.

1968 I would ask that all exhibits and sub exhibits be admitted into the record and the
1969 cases be taken under advisement by the division at this time.
1970 They're admitted without exception and will take the two cases under advisement.
1971 Thank you.
1972 Thank you and welcome.
1973 Let's move on to Permian Resources.
1974 These are two cases, 25762 and six. Three entries please.
1975 Good morning, Mr. Oh, good afternoon, Mr. hearing examiner. Yabitsa Pena, on
1976 behalf of Permian Resources operating.
1977 Thank you. And I believe there are no other parties in this case.
1978 In these two cases.
1979 Permian Resources seeks A1 year extension until December 12, 2026 to commence
1980 drilling. The wells authorized by the orders in the Bone Spring formations and their
1981 dedicated to the Star Fox 9 Fed Comm. Wells good 'cause exists for the requested
1982 extensions as Permian's ability to.
1983 Commence drilling the wells has been delayed due to limited availability and also
1984 requires additional time to evaluate offset drilling results.
1985 To determine well spacing in the area, exhibits were timely submitted for these last
1986 week.
1987 And include the land testimony and correspondence corresponding exhibits of Logan
1988 Cooksie, who has not previously testified before the division. And if there are any
1989 questions, we would ask to have them have had admitted. As an expert, we also
1990 include our notice testimony with copies of the notice letter.
1991 Which was timely, sent on November 11th, 2025, and the affidavit of publication for
1992 November 15th, 2025.
1993 With that, I ask that the exhibits be admitted in these two cases, and that the cases
1994 be taken under advisement.
1995 Thank you, miss Pena.
1996 The exhibits are admitted without exception.
1997 I don't believe we have any questions for your landmass. So we're not gonna qualify
1998 him, OK? Or her.
1999 I don't.
2000 I didn't quite get the name today and I believe we can take these two cases under
2001 advisement.
2002 Thank you.

2003 Thank you.

2004 Moving to the last two cases now, we have mubaran oil 25766.

2005 Yes, Jackie McLean, on behalf of Mubar Oil company.

2006 Thank you.

2007 And in case number 25766, newborn is just seeking to pull additional interest.

2008 Owners under the terms.

2009 Order number R2365 four and they're only pulling additional leased mineral interest

2010 to satisfy certain contractual provisions within the leases.

2011 I ask that the exhibits for case number 26766 or sorry 25766 be admitted into the

2012 record and that the case be taken under advisement, OK? And your land man, who is

2013 your land man? Yes, our land man.

2014 And this one is Brad done and he has been admitted previously as an expert, Brad


2015 Dunn.

2016 Brad Dunn, OK.

2017 I have a feeling we're gonna have a question for Mr. Dunn, OK. Is that right, Mr.


2018 McClure?

2019

2020  **McClure, Dean, EMNRD** 2:07:36

2021 Examiner.

2022

2023  **Pecos Hall** 2:07:36

2024 I thought it was.

2025 And let's get your exhibits admitted without exception. Miss McClain, thank you and.

2026 What about your notice?

2027 When was it mailed and published?

2028 Our notice was mailed on November 11th and affidavit of publication November

2029 15th.

2030 All right.

2031 Thank you.

2032 All right, Mr. Dunn, would you please raise your right hand?

2033 You swear affirm under penalty of perjury, that the testimony you're about to give is

2034 the truth.

2035 The whole truth and nothing but the truth.

2036

2037  **Brad Dunn** 2:08:10

2038 I do.

2039

2040  **Pecos Hall** 2:08:11

2041 Perfect. Would you spell your name, please?

2042

2043  **Brad Dunn** 2:08:15

2044 Brad done BRADDU NN.

2045

2046  **Pecos Hall** 2:08:19

2047 Thank you.

2048 And you've been previously admitted as an expert in what field?

2049

2050  **Brad Dunn** 2:08:24

2051 In land.

2052

2053  **Pecos Hall** 2:08:25

2054 Before this division.

2055

2056  **Brad Dunn** 2:08:27

2057 Yes, Sir.

2058

2059  **Pecos Hall** 2:08:28

2060 Perfect, Mr. McClure.

2061

2062  **McClure, Dean, EMNRD** 2:08:31

2063 Thank you, Mr. Herring examiner.

2064 Mr. Dunn, can you provide a little bit more details about?

2065 Who you born is requesting the division to force pull.

2066

2067  **Brad Dunn** 2:08:43

2068 Yeah. So we we did a a nonstandard pruration unit. It was approved by the OCD and
2069 the least federal owners that never ratified our COM agreement. That called for a
2070 spacing unit of 12180 acres.

2071 We're we're seeking to pull them into this larger unit because all of their leases are
2072 from.
2073 There all these older fee leases and they had a provision within the lease that doesn't
2074 allow for larger than a 640 acre.
2075 Spacing unit.
2076 Plus plus 10%. So this is larger than that.
2077 So we're just seeking to to pull them into this larger spacing unit under the NSP.
2078 To to satisfy that provision of the lease.

2079

2080  **McClure, Dean, EMNRD** 2:09:41

2081 Now you reference NSP, but we are talking about the original order R2365 four, is
2082 that correct?

2083

2084  **Brad Dunn** 2:09:52

2085 Right.

2086

2087  **McClure, Dean, EMNRD** 2:09:55

2088 OK.

2089 So then what is? Why?

2090 What's the reference to the NSP about then?

2091

2092  **Brad Dunn** 2:10:02

2093 The NSP expanded the permission unit.

2094 To two full sections to 12180 acres.

2095 And then the, like I said the the lease provision from the original leases, it doesn't
2096 allow for more than 640 acres.

2097 And so we're we're we're using the same order that was issued for this larger unit to
2098 pull these leased mineral owners into the larger spacing unit.

2099

2100  **McClure, Dean, EMNRD** 2:10:30

2101 OK.

2102 So then you are referring to amending the compulsory pooling order which already
2103 had the larger spacing.

2104

2105  **Brad Dunn** 2:10:35

2106 Right.

2107

2108  **McClure, Dean, EMNRD** 2:10:38

2109 Is that correct?

2110

2111  **Brad Dunn** 2:10:40

2112 Yes.

2113

2114  **McClure, Dean, EMNRD** 2:10:42

2115 OK.

2116

2117  **Brad Dunn** 2:10:42

2118 Is correct.

2119

2120  **McClure, Dean, EMNRD** 2:10:45

2121 OK.

2122 So then is it accurate to say that?

2123 Every additional person.

2124 That you born is requesting the division to force. Poole is a mineral interest owner

2125 and has no working interest. Is that correct?

2126

2127  **Brad Dunn** 2:11:03

2128 Yes, Sir, that's correct.

2129

2130  **McClure, Dean, EMNRD** 2:11:07

2131 OK. And I'm looking at the first note that's in your exhibit A3, which seems to
2132 reference the list in a stick.

2133 Do you know what I'm referring to, Mr. Dunn?

2134

2135  **Brad Dunn** 2:11:19

2136 What? What page is this on on the exhibit?

2137

2138  **McClure, Dean, EMNRD** 2:11:22

2139 I'm looking at, well, the footnote looks like it's on page 18 of 94.

2140

2141  **Brad Dunn** 2:11:27

2142 OK.

2143 I'm there.

2144

2145  **McClure, Dean, EMNRD** 2:11:29

2146 Again, you see the footnote at the bottom of this page.

2147

2148  **Brad Dunn** 2:11:33

2149 Yes.

2150

2151  **McClure, Dean, EMNRD** 2:11:34

2152 OK.

2153 So essentially what we're trying to get at is that.

2154 The actual list of the persons that newborns asking the division to force pull is exhibit

2155 A6. Is that correct?

2156

2157  **Brad Dunn** 2:11:48

2158 Yes, that's correct.

2159

2160  **McClure, Dean, EMNRD** 2:11:50

2161 OK. And a six being on page 69, it looks like.

2162

2163  **Brad Dunn** 2:11:56

2164 Right.

2165

2166  **McClure, Dean, EMNRD** 2:11:58

2167 OK, so you see this looks like this table extends across 2 pages.

2168 Here you see what I'm looking at, Mr. Dunn.

2169

2170  **Brad Dunn** 2:12:04

2171 Mm.

2172 Yes, I'm here.

2173

2174  **McClure, Dean, EMNRD** 2:12:07

2175 Is it accurate to say that every person on this list are the ones that viewborn is
2176 requesting the division to force pull?

2177

2178  **Brad Dunn** 2:12:16

2179 That is correct.

2180

2181  **Pecos Hall** 2:12:25

2182 It's on 63.

2183

2184  **McClure, Dean, EMNRD** 2:12:25

2185 OK, have that in mind.

2186 Let me look at my your exhibit A3 again.

2187

2188  **Brad Dunn** 2:12:30

2189 OK.

2190

2191  **McClure, Dean, EMNRD** 2:12:34

2192 I'm just debating on if I want any amended exhibits to make that more clear.

2193 Or if we have enough here in writing and verbal testimony.

2194 Mr. Dunn, does your land man statement in here?

2195 Does it reference the individuals or reference that table somehow as to who as to

2196 those being the persons that mubaran's asking to be forced pulled? Are you aware?

2197

2198  **Pecos Hall** 2:13:10

2199 It does.

2200

2201  **McClure, Dean, EMNRD** 2:13:12

2202 It doesn't.

2203

2204  **Pecos Hall** 2:13:13

2205 It does at paragraph 10.

2206

2207  **McClure, Dean, EMNRD** 2:13:14

2208 Oh.

2209

2210  **Pecos Hall** 2:13:15

2211 This is Jackie.

2212

2213  **McClure, Dean, EMNRD** 2:13:17

2214 Hi, Mr. Dunn, can you confirm that for me?

2215

2216  **Brad Dunn** 2:13:20

2217 Yes, I can confirm that it does list out in paragraph 10.

2218

2219  **McClure, Dean, EMNRD** 2:13:23

2220 You got the page number, miss. Miss McLean.

2221

2222  **Brad Dunn** 2:13:26

2223 Hey, Paige, Page three of the out of 94.

2224

2225  **McClure, Dean, EMNRD** 2:13:26

2226 You got the page number or Mr. Dunn.

2227 In paragraph 10.

2228

2229  **Brad Dunn** 2:13:35

2230 Yes.

2231

2232  **McClure, Dean, EMNRD** 2:13:56

2233 Thank you, Mr. Dunn.

2234 Mr. herring examiner.






2235 Originally I thought we might need an amended exhibit packet, but I believe I'm
2236 mistaken.

2237 I think we should be fine as we are, Mr. Examiner.

2238 So I think I think we're good here.

2239

2240  **Pecos Hall** 2:14:11

2241 We'll take this case under advisement.
2242 Thank you.
2243 Let's move on to.
2244 The last case in our docket, spur Energy Partners entries of appearance. Please guest
2245 Jackie McLean, on behalf of Spur Energy Partners.
2246 Thank you.
2247 And in case number 25767, Spur seeks an order pulling all uncommitted entries in
2248 the yay so formation in the east half of Section 2, Township 18 S range 27 E in Eddy
2249 County and the unit will be dedicated to the Cheshire Cat state.
2250 Commonwealth.
2251 Our Landman and geologist have previously testified.
2252 For the division, and are happy to answer any questions you might have, and I ask
2253 that the exhibits be admitted for case number 25767 and that the case be taken
2254 under advisement.
2255 Thank you. Without exception, Miss McLean.
2256 And your land man is who? Marcus wessner.
2257 Marcus, let's get him on the screen.
2258 I have a feeling we have a question for him. Right, Mr. McClure?
2259
2260  **McClure, Dean, EMNRD** 2:15:13
2261 Mr. Herring, examiner, I shouldn't have any questions for the expert this is.
2262
2263  **Pecos Hall** 2:15:16
2264 Oh, OK. Is it for Ms. McLean then?
2265
2266  **McClure, Dean, EMNRD** 2:15:19
2267 Yeah, that's correct.
2268
2269  **Pecos Hall** 2:15:21
2270 Thank you, Mr. Wessner. Sorry, miss mcgo. Right ahead, Mr. McCullough.
2271
2272  **McClure, Dean, EMNRD** 2:15:27
2273 Thank you, Mr. Examiner.
2274 Miss McLean, it appears that public notice was conducted November 20th. Is that
2275 correct?

2276

2277  **Pecos Hall** 2:15:35

2278 Let me just double check.

2279 Yes, that's correct.

2280

2281  **McClure, Dean, EMNRD** 2:15:41

2282 Is it also correct that public notice was needed to cure notice for this case?

2283

2284  **Pecos Hall** 2:15:48

2285 You know, I think because of when the exhibits were due.

2286 And the deadline when we sent out the notice letter, we hadn't received back all of
2287 the.

2288 All of the.

2289 Return receipts for. I think there was a couple of people who didn't receive that, but
2290 there's no.

2291 No.

2292 I think that was the only reason why we needed to do that.

2293 Let me just double check here.

2294

2295  **McClure, Dean, EMNRD** 2:16:18

2296 Well.

2297 Have. Well, having said that.

2298 Just to confirm that our notice is good, we may want to continue this to allow that
2299 notice to cure because it's one day out of date.

2300

2301  **Pecos Hall** 2:16:33

2302 Oh, Thanksgiving. OK, yes, you're correct.

2303 Can we just come back on the earliest date to allow for 18?

2304 Yes, that's fine, all right.

2305 Will you continue this case of December 18?

2306 So we can cure.

2307 Notice we can do that.

2308 Alright. Thank you miss McLean.

2309 Mr. McClure, anything further?

2310

2311  **McClure, Dean, EMNRD** 2:16:50

2312 Nothing from me, Mr. Examiner.

2313

2314  **Pecos Hall** 2:16:52

2315 All right, Mr. McClure, thank you for a successful.

2316 Miss Hardy would like to talk about tater salad one more time.

2317 OK, so the the COG case 25712 number on the docket.

2318 It's #10 on the docket 10.

2319 Thank you for the tater salad again.

2320 False. This is 25712.

2321 We're back on the record. It was gonna be continued to December 18.

2322 What's happening?

2323 That's correct.

2324 And so the only matters that we were continuing for were to correct the checklist, to
2325 change statewide setbacks to Purple Sage, which we can do quickly and easily.

2326 And the other was for COG to add on the exhibit A3, the breakdown of the COG
2327 entities that have ownership interests, and I have that information here and we can
2328 submit it today.

2329 I'm happy to show it on my screen if Mr. McClure would like, but.

2330 It doesn't seem like it should be necessary.

2331 To continue to December 18th, given those minor corrections, Mr. McClure.

2332

2333  **McClure, Dean, EMNRD** 2:18:03

2334 I mean, like any of the cases we could conceivably look at their amendments in real
2335 time.

2336 I'm not sure if we have a reason to necessarily do so in this instance.

2337 I guess at your discretion, Mr. I can review live for us.

2338

2339  **Pecos Hall** 2:18:21

2340 And the reason I'm asking is that COG has this as a rig scheduled for these wells in
2341 February and is hoping to.

2342 Obtain an order sooner rather than later.

2343 OK, Mr. McClure.

2344 What did you ask to be corrected in this packet?

2345

2346  **McClure, Dean, EMNRD** 2:18:38

2347 Originally I requested that the setbacks on the CPAC be corrected, which are, which is
2348 very straightforward. The the other one which you brought up, which is a good point,
2349 was for the breakout essentially for the summary of interests of how, what
2350 percentage each one of the COG ENT.
2351 Owns was the other one.

2352

2353  **Pecos Hall** 2:19:00

2354 Miss, Miss Hardy, the way I'm looking at this is does it require further review? If it
2355 doesn't require further review?
2356 Then I look at it as a typo.
2357 This I I think Mr. McClure would like to review. OK.
2358 So since we are able to get it on a docket 2 weeks from today, and Mr. McClure now
2359 knows that you are seeking a quick review of this case, I think you've made it clear
2360 and you can remind him again.
2361 And on the 18th of December, it doesn't seem to me that a two week delay would be
2362 fatal to your client.
2363 All right, understood. But but you know, I it's fair to ask as a good representation.
2364 So thank you very much.
2365 We are off the record.
2366 We're done for the day.
2367 Thank you.

2368

2369  stopped transcription