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5

## 6 **OCD Regular Hearing January 8, 2026-** 7 **20260108\_152039UTC-Meeting Recording**

8 January 8, 2026, 3:20PM

9 3h 0m 34s

10

1  **Pecos Hall** 32:59

12 Hey this is the first docket of 2026.  
13 Happy New Year to everyone.  
14 I thought before we start, I would let you know that the next status conference  
15 docket on the 22nd of January, I will field questions as I did in late December, asking  
16 you any challenges you're having any feedback on the new systems that we put in  
17 place?  
18 November 1st and December 1st.  
19 So we'll we'll have some time then.  
20 To see how you're all doing and to see if we can improve our services at all.  
21 So with that in mind, my name is Gregory Chakalian.  
22 I'm the hearing examiner for the Oil Conservation Division, and today we have  
23 Andrew Fordyce as our technical examiner for most of our cases.  
24 And Phil Goetz and Tony Harris, for one case. That'll be the first case we call. It's  
25 number one on our docket, 25679 inches of appearance, please.  
26 Dana Hardy with Hardy McLean on behalf of Enterprise.  
27 Morning, Mr. Aaron. Examiner Adam Rankin with the Senate Office of Holland and  
28 Heart appearing on behalf of Maduro production company. Thank you.  
29 Are you also representing MRC Toro?  
30 Yeah. OK. Yes, thank you.  
31 Sorry, just want to make sure.  
32 OK.  
33 And you do have your witnesses.  
34 Mr. White is here in person, and then Mr. Aragondo is available online. If there are  
35 questions. OK, well, I know we're gonna have questions for Mr. White.  
36 Would you come on up to the witness stand, please?

37 Is.  
38 Thank you.  
39 Could you turn on your microphone?  
40 Perfect. I recognize you from the was the good night empire. Yes, Sir.  
41 Yeah, I remember you.  
42 Who do you represent?  
43 Enterprise. Enterprise.  
44 But are you from a third party consulting?  
45 Yes, that's what I thought.  
46 Yes, from Geo Lex incorporated.  
47 Perfect. All right.  
48 Would you raise your right hand please?  
49 Where are firm, under penalty of perjury. The testimony you're about to give is the  
50 truth, the whole truth, and nothing but the truth.  
51 I do.  
52 Thank you very much.  
53 Would you state and spell your name for the record? David white?  
54 DAVIDWH, ITE and based on what I've seen from the Goodnight Empire, I know that  
55 you've been accepted as an expert.  
56 But tell this forum in what field?  
57 Yes, so.  
58 My educational background is in geology where I hold a Bachelor of Science from  
59 the University of Tennessee, as well as a master's degree from the University of New  
60 Mexico.  
61 I hold the position of Vice president and senior geologist at Geo, Lex Incorporated,  
62 where my responsibilities include.  
63 Development of acid gas injection well applications and project development, as well  
64 as overseeing.  
65 The geologic analysis and conduct.  
66 The geologic analysis in support of those types of applications.  
67 Alright, so miss Hardy.  
68 Why don't you give a very brief opening statement about this case?  
69 Let's get your exhibits admitted into evidence, and then we'll go to questions.  
70 Sure. Thank you. Enterprise seeks authorization to drill and operate an additional  
71 redundant acid gas injection. Well, the independence AGI #3 at its dark horse

72 treating facility.

73 The well will be a deviated injection well.

74 Drilled in Section 20, Township 25 S, range 36 E and the well will inject treated acid

75 gas into the solaro Devonian formations, including the Devonian, Riston and

76 Fusselman formations at depths of approximately 16,056 to 17,730 feet. Our ex.

77 Include the testimony with the C108 and proposed notice.

78 Of David White and as you recognize, Mr. White has previously been tested.

79 It's previously testified and been recognized as an expert by the division.

80 We did provide a copy of his CV as well with our exhibits.

81 The packet also includes the testimony of Darrell Arredondo, who has not previously

82 testified before the division. We have provided a copy of his resume as exhibit B1,

83 and Mr. Arredondo is primarily a corporate representative here, but he is, I think,

84 qualified as an expert in gas process.

85 Operations.

86 So to the extent there are questions for him, I would move to have him qualified as

87 an expert in that area.

88 Area and then we included our notice testimony and exhibits, which was timely, sent

89 to all parties on October 16th, 2025 on our affidavit of publication for October 23rd,

90 2025.

91 So with that, I would ask that our exhibits be admitted.

92 Thank you without exception.

93 Your exhibits are all admitted into evidence.

94 We have two people here.

95 Who work for the division first.

96 We're going to have Mr. Anthony Harris.

97 Question Mr. White and then we'll have Mr. Getz question. Whoever he he wants.

98

99  **Jordan Kessler** 38:09

100 This is Jordan.

101

102  **Pecos Hall** 38:11

103 Sorry.

104 I thought it hurts a question. I think that was online.

105 Online. OK, so Mr. Harris, Are you ready?

106

107  **Harris, Anthony, EMNRD** 38:20

108 Yes, good morning.

109

110  **Pecos Hall** 38:21

111 OK.

112 Go right ahead, Sir.

113

114  **Harris, Anthony, EMNRD** 38:23

115 OK.

116 I'd like to draw your attention to page 4 of 139 from the exhibit packet.

117

118  **Pecos Hall** 38:39

119 And you're sharing? Yes, Hardy, yes.

120 And what is page 4?

121 That looks like.

122

123  **Harris, Anthony, EMNRD** 38:47

124 It's the self confirmed.

125 It's the self confirmed statement of Mr. White.

126

127  **Pecos Hall** 38:51

128 OK, perfect. Go right ahead.

129

130  **Harris, Anthony, EMNRD** 38:54

131 OK.

132 So, paragraph 13, the very last.

133 The very last sentence in the paragraph says the integrity of cementing operations  
134 will be verified by a visual inspection and collection of radial cement bond logs for all  
135 casing strings underlying the surface casing.

136 Just one question.

137 So will the surface casing itself have a cement bond log run?

138

139  **Pecos Hall** 39:25

140 The the surface casing would typically be verified via visual inspection of the cement

141 returns to the surface.

142 I think in practice drilling and completion of these wells, we often do complete a  
143 surface casing, cement bond log and I think that can be done if requested by the  
144 division with no objection.

145

146  **Harris, Anthony, EMNRD** 39:49

147 OK.

148 Thank you.

149

150  **Pecos Hall** 39:51

151 Mr. Harris, it's Mr. Harris.

152 It's hard to hear you.

153 I just want to let you know.

154

155  **Harris, Anthony, EMNRD** 39:55

156 OK.

157

158  **Pecos Hall** 39:56

159 And we have, we have.

160 We have AI doing the transcript, so it's important to speak clearly and that we can  
161 hear you.

162

163  **Harris, Anthony, EMNRD** 40:06

164 OK.

165 I'm not sure what I can do about that. We're having some network issues here, but.

166

167  **Pecos Hall** 40:07

168 Thank you.

169 OK.

170

171  **Harris, Anthony, EMNRD** 40:11

172 We'll do our best.

173 OK. If we could go to page 36, please.

174

17  **Pecos Hall** 40:19

176 I think you said Page 36.

177

17  **Harris, Anthony, EMNRD** 40:21

179 Correct page 36.

180 And in section 3.3 second paragraph.

181 So if we look at the fourth line in that second paragraph, the second sentence where  
182 it says utilizing a temporary string.

183 Comprised of a receivable test Packer and a working and a work string tubing step  
184 rate injection test will be performed.

185 Just want to confirm since you're tubing size in the final completion will be 3 1/2  
186 inch.

187 Will the will the what is the diameter?

188 What will the diameter of this work string be?

189 Will it also be 3.5 inch?

190

19  **Pecos Hall** 41:13

192 That's correct.

193 Any separate testing utilizing a work string tubing would be completed with the  
194 same diameter tubing as the completion.

195

19  **Harris, Anthony, EMNRD** 41:21

197 OK.

198 Very good.

199 Thank you.

200 If we could go to page 38 please.

201

20  **Pecos Hall** 41:30

203 38 or.

204

20  **Harris, Anthony, EMNRD** 41:32

206 38 yes.

207 Yeah. If we look at the second last paragraph, if you could Scroll down.

208 OK so.

209 It mentions in that in the second sentence of that paragraph, the specific gravity of  
210 the treated acid gas will be determined for the conditions of the wellhead, which is  
211 2500 PSI and 110°F. And then the bottom hole temperature will be bottom.  
212 Whole conditions will be 7720PSI and 234°F.  
213 My question here is on the on the following page. As if we Scroll down.  
214 On page 39.  
215 We see that the maximum injection pressure will be 4929 PSI, so I guess my question  
216 is why wasn't the specific gravity?  
217 Of your treated acid gas estimated at that maximum operating pressure.  
218

21  **Pecos Hall** 43:00

220 So the maximum operating pressure on page 12 or I'm sorry on page 39 of 139 is.  
221 Calculated as the anticipated average specific gravity across the the entire injection  
222 zone.  
223 And utilized in.  
224 The formula shown on that page, which has been shown to be an acceptable  
225 determination method by the oil conservation division.  
226

22  **Harris, Anthony, EMNRD** 43:33

228 OK.  
229 So I guess what would be your maximum anticipated injection pressure?  
230 During normal operations.  
231

22  **Pecos Hall** 43:44

233 Well, I think.  
234 I think our anticipated maximum operating pressure is ultimately going to be in  
235 accordance with reservoir conditions and the attributes of the reservoir. Once the  
236 well is drilled.  
237 The current AGI wells that are on the property operate at average or in and around  
238 2500 PSI.  
239

24  **Harris, Anthony, EMNRD** 44:12

241 OK.  
242 So that was the basis for you choosing 2500 PSI as your anticipated conditions for for  
243 this well #3.

244

24  **Pecos Hall** 44:22

246 That's correct.

247

24  **Harris, Anthony, EMNRD** 44:24

249 OK.

250 OK.

251 Thank you. If we go to page 62, please.

252 Go on page 62. We're looking at the completion diagram here.

253 If we.

254 Go down to the the bottom for the production casing.

255 Just Scroll down a little bit.

256 Yeah, there you go.

257 So what you see in red there red lettering, the external casing Packer and the DV tool  
258 just below that, it mentions that your tail, your tail cement will be Neo Sam and your  
259 lead cement will be Neo SEM and some well locked resin.

260 Consider in your application that mentions that your anticipated bottom hole  
261 temperature is 234°F and at the.

262 That temperature normal cement systems are susceptible to strength retrogression,  
263 whereby your casing your sorry, your cement becomes brittle and can have cracking,  
264 and if any cracks develop then it's a pathway for a gas migration.

265 So my question here is, is the well locked resin and the neosin cement?

266 Has is it designed for that operating temperature of 230°F?

267 And whether or not those systems are susceptible to the cracking or strength  
268 retrogression.

269

27  **Pecos Hall** 45:58

271 Yeah. These these two cement slurries and and well lock resin utilization has been  
272 utilized in several AGI wells and have been a design consideration for for numerous  
273 AGI wells. And those products have been selected through consultation with  
274 Halliburton engineers to assure slurries and resin.

275 Slurries are are suitable for the anticipated reservoir conditions.

276 So having existing wells on the facility.

277 With with known initial temperatures, we feel confident that these are adequate  
278 products for this application.

279

280  **Harris, Anthony, EMNRD** 46:42

281 OK.

282 Thank you.

283 If we just look on on the same page here under your tubing and equipment, it  
284 mentions the second last line mentions a BWD Halliburton BWD permanent Packer.  
285 Couldn't find any real information on that Packer, so I'm assuming that's corrosion  
286 resistant and nickel plated or whatever. Whatever metallurgy is necessary to  
287 provide adequate corrosion resistance.

288

289  **Pecos Hall** 47:12

290 That is correct.

291 It is a fully incandeline 925 clad permanent injection Packer.

292

293  **Harris, Anthony, EMNRD** 47:19

294 OK.

295 Very good.

296 In terms of some of your other tubing components, if we just scroll up to the top of  
297 this page.

298 You see in the surface casing on the right side in the red lettering, you got a  
299 subsurface safety valve set at 250 feet.

300 So I seem to recall in the application that mentioned that that'll be a tubing  
301 retrievable safety valve. Has any consideration been given to running a wire line  
302 retrieval safety valve?

303

304  **Pecos Hall** 47:54

305 At this time, I don't think there's been any consideration for that we have had.  
306 Great success and and have had great performance out of the tubing retrievable  
307 Halliburton products we utilize for the subsurface safety valve.

308 At at this point in time, there's been no consideration for wireline retrieval.

309

310  **Harris, Anthony, EMNRD** 48:19

311 So I mean, if that Valve did fail, obviously you got to pull the tubing to to replace it.

312 Do does your Packer.

313 Will will the Packer be equipped with a on off valve or some mechanism to release

314 from the Packer?  
315 If you had to pull the two of them to replace it.

316

31  **Pecos Hall** 48:33

318 Yes, that's that's correct.  
319 The the Packer and Packer Assembly contains numerous profile \*\*\*\*\* where  
320 blanking plugs can be set at various steps to isolate the injection tubing.

321

32  **Harris, Anthony, EMNRD** 48:48

323 OK.  
324 So OK, so those are not shown on the diagram.  
325 So you would have profile \*\*\*\*\* in below the Packer or at the Packer depth. That  
326 would allow you to to set a a barrier and then you you can release from and then you  
327 can release from the Packer and retrieve the tubing.

328

32  **Pecos Hall** 49:00

330 That's correct.  
331 That's correct.

332

32  **Harris, Anthony, EMNRD** 49:07

334 OK.  
335 OK, that'd be valuable information to have included in the application and I guess as  
336 maybe as a supplemental information.  
337 We'd like to request that that be included.  
338 Prior to the issuing the order.  
339 Is there any concern with that request OK.

340

34  **Pecos Hall** 49:27

342 That won't be a problem at all.  
343 Yes, that won't be a problem at all.

344

34  **Harris, Anthony, EMNRD** 49:31

346 OK.  
347 Very good.  
348 And I guess along those same lines, I didn't see any mention of the wellhead

349 pressure rating.  
350 And and the Christmas tree pressure rating.  
351 So one thing we would request is that in supplemental package.  
352 That it clearly specified the wellhead design it it did mention that it's corrosion  
353 resistance, but there was no pressure ratings included.  
354 So what we would like to see is at least a diagram and some information on the the  
355 wellhead and Christmas tree components and particularly important as well would be  
356 the the production casing spool pieces such that if you had a leak in your tubing,  
357 then your production C.  
358 Is exposed to the injection pressures and just verification that your your production  
359 casing spools and your side oven valves are adequately rated for that scenario.

360

361  **Pecos Hall** 50:27

362 Absolutely. And I absolutely that can.

363

364  **Harris, Anthony, EMNRD** 50:27

365 So is that something?

366 Is that is that something you could provide? OK.

367

368  **Pecos Hall** 50:31

369 Yes, Sir.

370 And and those equipment.

371 While we have products that we commonly select for these AGI wells, I don't think  
372 that equipment at this time has been secured typically and most recently those  
373 ratings are up to 10K.

374

375  **Harris, Anthony, EMNRD** 50:50

376 OK.

377

378  **Pecos Hall** 50:50

379 But we can provide optionality.

380 In documents relating to that.

381

382  **Harris, Anthony, EMNRD** 50:56

383 OK. And then just a couple more items if we could.

384 I mean, based upon your estimation of what the abandonment pressure would be in  
385 the future for this well.  
386 One thing we'd like to see is based upon the abandonment pressure. What sort of  
387 killed fluids, whether it's a mud or a brine?  
388 What would the density of the fluid be required to kill the well or in the event if you  
389 had to do a work over what sort of fluid systems do you need?  
390 To be able to work this well over just to ensure or if if there's elaborate fluid systems  
391 needed in order to create a kill fluid, we just like to see some information on that.  
392 The document, what would be required and along those same lines, looking forward  
393 to the.  
394 Future when it comes time to plug in a bend in the well, what sort of fluids would be  
395 needed and what would your P and a program look like?  
396 On at least on a a current understanding of the well.  
397 What? How how would you go about plugging an abandoned in the well?  
398 So that's that's something we would also request prior to issuing the order or at at  
399 the very least as parallel of the order.  
400 Is there any concerns with that?  
401

402  **Pecos Hall** 52:09

403 I don't think there's any concerns with that.  
404 Would would that be OK?  
405 No, I don't think there's any concerns with that.  
406

407  **Harris, Anthony, EMNRD** 52:17

408 OK.  
409 Yeah, 'cause. Right now we we don't know what the the abandonment pressure  
410 would be and if depending on what their pressure was, if you need an elaborate  
411 brine or some you know high density mud system, just making sure that there's  
412 something readily available locally that in the event.  
413 Of a well control incident or a need to kill the well is that we have the products  
414 available and that you don't need.  
415 It's not a long term long term item to source.  
416 That's the the primary goal.  
417 Here.

418

41  **Pecos Hall** 52:48

420 Understood.

421

42  **Harris, Anthony, EMNRD** 52:50

423 And then one final thing is that we would we would request as part of the order is  
424 that we've already got Ah 2S contingency plan in place for your two existing wells.  
425 We'd ask that that be updated to include.

426 This third well as part of the contingency plan, so that will be included in the order as  
427 well.

428 Just wanted to mention that.

429

42  **Pecos Hall** 53:13

431 And for clarification, would that be included in the order as it commonly is where  
432 those updates are implemented and approved prior to operation or commencement  
433 of injection via the well?

434

43  **Harris, Anthony, EMNRD** 53:14

436 OK.

437 Yes, correct.

438 That would be.

439 That's not a. That's how we would handle it.

440

44  **Pecos Hall** 53:31

442 Understood.

443

44  **Harris, Anthony, EMNRD** 53:33

445 OK.

446 Thank you.

447 That's all my questions.

448 I'll hand it over to Mr. Getz.

449

45  **Pecos Hall** 53:38

451 All right. Before we do that, Miss Hardy, do you have any redirect on those  
452 questions?

453 I do not.  
454 And as Mr. White understands the supplemental information that's been requested,  
455 why don't you just state what you understand so far as supplemental information  
456 that Mister Harris requested that we would need to develop a preliminary  
457 abandonment plan.  
458 To provide information on what the anticipated abandonment pressures are.  
459 Also.  
460 Detailed schematic of the Packer showing the profile \*\*\*\*\* that this particular  
461 component will have, as well as a schematic or pressure ratings for the injection tree  
462 and associated casing spools.  
463 Mr. Harris, does that capture accurately what you want?  
464

465  **Harris, Anthony, EMNRD** 54:33

466 Yes it does, and I can follow up on an e-mail also if if that'll be beneficial.

467

468  **Pecos Hall** 54:34

469 Was there anything?

470 That would be helpful.

471

472  **Harris, Anthony, EMNRD** 54:41

473 OK, I can do that.

474

475  **Pecos Hall** 54:42

476 OK.

477 All right, Mr. Goetz.

478

479  **Goetze, Phillip, EMNRD** 54:47

480 OK.

481 Good morning all.

482 Most of my questions and requests will be to Miss Hardy.

483 I have 5 items that will include a little bit of input from Mr. White.

484 My first item is that typically well on the C one O 8. We don't have a description of  
485 the deviation survey to be conducted following the completion of the well.

486 I'm going to ask enterprise to approach.

487 Matador, who's made an entry of appearance.

488 And come to an agreement as to what type of.  
489 Deviation survey they would like to see.  
490 And incorporate that as part of the completion plan for this well.  
491 Then make sure that we have some sort of response from Matador as to their  
492 approval of the survey methodology so you understand that Miss Hardy.

493

49  **Pecos Hall** 55:52

495 Yes, I do.

496

49  **Goetze, Phillip, EMNRD** 55:54

498 OK, good.  
499 Give Mr. Rankin something to do.  
500 Second item.  
501 We have qualified this facility for A45Q tax credit.  
502 In doing so, under the requirements of that, there is a monitoring, reporting and  
503 verification plan that is submitted to EPA and IRS.  
504 At this point, we are requesting that you provide a copy of that.  
505 MRV plan that was submitted.  
506 And I'm sure that with the addition of the new well, there will be a modification of  
507 that.  
508 So we will probably put into the conditions of approval.  
509 Requirement to provide us with supplemental modified MRV plans.  
510 So that's item number 2.  
511 Any questions on that? OK. Thank you.

512

51  **Pecos Hall** 56:50

514 Understood.

515 Yeah.

516

51  **Goetze, Phillip, EMNRD** 56:54

518 #3 we have an existing case in this.  
519 Facility it is.  
520 Case number 24755.  
521 That was a request for an increase from 20 to 28.5 standard cubic feet per day.  
522 Million standard cubic feet per day of increased capacity for the two wells. We've

523 gone through the motions to put together.  
524 Whether a draft order currently under this application, if you need to be specific on  
525 page 28 of 139, we've asked for a 45,000,000 capacity.  
526 At this point I do not see the reason why we would go ahead and have the director  
527 sign an order for an increase when you've already, shall we say, covered it again with  
528 this application, so I'm recommending.  
529 That enterprise submit a request for dismissal of the case and referral to this as A to  
530 take over the necessity for the increased capacity.  
531 Is that, does that seem feasible?

532

533  **Pecos Hall** 58:10

534 I believe it does so the the 45,000,000 shares that we requested here would basically  
535 supersede the request from the case you're referencing, right?

536

537  **Goetze, Phillip, EMNRD** 58:19

538 Correct.

539 I mean it.

540

541  **Pecos Hall** 58:21

542 OK.

543

544  **Goetze, Phillip, EMNRD** 58:21

545 It's a moot point.

546 I mean, by the time we get this one out, it will be doubt at the same time the other  
547 one is and it'll just be one more exercise in paper. The director normally doesn't like  
548 to see.

549 OK, it's.

550

551  **Pecos Hall** 58:36

552 That makes sense to me.

553

554  **Goetze, Phillip, EMNRD** 58:38

555 OK.

556 Thank you.

557 But with that I do have one question to Mr. White.

558 And since we are moving from 20 to 28 point or 28.5 to 45.  
559 In the application we have very little discussion as to how this 45,000,000 is going to  
560 be spread among the three wells.  
561 Is there any type of operational plan or concept that enterprise is going to utilize  
562 with the three wells, just as in general?  
563 Description That's all I'm looking for.

564

565  **Pecos Hall** 59:17

566 So I think.  
567 In the current service, the the wells have been able to split.  
568 Generally, 5050, between the volume that's being injected, obviously.  
569 The once AGI three is drilled and reservoir attributes are are identified and  
570 confirmed.  
571 Certainly those with with higher injectivity potential will probably be utilized for a  
572 greater volume, but ultimately the performance of the wells will will speak to that.  
573

574  **Goetze, Phillip, EMNRD** 59:51

575 OK.  
576 So we're looking at a maximum scenario based on the three wells and.  
577 Based upon operational standards, you're not going to be doing 45,000,000 today  
578 with the three wells together.  
579 Is that foreseeable or is it just keeping an envelope for operations?

580

581  **Pecos Hall** 1:00:08

582 I'm sorry, could you repeat the first part of that question?

583

584  **Goetze, Phillip, EMNRD** 1:00:10

585 Always. So I got three wells with 45,000,000 option. We're not going to see all three  
586 wells injecting at 45,000,000 on the same day, are we?

587

588  **Pecos Hall** 1:00:21

589 No, no, it it's intended to be a shared volume between the three wells.

590

591  **Goetze, Phillip, EMNRD** 1:00:25

592 OK.

593 So that's the end of item 3, item 4.  
594 Back to Miss Hardy.  
595 We have currently in the location another existing case and that is case number  
596 16504 and this one's a little sticky wicket.  
597 This is an application by NGL water solutions for the Cobra SWD #1.  
598 It was heard and taken under advisement way back in 2019. On July 25th, 2019, it  
599 was protested and it has yet to have an order issued.  
600 I'm going to request that you approach NGL and yes, Miss Bennett is smiling.  
601 She still represents NGO.  
602 That the ability for you to convince them to submit a dismissal. They did it for their  
603 number 2.  
604 Which was very close to the number one and this would accommodate us to issue a  
605 dismissal order and resolve any type of conflict and reservoir.  
606 Otherwise, we will all be gathering again to talk about this.  
607 This was also heard with the Commission and they expressed concern with the  
608 original order R-214. Four, five.  
609 South.  
610 Request #4.  
611 Is to see if we can convince NGL to give a dismissal in case number 16504.  
612

61  **Pecos Hall** 1:02:09

614 I will talk with Miss Bennett about that.

615

61  **Goetze, Phillip, EMNRD** 1:02:14

617 Yes, ma'am.

618

61  **Pecos Hall** 1:02:14

620 I suppose.

621 My question is.

622 With respect to the fact that enterprise operates its other injection wells already at  
623 this location.

624 How?

625 Depending.

626 Application of NGL.

627 Would be a concern with this I guess. I don't understand why it's being raised at this  
628 point when it wasn't an issue with respect to the other applications.

629

630  **Goetze, Phillip, EMNRD** 1:02:47

631 It is one of many NGO applications that are still in the taken under advisement mode  
632 that we're trying to clean up.

633 The original examiner that heard it is now an employee of the state Land Office and  
634 unfortunately it has fallen into my lap to resolve this and I'm hopefully that the  
635 operators in the areas can come to an agreement and avoid.

636 Shall we say more confrontation on poor space?

637 And that way we can get this off the books.

638

639  **Pecos Hall** 1:03:19

640 OK, understood.

641 I will talk with Miss Bennett.

642

643  **Goetze, Phillip, EMNRD** 1:03:22

644 Thank you.

645 I appreciate that.

646 And then the last item.

647 Is merely an informational request to Mr. White.

648 In section 49 of your application that would be page 50 of 139 we had or it's actually

649 53 of 139 in the seismicity assessment. You make reference to the fact that we have.

650 Have an active seismic monitoring station.

651 Do you know if that information is being shared with the public at this point and with  
652 our folks down at New Mexico Tech Seismological Observatory?

653

654  **Pecos Hall** 1:04:03

655 So when I installed the station I worked with Doctor Mary Litherlin at the Bureau to  
656 get that station set up and get it communicating via cellular connection to their  
657 network.

658 In that collaboration and coordination, the the station was.

659 Accessible by Doctor Litherland.

660 And so I think to the extent that.

661 I know.

662 It's connected.

663 I believe so.

664

665  **Goetze, Phillip, EMNRD** 1:04:37

666 OK.

667 I mean, I can follow up and I just wanted to verify that where it was in that status and  
668 confirm that it is active and providing information. Thank you.

669

670  **Pecos Hall** 1:04:48

671 That's correct.

672 And I routinely when I'm in the area of the site I routinely check to make sure the the  
673 station is still functioning, and if there are any communication issues we can certainly  
674 work to resolve those quickly.

675

676  **Goetze, Phillip, EMNRD** 1:05:02

677 Very good. Making sure it hasn't been shot up. That's very important.

678 Thank you.

679 That's all the questions I have, Sir.

680

681  **Pecos Hall** 1:05:11

682 All right.

683 Thank you, Mr. Goetz.

684 Any follow up on that?

685 I had one question, Mr. Goetz, regarding case 24755 involving the request for the  
686 pressure increase.

687 I just want to make sure that it would be clear in the divisions order in this case that  
688 it the shared rate applies to all three of the wells, since that well does have a separate  
689 permit.

690

691  **Goetze, Phillip, EMNRD** 1:05:37

692 Well, in your application and that's on 28 of 139, you do express the.

693 45,000,000 disposed, 45,000,000 treated gas via the three independent AGI wells, so  
694 that would be based upon your application. The availability of 45,000,000 for all three  
695 wells.

696

69  **Pecos Hall** 1:06:04

698 Understood. And if possible, I think we.

699 'D we'd like to wait.

700 If possible, can we leave that application pending until we receive the final order in  
701 this case?

702

70  **Goetze, Phillip, EMNRD** 1:06:21

704 Sure, if you wish to do that, but I mean.

705

70  **Pecos Hall** 1:06:22

707 OK.

708

70  **Goetze, Phillip, EMNRD** 1:06:26

710 Be forewarned that I will not press the person who completed this draft order has  
711 since departed.

712 And with that, we will hold it in stasis and should at that time, but we will press press  
713 for with the issuance of this order.

714 A request that this be dismissed.

715

71  **Pecos Hall** 1:06:49

717 Perfect. Thank you. Understood. All right.

718 Mr. Harris, I don't see you anymore, but did anything else come up while you were  
719 listening that you want to follow up on?

720

72  **Harris, Anthony, EMNRD** 1:07:04

722 I know no follow up. Thank you.

723

72  **Pecos Hall** 1:07:06

725 Alright, man. Mr. Getz, you're done.

726 All right.

727 Well, thank you, Mr. Harris and Mr. Getz.

728

72  **Goetze, Phillip, EMNRD** 1:07:12

730 Thank you.

731

732 PH **Pecos Hall** 1:07:16

733 Miss Hardy, is there anything else?

734 No, thank you very much.

735 All right then.

736 We're off the record for now on this case and Miss Hardy, when do you anticipate  
737 filing the supplemental information?

738 Mr. White, how long would it take you to prepare the supplemental information?

739 I think I'll need a little bit of time to coordinate with enterprise in terms of the  
740 schematics. Those information can be gathered pretty quickly in terms of the  
741 abandonment plan might take a little bit more development.

742 So I'd say a week to two weeks, OK.

743 So M's Hardy, when do you want to come back?

744 I think if we could come back on the February 4th docket, that would probably make  
745 the most sense.

746 OK. Freya, can we?

747 So, Miss Hardy, you'll continue this case to the February you said 5th.

748 5th it is the 5th right.

749 I think it is, yes, correct.

750 So Freya, can we put this case first? Once she continues the case?

751 Yes, alright, perfect.

752 Alright, we are in recess, Mr. Suquetain.

753 Just yes on this.

754 We appreciate it when Mr. Harris sends his e-mail identifying the additional  
755 information that we'd be included in that just so we're.

756 Up to speed.

757 On on the information that's being requested and then also confirm that we'll  
758 coordinate with Council for enterprise on the deviation survey at Mr. Getz's request.  
759 I didn't understand.

760 I understood you wanted to be copied on the new information.

761 What else did you say? We've been asked to coordinate with Enterprise Council on  
762 the type of deviation, survey, type of deviation, so I'll coordinate with Miss Miss  
763 Harding on that point.

764 Yeah. So that's acceptable to miss Harding. Yes, OK.

765 Very good.

766 Thank you, Mr. Rankin.

767 Anything else?

768 Nothing. Thank you.

769 Alright, thank you.

770 Alright, we're in recess on that case.

771 Let's now go to three of our Nov cases.

772 We'll call them one at a time.

773 We're going to start out with 25794.

774 Hello, Mr. hearing Officer, Michael Hall here, on behalf of OCD.

775 Morning, Mr. Hall.

776 Are you ready to proceed?

777 Yes, all right.

778 And do we have the respondent?

779 The respondent has sent a couple of emails by and through Mr. Joshua Oguin, a  
780 designated representative of the respondent. In those emails, Mr. Oguin has made it  
781 clear that Poco is unable to properly operate their wells and do not have the financial  
782 resources to hire Council or.

783 Or plug Wells, did you? OK. And the respondent here is Poco resources.

784 Yes, Mr. hearing officer and.

785 Did you include those emails in your exhibit packet? I included in the Nov the first  
786 I've had two of those communications.

787 Stipulating I would say to lack of financial ability to operate in New Mexico, the  
788 second one I did not.

789 Because it came yesterday, OK.

790 Alright, so why don't you go ahead and first of all?

791 How many exhibits do you have?

792 I have.

793 I believe 4.

794 Well, they're sub exhibits to the Nov, but have the affidavit of Rob Jackson with the  
795 Administrative Bureau of OCD as well as his resume.

796 Exhibit 3 is the Nov with.

797 The inactive wells.

798 In Poco's portfolio, a civil penalty calculation.

799 Stipulated final order is the third exhibit to the Nov which?

800 They have soundly.

801 Violated and the aforementioned e-mail from Mr. Oguin representing to OCD Pocos,  
802 lack of resources and when you say when you say a stipulated final order.  
803 What do you mean by stipulated? So Poco was before my time at OCD. Poco and NLV  
804 had already been filed against them and so stipulated final order which is Exhibit C to  
805 the Nov was entered into between the respondent and OCD. Responding entirely  
806 failed to comply with.  
807 It, as evidenced by the fact that they have.  
808 67 wells.  
809 In New Mexico, 65 are in active.  
810 The other two are in fact plugged, not released because.  
811 I guess there's some remediation.  
812 So they haven't been released.  
813 And recently.  
814 I'm getting my cases.  
815 Yeah, I believe Poco had an emergency order of had to be issued against them  
816 because because of their inability to respond. So.  
817 So I know you have three different NOVS before the hearing Bureau today.  
818 Let's do this in this order.  
819 So I've called the case and I know that there are people here on the meeting that I  
820 don't know who they are, so I'm going to call the case again to see whether their  
821 respondent is attending 25794, the OCD versus POCO resources, do we?  
822 Have anyone from Poco resources with us on this meeting?  
823 Today, all right, not hearing anyone.  
824 This is basically a default.  
825 Hearing at this point, so why don't you admit your evidence?  
826 Provide give me for each of the cases.  
827 Give me a paragraph or so on the background of the case.  
828 Sure. What are the basic allegations?  
829 Sure. What is the penalty calculation?  
830 What did you do to?  
831 To give the respondent due process and then ask for admission into evidence for  
832 your exhibits.  
833 Sure. Happy to do that. Thank you.  
834 So with regard to Poco.  
835 Again, 67 wells.

836 They operate in New Mexico.  
837 65 of which are on the inactive well list.  
838 The other two are plug not released.  
839 And so we're.  
840 We were asking that all of their wells be subject to plugging orders so that we can  
841 remediate those other two, Mr. Rob Jackson, who I mentioned buying through his  
842 affidavit, and we, well, first of all, we would offer exhibits 123 and four as submitted  
843 in our.  
844 Pre hearing statement and I'll go through those. But Mr. Jackson. So, Mr. Hall, you're  
845 offering them now?  
846 I'm offering them.  
847 I'm happy to give you a synopsis, but.  
848 Just just in case I forget to do it later, I've done it.  
849 That's that's my practice and I'll do it again if it pleases you.  
850 Let's let's deal with it once during each case, so I don't hear any objections to your  
851 exhibits.  
852 So they're admitted into evidence without exception. Great, go ahead.  
853 Sure, Mr. Jackson did, in accordance with OC D's custom and practice.  
854 A civil penalty calculation with regards to Poco.  
855 That amount is \$156,150.  
856 We, as as attested to and miss Sarah Griego, la clerk with OCD's affidavit, we  
857 submitted both certified mail and electronic mail to pocos designated.  
858 Representatives in the OCD permitting system, and in fact, we know those were  
859 received.  
860 Because we receive the green card back and we also again I've I've, Mr. Oguin  
861 emailed me this morning asking should they attend. And I said that's up to you. We  
862 will proceed seeking the remedies in this matter, whether you're here or not.  
863 I have a question for you. When you say designated representative, what do you  
864 mean?  
865 So I mean, in OCD permitting on the operator page?  
866 They list individuals.  
867 And and these are submitted to OCD.  
868 They list individuals and e-mail addresses as well as a physical address.  
869 These are provided by the operator.  
870 That's what I mean by that, and that's in some cases we go above and beyond that if

871 we know of another e-mail in this particular case, I believe it was just the the  
872 information submitted to OCD permitting that would be Adam Ogden and Joshua  
873 Ogden.

874 At at their certified mail to their listed address.

875 Address as well as electronic mail.

876 So would it?

877 Would I'm understanding from you is poker resources?

878 Is an entity that is represented by the OGUINS.

879 That's Joshua Ogden is the only individual who again is a listed as a representative in  
880 OCD permitting.

881 That's the only individual that I have been in contact with, but I have had, I believe, 3  
882 emails since the filing of the Nov with him.

883 Two of which say we can't do this.

884 What should we do?

885 And the thing the one this morning asking should they attend?

886 And I said that's up to you. So. So you're representing to the forum here that.

887 That they never contested, represented representing poker resources.

888 Oh no, not at all, in fact.

889 I think I think in one, he said. His dad does most of the work for Poco, but he he he  
890 handles the communications.

891 And things like that.

892 So so I know I have every reason to believe that he has both actual and apparent  
893 authority to act on behalf of Poco, and they're not here, OK.

894 So we've accepted your exhibits into evidence. You have testified to the due process  
895 that was provided under the rule, and we're dealing with what 1915.5?

896 Here we're dealing with.

897 5-7 and eight with regards to the civil penalties, but.

898 Oh C.

899 Overarching concern is certainly getting plugging orders for all these wells.

900 So what I mean by that is the rule that controls adjudication for this type of  
901 malfeasance is 1915. Five, right? Correct.

902 Absolutely. And that sets out the process for due process for the respondent, OK,  
903 absolutely. In agreement with you on that, Mister. You followed. You followed that  
904 rule.

905 I do.

906 I'm looking at it right now.  
907 And I believe that OCD is in total compliance with that rule.  
908 Is there anything else about this case?  
909 No, we we would ask for leave to submit a an order to you.  
910 Encompassing the relief we've we've requested in US matter.  
911 All right. Excellent.  
912 Let's go on so.  
913 I'm gonna ask again, is poker resources or a representative for the respondent  
914 available today?  
915 OK, so Poco resources and their representative did not appear today, so this case is.  
916 We're in recess on this case and the hearing.  
917 Exhibit is closed at this point.  
918 OK.  
919 Let's go on to Dominion Production 25795.  
920 Very good.  
921 What OCD is ready to proceed.  
922 Mr. hang. Officer. Officer. Thank you.  
923 Do we have anyone from Dominion production?  
924 Available today.  
925 Not hearing anyone so go right ahead, Mr. Hall.  
926 Thank you.  
927 Very similar fact pattern other than non responsiveness from Dominion. Since the  
928 filing of the Novi can also tell you that.  
929 In prior negotiations with Dominion and another entity that was seeking to buy their  
930 wills fell through because that entity wanted indemnification from OCD so that didn't  
931 occur.  
932 But I can tell you that we did send emails to Mr. Weers, I believe is his name.  
933 There's the registered representative of Dominion, and we were in communication  
934 prior to the filing of the Nov, so I have reason to believe that those that's one case  
935 where we sent all the information in OCD permitting.  
936 But I believe there was another e-mail.  
937 We are familiar with that.  
938 We also, in an abundance of caution, sent, sent the the documents and pleadings in  
939 this matter to their so how many wells are in active here?  
940 100 well 128.

941 I believe.

942 Let me let me double check that.

943 Because they also, I think they have.

944 4/4 that are plugged not released as well.

945 So they're, they're completely noncompliant as well.

946 Let me let me double check that that's 'cause the 128 might be.

947 That might be the total number was.

948 Yeah, 124 on the inactive Wellness, four additional wells, which equal 128 total wells

949 in New Mexico.

950 Those four are plug not released again based on the non responsiveness, this is

951 another.

952 This is a matter where OCD had to. Last month after the filing of the Nov, the OCD

953 there was a release on one of those.

954 Plug not released wells and so.

955 I believe there's some testimony in our affidavits regarding that can represent to you

956 that they have been completely unresponsive.

957 OCD had to go out and do the work on that.

958 So not only have they been non responsive to the Nov, they have also not not.

959 Responded to and it is an exhibit exhibit 5 in this case, which is the enforcement

960 notification that was sent December 16th.

961 Of 25 and they were given a deadline of December 31st to respond and entirely

962 failed to do that.

963 And as we sit here today, it's my understanding that they not only have been non

964 responsive, but have felt to respond.

965 So you said you were in contact with the Mr. Weir's.

966 Yes, he's a German man and I apologize if I'm mispronouncing, but that's my

967 understanding.

968 So you were in contact with Mr. Weir's and and he is the representative for

969 Dominion, yes.

970 I believe he's the owner, but yes, he's as as far as we're concerned, he's the

971 designated representative of the operator being Dominion.

972 And you said before that that operators are required to file some document with the

973 OCD that says who their representative is, right?

974 Yes. How often do they do that?

975 Is it annual or is it just one time only?

976 I don't wanna be out of line on that. I'm not.

977 Familiar with the exact I believe it's when they register and then if there's a change.

978 They're they're required to to submit the change that you know within a reasonable

979 amount of time. But I say that without looking at the rule on that, but that my

980 understanding through the Grapevine and speaking to people who deal with that at

981 OCD is that's how that's done.

982 Thank you, Mr. Holland.

983 Mr. Jackson, do you know?

984 Mr. Ruth, correct.

985 He is correct, yes.

986 So you you do it one time and then if there's a change, you're required to update the

987 records.

988 Yes, they have access to log in themselves and maintain their own record with their

989 own grid number with their own grid number.

990 They log in and they OK maintain their contact information as it changes. OK.

991 So the burden is on the operator to comply with this information, correct?

992 OK.

993 So there it's their responsibility to keep it up to date.

994 Correct. OK.

995 All right.

996 So you were in communication, Mr. Hall with Mr. Weir's before the Nov was filed.

997 After that, they went silent. Correct.

998 OK, how many exhibits do you have in this case? Five. They are Mr. Jackson's affidavit

999 and resume. The Nov and attached exhibits.

1000 Miss Griegos affidavit and the aforementioned enforcement notification, which is

1001 Exhibit 5, we would offer all five of those exhibits and and they're accepted into

1002 evidence without exception, since there's no one here.

1003 From the respondent to object.

1004 What is the civil penalty in this case?

1005 The civil penalty in this case OCD is requesting is \$324,000. OK.

1006 All right. And you'll provide a proposed order for absolutely all right.

1007 Sounds good.

1008 So you'll send me the proposed orders, I'll review them and then we'll get them to

1009 the director.

1010 Great. Alright, let's call on the third and last case for the OCD this morning.

1011 This is 25802.

1012 Nitro oil and gas.

1013 Yes, we're OCD is ready to proceed.

1014 We have not heard anything from Nitro and in fact some of our males bounced back

1015 our green cards.

1016 We did send them, as attested to by Miss Griego too, to the addresses, e-mail and

1017 physical that Nitro provided us. They've also had.

1018 An emergency.

1019 Let me just see.

1020 Sure, sure.

1021 Anyone from nature with us today?

1022 Anyone here representing Nitro oil and gas?

1023 Not hearing anyone, Mr. Hall.

1024 How many exhibits do you have on this case? 5 The the first four being the same,

1025 four in the previous two affidavit, resume Nova affidavit of of both respectively Mr.

1026 Jackson and Miss Griego. There's also an emergency order that was recently done by

1027 the director, which Nitro entire.

1028 Failed to respond to.

1029 Or or deal with so so LCD was forced to so you've never.

1030 Been in contact with Nitro at all.

1031 Before or after both, either on the emergency order, I believe I can certainly speak for

1032 myself, but I don't think anyone at OCD has spoken to them about that.

1033 That was that was a serious release as well as the Nov. No one has communicated

1034 from Nitro and and Mr. Hall. You're submitting Mr. Jackson's resume? For what

1035 purpose?

1036 Just just to show that he is competent.

1037 And to make the affidavit and and to assert the matters he does in his affidavit that

1038 that's the purpose.

1039 So it's my, it's my interpretation of the rules of evidence which we use as a guide

1040 here that this would be beyond lay testimony.

1041 This would be of some sort of an expert in some way. He he. Well, I think he has.

1042 I don't know if I would characterize him as an expert witness.

1043 I think he's certainly competent.

1044 And I wouldn't quibble with him being an expert.

1045 He's competent and able to testify to the matters he does, namely the procedures

1046 laid out in his affidavit at OCD, as well as his ability to supervise matters within the  
1047 Administrative Bureau at OCD.

1048 So I'm not trying to avoid your question, but I.

1049 Haven't really thought about whether he's an expert witness. I I think he's a  
1050 competent, reliable witness.

1051 To the matters he's asserted, all right, Mr. Jackson, would you come up to the witness  
1052 stand, please.

1053 Thank you. Will you turn on the microphone please?

1054 All right, now let's see.

1055 I'm gonna pull up the rule 11 dash.

1056 702.

1057 And let's get Mr. Jackson qualified as an expert because there's no reason you need  
1058 to keep providing his resume. OK, once we get him admitted as an expert for this  
1059 division.

1060 An expert in administrative compliance. Exactly. OK.

1061 Great. All right.

1062 So let me swear him in.

1063 And then why don't you lay a foundation for his qualifications?

1064 But I wanted to read an experts opinion. Must stem from reliable scientific, technical  
1065 or other specialized knowledge and is reliable application to the case.

1066 So I'm I'm focusing more on specialized knowledge here.

1067 OK.

1068 Great. OK. Either based on training, based on work experience based on education,  
1069 whatever it is.

1070 Just elicit a foundation so that I can find him to be an expert in the administrative.

1071 Compliance field. Mr. Jackson, would you raise your right hand?

1072 Please do swear firm under penalty of perjury. The testimony you're about to give is  
1073 the truth, the whole truth, and nothing but the truth I do.

1074 Would you spell your name for the record?

1075 ROBJACKSOM put your hand down and go right ahead, Mr. Hall.

1076 Oh, thank you.

1077 Could you stated your name, Mr. Jackson?

1078 How are you employed?

1079 I'm employed as a compliance supervisor in oil Conservation division of the Energy,  
1080 Minerals and Natural Resources Department.

1081 Do you mind if I call OCD? Yes. OK.

1082 How long have you worked for OCD?

1083 This year will be five years, 2021 is that, am I accurate in in stating that's when you

1084 began?

1085 Working for OCD.

1086 Correct. OK.

1087 Now, prior to that, you had some supervisory type.

1088 Experience. Is that correct?

1089 Correct, but not necessarily in in something like administrative.

1090 Compliance for a state agency. Is that correct? That's correct.

1091 Fair to say that most of your experience with regards to the affidavit we've submitted

1092 in this matter has been acquired during your time at OCD.

1093 Yes, OK.

1094 Now, are you familiar with?

1095 Well, let's start with civil penalty calculations.

1096 With regards to novs, yes, and in fact you do those, don't you?

1097 I put those together.

1098 It's on a spreadsheet that has algorithms and formulas in the background that were

1099 put together by legal based on other rules that are outside of my purview. And

1100 however you're you're able to synthesize those and and the document has

1101 submitted.

1102 In this matter you're familiar with what's in there and able to compile that

1103 information, correct? Correct.

1104 And so.

1105 And and you follow the OCD custom when you do so, is that right?

1106 Yes, I do.

1107 You are you familiar with researching within OCD, permitting inactive wells for

1108 operators?

1109 Very much so.

1110 You know C?

1111 140 all kinds of documents that that are submitted to OCD are required to be

1112 submitted.

1113 You're familiar with that, correct?

1114 Yes, I am.

1115 And so.

1116 Also, financial assurance, whether that's compliant with with the relevant rules.

1117 Yes, my office and my team are responsible for the bonding and financial assurance.

1118 You're you're familiar with the process of filing in OVS.

1119 Against non compliant operators, correct?

1120 I'm familiar with the creation of the Nov and then submitting it to legal.

1121 You assist in the process of compiling information and making ensuring that it's

1122 accurate in the process of of filing NOV's was that fair to say I did?

1123 Yes. OK. Thank you.

1124 And I'm just looking through your affidavit here to make sure we're hitting what we

1125 need to see 115's.

1126 You're familiar with the process of of those needing to be provided by operators. On

1127 Wellesley, operating correct on a monthly basis.

1128 Yes, OK.

1129 You're you're you're able to communicate with with other individuals at OCD

1130 regarding responsiveness of operators to things like emergency releases or inactive

1131 wells, correct? Not so much on the releases, but on the inactivity of the wells.

1132 Yes, OK. You you're able to speak for instance to me or to Miss Griego or?

1133 Other people that that, even if.

1134 If you're not talking to operators about that, you're able to communicate with those

1135 people and find out whether they've been responsive, correct, correct. Also, the

1136 public facing OCD permitting allows you to research that, OK.

1137 That that's all my questions certainly would.

1138 Would I have a follow up question? I have a follow up, it's Jackson.

1139 What databases do you routinely use?

1140 Oh, for the compliance.

1141 It's the OCD permitting data.

1142 Base so there's one database.

1143 It's. I don't know how it has it set up. If it's pulling from multiple databases or one,

1144 but it's from one end user interface basically.

1145 And what does that user?

1146 What does that database?

1147 What information does that provide to you?

1148 For the purposes of these, it would be the C 1/15.

1149 Reporting. Have they reported action status is how they report or how how often

1150 they have reported in the past.

1151 The C 115 then allows me to see the inactivity or the activity of the well. Then I can  
1152 research if they've submitted any other filings.

1153 C.

1154 1:45 for transferring wells or whatnot.

1155 Is that a different database?

1156 I don't.

1157 It's the same interface, OK, but I don't know about database, the permitting system.

1158 Yes, and and and and let's try to cover other types of cases that you're gonna be

1159 bringing before the division Hearing Bureau because I'm gonna get you qualified as

1160 an expert to as you know, to overarch all the different types of nobs that you're

1161 gonna file are there?

1162 Any other databases like for the bonding issues that you use?

1163 There is a bonding database, but I also that's not publicly facing, so that's only

1164 internally facing. So I do use that one that is.

1165 It probably has that set up as a separate database because it's not publicly accessible.

1166 How long have you been using these two databases?

1167 For my entire time.

1168 4 1/2 years.

1169 Five years? Almost.

1170 Do you have any reason to believe that they're not accurate?

1171 No, I we recently did an audit of the bonding database to clean that one up because

1172 it had had some discrepancies and we got that cleared up.

1173 You were involved in that, yes.

1174 OK. But you don't have any reason to believe that?

1175 The permitting databases has factual errors in it.

1176 There's there's.

1177 I wouldn't.

1178 I wouldn't say errors as much as there's needs to be some that you'd be caught up

1179 timely more timely.

1180 But the the data's correct for me to review, yes.

1181 So when you're researching a respondent such as Nitro oil or and gas, let's say, how

1182 do you make sure that the database is current for them?

1183 I go to the action.

1184 This is mostly an honor system from the from the operators who to report.

1185 So I only have the data that they give us, right? And I and I use the database about

1186 action status to see when they last reported any certain filing and that lets me know  
1187 if it's up to date.

1188 All right. So Mr. Jackson from here on, in your qualified as an administrative  
1189 compliance expert.

1190 Before this division, you don't have to include your resume anymore.

1191 Will do on your cases, OK.

1192 Alright, Mr. Hall. Let's see. Is there anything left on the Nitro? Oil and gas case I  
1193 would like.

1194 I don't. If I did, I apologize for being redundant. I would not sure if I offered the five  
1195 exhibits, so I certainly do that now.

1196 And we would ask.

1197 The same same relief. In addition to this is really for all three.

1198 Remove all their ability to transport so and I'll I will we, which we pledge for and  
1199 asked for and is a remedy, set out their total total non responsiveness to  
1200 emergencies as well as serious matters like this.

1201 Novi think evidences their inability to protect the people in New Mexico and what's  
1202 the what's the civil penalty?

1203 Calculation on Nitro.

1204 It's it's a little lower the.

1205 Civil penalty for Nitro.

1206 Let me let me find it.

1207 Here is it's 39,600 + 2500 from environmental regarding the release.

1208 So for a total of \$42,100.

1209 All right, your exhibits are admitted without exception. Mr. Jackson, one last question  
1210 on these three cases.

1211 Do we have bonds?

1212 Does the division have? Is holding bonds on all three?

1213 Operators I do believe so.

1214 So do you then seek to forfeit the bonds that would be legal's decision if they forfeit  
1215 it, then I I do. The data work behind that to forfeit it.

1216 Yeah, there's that.

1217 I can respond to that if, if, if it pleases you, Mr. hearing officer.

1218 As a general custom, I believe and I I think it's arguable whether this is required, but I  
1219 I think it probably is once we have.

1220 Plug in cost associated. That's that.

1221 That's then.

1222 And recently we did get a lot of bond forfeiture money at OCD relating to that, but.

1223 Now I think there might be a process going forward which we're exploring internally

1224 to to add the sureties to these NLV matters which which I think wouldn't require

1225 necessarily those those plug in costs to actually be realized before a forfeiture so.

1226 So in the future, we anticipate that will happen, but at this time until we have orders

1227 ordering the plug in, OCD is unable to do so.

1228 And so it's it's a, it's a bit of a convoluted process, but that's I hope that answers your

1229 question.

1230 It does so the so so once the director signs the order, then the plugin can begin.

1231 Once the plugin is over, then you have a bill to maybe put against the bond.

1232 That's that's accurate.

1233 Alright, but the bond the bond does not go toward the civil penalties, correct?

1234 OK, it goes toward plug in cost.

1235 It's a plug in bond, OK?

1236 Mr. Hall, thank you.

1237 Is there anything left on these three cases?

1238 No, I appreciate the your your attention to this matter.

1239 Very good, Mr. Jackson.

1240 Thank you. OK.

1241 We're off the record in those three cases. Let's go on to #5, Longfellow Energy, and I

1242 believe at this point we have Mr.

1243 Fordice with us? Yes, I see him.

1244 Excellent. Good morning, Mr. Fordyce.

1245 We're gonna begin with case number 25635, Longfellow.

1246 Good morning. Sharon Shaheen, on behalf of Longfellow Energy. Good morning.

1247 We're here today simply because we had to fix a typo in the CPAP.

1248 So we did file revised exhibits on December 24th and with the corrected a case

1249 number on the CPAP and I believe that's all that is at issue, OK.

1250 Thank you, miss Shaheen.

1251 Your exhibits are accepted into evidence in the case is taken under advisement.

1252 Thank you.

1253 Moving on to Permian Resources, these are it looks like 3 cases 257-7374 and 75.

1254 Yes, Jackie McLean on behalf of Permian Resources.

1255 Good morning.

1256 Good morning.

1257 And there's no other party.

1258 That's entered an appearance. Go right ahead. Thank you.

1259 And case number's 257-7374 and 75.

1260 Permian Resources seeks an order pulling all uncommitted interest in the Wolfcamp

1261 and Bone Spring formations.

1262 Underlying all of sections 1920 and 21 Township 21 S range 26 E in Eddy County and

1263 these units will be dedicated to the solstice fed. Commonwealth exhibits were timely

1264 submitted for this case last week, but we did file an amended exhibit packet

1265 yesterday just.

1266 To correct a couple typos.

1267 Which was reflected on a notice on the cover sheet.

1268 And the amended exhibit packets include land testimony and corresponding exhibits

1269 of Daniel Curry geology testimony, as well as notice testimony that shows that we

1270 timely sent notice to all interested parties on November 10th and 11th, as well as an

1271 affidavit of publication for November 15th. With that I.

1272 Ask that the exhibits be admitted for case numbers 25773.

1273 Through 25775 and that the cases be taken under advisement.

1274 Your exhibits are admitted without exception. Before I turn to Mr. Fordyce for

1275 questions, just out of my curiosity, why do you think that?

1276 No other party has entered an appearance in these three cases. I don't think that we

1277 got.

1278 An an entry of appearance from anyone.

1279 Yeah, but no. What I mean is why do you?

1280 Why do you think there was no interest in? Oh, and the answer yes.

1281 You know what?

1282 I that's a good question.

1283 I guess none of the people that are fighting with each other were needed to be

1284 noticed about this section, or they've already worked a deal or something.

1285 I often wonder that myself, but this one we're good to go. I just.

1286 Missed your Ford, Mr. Ford.

1287 I see.

1288 Do you have questions?

1289

1290 **FE** **Fordyce, Andrew, EMNRD** 1:42:47

1291 Yes, I have questions for the land man.

1292

1293 **PH** **Pecos Hall** 1:42:49

1294 Ledman, who's your lead man?

1295 Well, so, Mr. Cory's wife is currently having a baby.

1296 So we have.

1297 Yes, we have.

1298 Sean Johnson from Permian Resources is available for questions. OK. And and let's

1299 and I can pull up.

1300 I see him.

1301 So I'm waving. There he is.

1302 Alright, good morning Mr. Johnson.

1303 Would you raise your right hand please?

1304 Do you swear a firm under penalty of perjury that the testimony you're about to give

1305 is the truth, the whole truth, and nothing but the truth?

1306 Alright, thank you. Spell your name please.

1307

1308 **SJ** **Sean Johnson** 1:43:27

1309 Sean Sean, last name Johnson Johnson.

1310

1311 **PH** **Pecos Hall** 1:43:32

1312 All right.

1313 And Mr. Johnson, have you been previously recognized by this division as an expert?

1314

1315 **SJ** **Sean Johnson** 1:43:38

1316 Yes, Sir, I have.

1317

1318 **PH** **Pecos Hall** 1:43:39

1319 In in what?

1320 In what field of expertise?

1321

1322 **SJ** **Sean Johnson** 1:43:42

1323 Petroleum Land Management.

1324

1325 **PH** **Pecos Hall** 1:43:44

1326 Then OK, so did you review the underlying data in this case?

1327

1328 **SJ** **Sean Johnson** 1:43:52

1329 Yes, I have all of Daniel's exhibits were built underneath my supervision.

1330

1331 **PH** **Pecos Hall** 1:43:59

1332 Ah, OK, OK, very good.

1333 And you've come to your own.

1334

1335 **SJ** **Sean Johnson** 1:44:04

1336 Oh.

1337

1338 **PH** **Pecos Hall** 1:44:04

1339 Your own expert opinion about this case.

1340

1341 **SJ** **Sean Johnson** 1:44:07

1342 That's correct.

1343

1344 **PH** **Pecos Hall** 1:44:08

1345 Alright, very good. OK.

1346 Mr. Ford, nice. Go right ahead.

1347

1348 **FE** **Fordyce, Andrew, EMNRD** 1:44:14

1349 Mr. Johnson, I'd like to direct you to right now I'm looking at case 25773 and I'm

1350 looking at exhibit A3 on page 18.

1351

1352 **PH** **Pecos Hall** 1:44:23

1353 Thank you.

1354

1355 **FE** **Fordyce, Andrew, EMNRD** 1:44:29

1356 Which is unit recapitulation for this application.

1357

1358 **PH** **Pecos Hall** 1:44:35

1359 We'll put it up on this screen.

1360 You can, if you want to.

1361 It looks like Mr. Johnson has it in front of him, OK?

1362

1363 SJ **Sean Johnson** 1:44:40

1364 Yes, Sir, I do. Got it.

1365

1366 FE **Fordyce, Andrew, EMNRD** 1:44:44

1367 Specifically, I'm going to point out that this unit recapitulation.

1368 Shows powder horn.

1369 As a party, that's a working interest owner that's not being pooled.

1370 It also shows that.

1371 Tescosa Energy Partners is not being pulled as record title owner as well as fast and

1372 ask acquisitions.

1373 To not being pulled as a record title owner.

1374 I'd like to direct your attention to page 52, which is should be exhibit A6.

1375 And it seems like in this exhibit there are some discrepancies with that unit.

1376 Recapitulation we were just viewing.

1377 The first thing being fascin.

1378 As a working interest and record title owner.

1379 When in the track breakdowns, they're only shown as a record title owner.

1380 The second thing being that.

1381 Working interest owner Power Horn is.

1382 In this exhibit as uncommitted.

1383 And thirdly.

1384 Tascosa Energy Partners record title owner in Tract one is unlisted.

1385 So there seems to be some discrepancies between the two exhibits.

1386

1387 SJ **Sean Johnson** 1:46:16

1388 So I can start.

1389 I can start with fastking, so we have acquired the working interest and the record title  
1390 of Fasten acquisition to Ltd.

1391 So Permian?

1392

139  **Fordyce, Andrew, EMNRD** 1:46:32

1394 OK.

1395

139  **Sean Johnson** 1:46:33

1397 Permian Resources, we have assignments of record and record title as to that  
1398 interest. So I'm assuming when these exhibits were submitted was kind of in that  
1399 interim period between closing and filing so that that interest should will be reflected  
1400 underneath Permian resources operating.

1401 For the working interest and the record title.

1402

140  **Fordyce, Andrew, EMNRD** 1:47:02

1404 OK.

1405 Secondly, then, is powder Horn committed or uncommitted?

1406

140  **Sean Johnson** 1:47:07

1408 The Powder Horn is committed.

1409

141  **Fordyce, Andrew, EMNRD** 1:47:10

1411 And thirdly, I don't see Tascosa Energy Partners listed on this exhibit.

1412

141  **Sean Johnson** 1:47:17

1414 So Tascosa Energy Partners.

1415 Should that's also an umbrella of Permian resources operating?

1416

141  **Fordyce, Andrew, EMNRD** 1:47:30

1418 OK.

1419

142  **Sean Johnson** 1:47:31

1421 As to the record title, and it looks like the working interest is rolled up into Permian  
1422 resources operating.

1423 So I think in in summary, Tascosa.

1424 Is Permian and then the Fascin interest that was questioned is also permanent.

1425 And then Powderhorn is committed.

1426

1427 **FE** **Fordyce, Andrew, EMNRD** 1:47:55

1428 Can we have this updated to reflect that powder horns committed and maybe  
1429 denote that?

1430

1431 **SJ** **Sean Johnson** 1:47:58

1432 We can get that.

1433

1434 **FE** **Fordyce, Andrew, EMNRD** 1:48:02

1435 The Permian has this relationship with Faskin and Tascosa.

1436

1437 **SJ** **Sean Johnson** 1:48:09

1438 Yes.

1439

1440 **FE** **Fordyce, Andrew, EMNRD** 1:48:12

1441 I'd also like to just visit with you for a moment about.

1442 In this case.

1443 The pool is Avalon Wolfcamp gas.

1444 So I don't know that it's in, just to mention it not.

1445 I don't know that it will have a big impact in this particular case.

1446 But I see that there are in the geology exhibits three other.

1447 Wells proposed for this spacing unit.

1448 That are not listed in this application and just wanted to point out that.

1449 Setbacks for gas pools are not 330 and 100.

1450 They're 660 and 3:30.

1451

1452 **SJ** **Sean Johnson** 1:48:58

1453 Correct.

1454

1455 **FE** **Fordyce, Andrew, EMNRD** 1:48:59

1456 So for this case, I believe you're probably going to need NS.

1457 LS for your first and last take points and you may.

1458 With that said, I don't know if that will impact the.

1459 Placing of the.

1460 These three, which I assume you're going to place wells as in infill wells in the  
1461 spacing unit?

1462

146 SJ Sean Johnson 1:49:18

1464 Yeah, that that you're you're exactly correct on the on the SET Max. And we have  
1465 already discussed and already have in motion.

1466 To file NSLS for the first eight point last 8.4 for our wells.

1467

146 FE Fordyce, Andrew, EMNRD 1:49:33

1469 Very good for the other two cases 257774 and 775.

1470 They I will make the same request for the discrepancies between exhibit A3 unit  
1471 recapitulation and exhibit A6 ownership commitment.

1472

147 SJ Sean Johnson 1:49:52

1474 You got it? Yes, Sir.

1475

147 FE Fordyce, Andrew, EMNRD 1:49:55

1477 And appreciate your time.

1478 That's all I had on those cases.

1479

148 SJ Sean Johnson 1:49:59

1481 Thank you.

1482

148 PH Pecos Hall 1:49:59

1484 Thank you, Mr. Fordyce.

1485 So let's see, Miss McLean.

1486 Would you continue these cases to the February 5th docket?

1487 We'll hear them at the beginning of the docket.

1488 We don't have another place to put them as of now. If there was, I would give it to  
1489 you.

1490 Is there anything else on these cases not from Permian?

1491 Do you have any follow up with either your witness or Mr. Fordyce?

1492 No, I think I understand.

1493 Perfect. Thank you.

1494 Alright, we are off the record in these three Permian cases.

1495 Next is 25778 Burnet oil.

1496

1497 **BH Benjamin Holliday 1:50:39**

1498 Good morning, everyone.

1499 Ben Holiday, on behalf of the applicant, Brent Oil. Good morning and we did not

1500 have any other interest of appearance in this case either.

1501

1502 **PH Pecos Hall 1:50:42**

1503 Good morning, Mr. holiday.

1504 Go right ahead.

1505

1506 **BH Benjamin Holliday 1:50:49**

1507 OK.

1508 So in case 25778 burned oil company seeks to pool the Yaso formation underlying a  
1509 321.4 acre standard horizontal spacing unit. It's comprised of the north half of  
1510 section 19, Township 18 S.

1511 Range 27 E and Eddy county.

1512 So this unit in this case will be dedicated to the Aggie 1H2H3H31H and 32H wells.

1513 So turn to exhibits.

1514 We have the self firm statements of Lamb and Christine Pilgrim and geologist Trey  
1515 Cortes, both M's Pilgrim and Mr. Cortez have been previously qualified by the  
1516 division and recognized as experts in their respective disciplines.

1517 They're also both available if you guys have any questions.

1518 Questions. I just want to point out real quick. We did submit an amended exhibit  
1519 packet this week.

1520 The purpose of that was just to remove some of the pool parties.

1521 This case was originally filed in November and then was bumped back.

1522 So in that in that interim period, we're seeking to pull less parties due to  
1523 commitments and acquisitions.

1524 Exhibit A and this Pilgrim provides standard land exhibits as shown in our table of  
1525 contents.

1526 Exhibit B. Mr. Cortez provides standard geology exhibit C.

1527 Cpac and Exhibit D includes mynotice affidavit and associated attachments.

1528 Notice in this case was timely sent on November 12, 2025 by certified Mail, and we

1529 also timely published in the Carlsbad Current Argus on November 18, 2025. So with  
1530 that, unless there's any questions, I request that the exhibits be admitted and that  
1531 these cases.

1532 Be taken under advisement.

1533

1534 **PH** **Pecos Hall** 1:52:32

1535 Thank you, Mr. Holiday.

1536 Your exhibits are admitted without exception. Mr. Fordyce, do you have questions  
1537 here?

1538

1539 **FE** **Fordyce, Andrew, EMNRD** 1:52:40

1540 Department of motor examiner. I have questions for the land man.

1541

1542 **PH** **Pecos Hall** 1:52:43

1543 Perfect, Mr. Holiday.

1544

1545 **BH** **Benjamin Holliday** 1:52:45

1546 OK, I believe Miss Pilgrim's on the line.

1547 And available remotely.

1548

1549 **PH** **Pecos Hall** 1:52:52

1550 I see.

1551 Thank you.

1552 Good morning, Miss Pilgrim.

1553 Would you raise your right hand please?

1554 Do you swear firm under penalty of perjury that the testimony you're about to give is  
1555 the truth?

1556 The whole truth and nothing but the truth.

1557

1558 **KP** **Kristine Pilgrim** 1:53:05

1559 I do.

1560

1561 **PH** **Pecos Hall** 1:53:06

1562 Thank you.

1563 You can put your hand down.

1564 Would you spell your name please?

1565

1566 **KP Kristine Pilgrim 1:53:10**

1567 Christine, it's KRI.

1568 STINE Pilgrim, Pilgrim.

1569

1570 **PH Pecos Hall 1:53:15**

1571 Great. And I recognize you from previous hearings, so I know you are.

1572

1573 **KP Kristine Pilgrim 1:53:19**

1574 Yes.

1575

1576 **PH Pecos Hall 1:53:22**

1577 Recognized by this division as an expert in land.

1578 So Mr. Fordez, go right ahead.

1579

1580 **FE Fordyce, Andrew, EMNRD 1:53:28**

1581 Good morning, Miss Pilgrim. In in this case.

1582

1583 **KP Kristine Pilgrim 1:53:29**

1584 Sorry.

1585

1586 **FE Fordyce, Andrew, EMNRD 1:53:33**

1587 The application is seeking.

1588 Pool 320 acres.

1589 It's in the north half of section 19 of Township 18 S.

1590 27 E.

1591 There's five wells proposed.

1592 The Aggie Wells 1H2.

1593 H3H31H32H.

1594 It it's not.

1595 Maybe abundantly clear to me, but it seems as though and maybe you can verify that  
1596 the north half of the north half is included as proximity tracks for the well, the Aggie  
1597 well #2H is.

1598 That's the defining well for this application.

1599 Is that correct?

1600

160  **Kristine Pilgrim** 1:54:17

1602 Correct.

1603 Who gets to be had on there?

1604 Yes.

1605

160  **Fordyce, Andrew, EMNRD** 1:54:25

1607 OK so.

1608 I would just then if that is correct.

1609 Would like to direct your attention to page 58.

1610 Which is the first page of the compulsory pooling application checklist.

1611 And then in the other situations section.

1612 It says proximity tracks no and proximity defining. Well, NA.

1613 So if I'm correct that the two H is actually a proximity defining, well, I believe we need

1614 corrections to this.

1615 Cpac is. Is that correct?

1616

161  **Kristine Pilgrim** 1:55:18

1618 Gosh, yes, Sir, I think it.

1619 Yes, I think it should be on there.

1620

162  **Fordyce, Andrew, EMNRD** 1:55:25

1622 OK.

1623 Well, I think with that said, I'd just like to.

1624

162  **Kristine Pilgrim** 1:55:26

1626 Try to see what that's looking.

1627

162  **Fordyce, Andrew, EMNRD** 1:55:30

1629 I would like to just then request that the CPAC be updated to reflect the proximity tracks. The proximity defining well, and that the CPAC when it's resubmitted, be signed and dated.

1632

1632  **Kristine Pilgrim** 1:55:48

1634 Yes, Sir.

1635

1637  **Fordyce, Andrew, EMNRD** 1:55:51

1637 And I have no further questions.

1638 Thank you.

1639

1641  **Pecos Hall** 1:55:54

1641 All right, Mr. Holiday, would you please?

1642 Submit this information and continue the case to February the 5th.

1643

1645  **Benjamin Holliday** 1:56:06

1645 Yes, Sir, we'll do that.

1646

1648  **Pecos Hall** 1:56:07

1648 All right.

1649 Thank you.

1650 All right, we're off the record in this case, let's move on to Cimarex Energy 25779.

1651 Good morning, Mr. Examiner.

1652 Dina Bennett, on behalf of Cimarex Energy and Kotera Energy operating and there

1653 are no other parties that have entered an appearance in this case.

1654 Thank you.

1655 In this case, Cimarex Energy Co.

1656 Of Colorado. Who's the applicant?

1657 Seeks an order pooling uncommitted interest in the South path of sections 2-3 and

1658 four.

1659 Township, 25 S.

1660 Range 26 E.

1661 Eddy County and Cimarex did file this application, but in the meantime SIMRACS has  
1662 merged into Kotera and so Kotera is requesting to be designated the operator under  
1663 the order.

1664 And as part of this exhibit, we I'm sorry as part of the materials we submitted the  
1665 usual suite of exhibits including the land exhibits from our land man, Keaton Curtis,  
1666 who's previously testified before the division and his materials have been his

1667 credentials have been accepted as a matter.  
1668 Of record.  
1669 Mr. Travis Sparks, the geologist for Kotera, has also been admitted and his  
1670 credentials accepted.  
1671 And then finally, I've included my notice materials which show that notice was timely,  
1672 mailed and published on November 13th and November 18th respectively.  
1673

167  **Fordyce, Andrew, EMNRD** 1:57:16

1675 You know.

1676

167  **Pecos Hall** 1:57:28  
1678 And with that, I would ask that the exhibits in case number 25779 be admitted into  
1679 the record and available for any questions the division may have.  
1680 The exhibits are admitted without exception. The case is taken under advisement.  
1681 Thank you, miss Bennett. Thank you.  
1682 Let's move on to Taprock operating 25782.  
1683 Mr. Examine did the technical examiner not have any questions for our witnesses?  
1684 Oh great.  
1685 Thank you.  
1686 So taprock operating.

1687

168  **Miguel Suazo** 1:57:59

1689 Yes. Good morning Mr. Examiner.  
1690 Miguel Suazo with Bean Wozniak appearing today on behalf of Taprock operating.

1691

169  **Pecos Hall** 1:58:05  
1693 Thank you.  
1694 Good morning Mr. hearing.  
1695 I have examiner Adam Rankin with the Santa Fe Office of Holland Heart appearing on  
1696 behalf of Sarvis Permian Land Fund one SC sarbius Rockmount, Permian Land Fund  
1697 and US Energy development.  
1698 And your position is that you're just monitoring.  
1699 We're monitoring the case preserving rights.  
1700 Thank you.  
1701 Thank you, Mr. Swazil.

1702

1704  **Miguel Suazo** 1:58:27

1705 Yes, Taprock requesting approval of a standard horizontal spacing unit containing  
1706 12180 acres more or less comprised of all of sections 3 and 10. Township 26 S, range  
1707 25 E in Eddy County, New Mexico.

1708 This would be comprised of the Pabst Vedicom 202 H2O 4H211-H in 213 H which  
1709 would produce from the Purple Sage Wolf Camp.

1710 The exhibit packet was filed on December 31st.

1711 Of 2025 and contains exhibit A which is the compulsory pooling checklist. Exhibit B is  
1712 the application and the proposed notice of hearing which was filed on November  
1713 10th, 2025.

1714 Exhibit C is the affidavit of senior Lendman Erica Shoemaker, who was previously  
1715 testified before the division, and her qualifications have been accepted by the  
1716 division as a matter of record.

1717 Exhibit C The one through 6 are the standard suite of land exhibits.

1718 Exhibit D is the affidavit of Vice President of Geosciences.

1719 As Matt Jones.

1720 Mr. Jones has also testified before the division and his qualifications have been  
1721 accepted and made a matter of record.

1722 His exhibit C1 through D5 are the standard suite of geology exhibits and finally,  
1723 exhibit E is the notice affidavit showing that notice letters were mailed on November  
1724 13th of 2025 to the addresses of record of the interested parties and proof of  
1725 publication the car.

1726 Curtain Argus was made on November 18, 2025.

1727 All notices were timely and contemplate the holidays into the minimum days  
1728 between noticing.

1729 Hearing. And with that, I'd like to request that the exhibits be admitted into the  
1730 record and that the matters be taken under advisement and I make the witnesses  
1731 available for any questions.

1732

1733  **Pecos Hall** 2:00:08

1734 Thank you.

1735 Your exhibits are admitted without exception, Mr. Fordyce.

1736 Who do you have questions for?

1736

1737  **Fordyce, Andrew, EMNRD** 2:00:16

1738 I do not have any questions in this case, Mr. Herring examiner.

1739

1740  **Pecos Hall** 2:00:19

1741 OK, then, Mr. Suazo, we'll take this case under advisement.

1742 Thank you.

1743

1744  **Miguel Suazo** 2:00:25

1745 Thank you.

1746

1747  **Pecos Hall** 2:00:26

1748 OK.

1749 Let's go on to Permian Resources.

1750 These are several cases 25791 and 25792.

1751 Yes, Jackie McLean on behalf of Permian Resources.

1752 And no other party has entered an appearance in these matters.

1753 Thank you.

1754 In these cases, Permian Resources seeks an order pulling all uncommitted interest in  
1755 the Wolfcamp formation underlying the Northwest, Quarter and Southwest quarter  
1756 of Section 1 and all of sections two and three Township 23 S.

1757 Range 26 E in Eddy County.

1758 And these units will be dedicated to the Donnie Brasco Fed comma. We did timely  
1759 submit exhibits for the case last week, but submitted an amended exhibit packet on  
1760 Monday to include the resume of Landman Matt Gray, who has actually not  
1761 previously testified before the division and we would.

1762 Like to have him admitted as an expert in petroleum land matters.

1763 I can't believe we have questions for your land.

1764 Then I take that back.

1765 We'll do it another time.

1766 I would rather move on.

1767 And then are we also include geology exhibits and our notice testimony along with  
1768 copies of the notice letter which was timely sent on November 19th as well as the  
1769 affidavit of publication for November 29th?

1770 And with that, I ask that the exhibits be admitted for case numbers 25791 and 25792

1771 and if the case is be taken under advisement, admitted without exception and both  
1772 taken under advisement.

1773 Thank you.

1774 Let's move on to Tedrock operating.

1775 This is 257-992-5800.

1776

1777 **MS** **Miguel Suazo** 2:02:04

1778 Good morning, Mr. Examiner.

1779 Miguel Suazo again with betting Wozniak appearing on behalf of Taprock operating.

1780

1781 **JK** **Jordan Kessler** 2:02:12

1782 And good morning, Mr. Examiner.

1783 This is Jordan Kessler. On behalf of EOG monitoring the case on.

1784

1785 **PH** **Pecos Hall** 2:02:18

1786 Thank you, Miss Kessler, Mr. Suazo.

1787

1788 **MS** **Miguel Suazo** 2:02:22

1789 Yes, taprock in these cases is requesting approval for a standard horizontal spacing  
1790 unit and compulsory pooling in case number 25799. They're seeking approval of  
1791 A320 acre more or less standard horizontal spacing unit comprised of all of the  
1792 South half of.

1793 The north half of sections 9 and 10 Township 25 S range 25 E and Eddy County,  
1794 which would be comprised of the up Slope Fedcom 152H.

1795 And would produce from the Cottonwood Draw Bone Spring.

1796 And in case number 25800 tapro 320 acre standard horizontal spacing unit  
1797 comprised of the South half of the South half of sections 9 and 10, Township 25 S,  
1798 range 25 E also in Eddy County.

1799 This would be comprised of the up slope phase on 154 H and would also produce  
1800 from the Cottonwood Draw Bone Spring.

1801 The exhibit packet was filed on December 31st of 2025.

1802 Exhibit A contains the compulsory pooling administrative checklist.

1803 Exhibit B is the application and the proposed notice of hearing, which was filed on  
1804 November 21, 2025.

1805 Exhibit C is the affidavit of senior Landman, Erica Shoemaker, who has previously

1806 testified, and her qualifications have been accepted and made a matter of record.  
1807 Exhibit C1 through C6 are the standard suite of land exhibits.  
1808 Exhibit D is the affidavit of Vice president of Geoscience Matt Jones, who has also  
1809 testified before the division, and his qualifications have been made a matter of  
1810 record.  
1811 D1 through D5, Andrew suite of geology exhibits and finally exhibit Z is the notice  
1812 affidavit showing that the notice letters were mailed on December 11th, 2025 to the  
1813 addresses of record of the issued parties.  
1814 All notice that ran in the Carlsbad currant Argus on December 17th and they were  
1815 timely and contemplate the holidays into the minimum days between notice and  
1816 hearing.  
1817 And with that, I'd like to request that the exhibits be admitted into the record.  
1818 And the matters be taken under advisement and I make the witnesses available for  
1819 any questions.  
1820

1821 **PH** **Pecos Hall** 2:04:21  
1822 Exhibits are admitted without exception. The two cases are taken under advisement.  
1823 Thank you, Mr. Swaza.  
1824

1825 **MS** **Miguel Suazo** 2:04:27  
1826 Thank you.  
1827

1828 **PH** **Pecos Hall** 2:04:27  
1829 Moving on now to Chevron USA 25803.  
1830 Good morning, Mr. Examiner.  
1831 Deena Bennett, on behalf of Chevron USA Inc.  
1832 And there are no other parties that have entered into that.  
1833 Thank you.  
1834 Thank you. In this case, Chevron seeks to an order of pooling all uncommitted  
1835 interests in US spacing unit underlying the West half of section 16 and 21 Township  
1836 25 S, range 27 E.  
1837 Eddy County, New Mexico.  
1838 And in the materials that we provided, the division will see that the vertical extent  
1839 that Chevron is seeking to pool is within the Bone Spring.  
1840 But it's the second Bone spring lower and the third Bone Spring and that's discussed

1841 both in the compulsory pooling checklist as well as the Landmans app Declaration in  
1842 support of the application. We've submitted the usual suite of exhibits which include  
1843 the.

1844 Self affirmed declaration of Katie Halle, who's previously testified in her credentials,  
1845 have been accepted.

1846 The Self affirmed Declaration of Hunter Birch, the geologist for Chevron. He has not  
1847 previously testified before the division.

1848 And we've included his resume and finally myself affirmed declaration, showing that  
1849 notice was timely mailed and that publication was timely both on December 11th  
1850 and December 13th respectively.

1851 With that, I would ask that the exhibits in case #258-O3 be admitted.

1852 Into the record and the case be taken under advisement.

1853 Thank you.

1854 Your exhibits are admitted without exception, Mr. Fordyce.

1855 Who do you have questions for?

1856

1857 **FE Fordyce, Andrew, EMNRD** 2:06:00

1858 I have questions for the Iron Man.

1859

1860 **PH Pecos Hall** 2:06:02

1861 Land man is only the land man.

1862

1863 **FE Fordyce, Andrew, EMNRD** 2:06:06

1864 Only the lineman.

1865

1866 **PH Pecos Hall** 2:06:07

1867 Thank you.

1868 Can we call your land man?

1869 Yes. Thank you, Miss Halley, if you're on, can you please turn your camera on?

1870

1871 **HK Halley, Katie** 2:06:20

1872 Can you hear me?

1873

1874 **PH Pecos Hall** 2:06:21

1875 Yes, good morning, Miss Haley.

1876 Would you raise your right hand?

1877 Do you swear or affirm under penalty of perjury, the testimony you're about to give

1878 is the truth, the whole truth?

1879 Nothing but the truth.

1880

1881 **HK** **Halley, Katie** 2:06:31

1882 I do.

1883

1884 **PH** **Pecos Hall** 2:06:32

1885 Thank you. Will you spell your name?

1886

1887 **HK** **Halley, Katie** 2:06:34

1888 It is Kat i.e.

1889 And HALLEY?

1890

1891 **PH** **Pecos Hall** 2:06:40

1892 All right, perfect.

1893 And you've been previously recognized as an expert before this division.

1894

1895 **HK** **Halley, Katie** 2:06:44

1896 Yes, I have.

1897

1898 **PH** **Pecos Hall** 2:06:45

1899 In wet field.

1900

1901 **HK** **Halley, Katie** 2:06:46

1902 And petroleum Land Management.

1903

1904 **PH** **Pecos Hall** 2:06:48

1905 Thank you. Go right ahead, Mr. Fordyce.

1906

1907 **FE** **Fordyce, Andrew, EMNRD** 2:06:51

1908 Good morning, miss Hallie.

1909 I'd like to direct your attention to exhibit A5, which is on page 28 of 70.

1910

1911 **HK** **Halley, Katie** 2:07:01

1912 If I can find it.

1913 OK.

1914

1915 **FE** **Fordyce, Andrew, EMNRD** 2:07:09

1916 See on this page a working interest owner Trabajo del Speier, who is uncommitted

1917 but is not indicated here as being pulled by being highlighted yellow.

1918 Wondered if you could clear up that discrepancy for me.

1919

1920 **HK** **Halley, Katie** 2:07:27

1921 So they had elected to participate and I was just waiting on paperwork, which I  
1922 received a few days ago.

1923 So they're fully committed at this point?

1924

1925 **FE** **Fordyce, Andrew, EMNRD** 2:07:38

1926 They are committed, so I would I would ask for an updated exhibit.

1927 Showing that they are committed.

1928 Rather than this exhibit A5 saying they're uncommitted.

1929

1930 **HK** **Halley, Katie** 2:07:53

1931 OK, we can do that.

1932

1933 **FE** **Fordyce, Andrew, EMNRD** 2:07:55

1934 And I I have no further questions.

1935

1936 **PH** **Pecos Hall** 2:07:58

1937 Alright, thank you.

1938 M's Bennett, which exhibit would you have to? Would your client have to revise?

1939 We would need to revise exhibit A5A5.

1940 And I'm just looking at exhibit A, exhibit A8, which is our summary of notice and also  
1941 includes information on committed versus uncommitted.

1942 And I'm just scrolling to that right now and.

1943 In that exhibit A8, we did note that Trabajo del Speier is committed.

1944 We were able to update that between the first exhibit and this final exhibit.

1945 So happy to update exhibit A5 and get that to the division today, given that both the  
1946 land witness and exhibit A8 both show that Trabajo del Speier is committed, I would  
1947 ask that we not need to come back to the division if that's acceptable, let me.

1948 Ask Mr. Fordyce. Mr. Fordyce.

1949 Would that require any further review?

1950 Once that's corrected.

1951

1952 **FE** **Fordyce, Andrew, EMNRD** 2:09:09

1953 No, I believe just this slight correction.

1954 Exhibit A5 would not warrant probably coming back to another hearing.

1955

1956 **PH** **Pecos Hall** 2:09:17

1957 OK, perfect. All right. So, Miss Bennett, if you submit a corrected exhibit packet with a  
1958 cover letter and an A5 corrected, we will leave the record open for the rest of the day  
1959 and then we will close the record at the end of the day and take.

1960 Your case under advisement.

1961 Thank you very much.

1962 I appreciate the consideration. OK, you're welcome.

1963 All right, Longfellow. Energy 25804.

1964 Sharon Shaheen, on behalf of Longfellow Energy.

1965 Are there any other yaritza Pena with Hardy McLean on behalf of XTO holding?

1966 And we are simply monitoring.

1967 Thank you, miss Pena.

1968 Miss Sheheen, go right ahead.

1969 Thank you.

1970 In this case, Longfellow seeks to pool the ASO formation in the standard 320 acre  
1971 unit with proximity tracks in the South half of section 33, Township 16 S, range 31, E  
1972 in Eddy County for the purpose of drilling the Van Halen 33.

1973 CD bed com wells.

1974 Our exhibit list is on PDF page. Two of our revised exhibit package.

1975 Exhibit.

1976 In tab one we have the CPAP Tab 2. The application exhibit A is Tab 3.

1977 That's our self affirm statement of the land man who is previously testified before the  
1978 division and includes 6 exhibit sub exhibits including the new exhibit A6 which  
1979 reflects the status of the owners.

1980 Exhibit B is a self affirmed statement of the geologist Jacob de Hammer.  
1981 He has previously testified before the division and he has the usual exhibits attached  
1982 to his self affirm statement.  
1983 Finally, exhibit C is myself affirmed statement regarding notice.  
1984 Sample notice letters went out to all interested parties.  
1985 They were mailed December 15th and December 18th, which is timely.  
1986 There's a chart of notice reflecting the certified mailings.  
1987 Exhibit C2 and exhibit C3 is the copies of the mail receipts. C4 is the affidavit of  
1988 publication. I would note there was a little bit of a wrinkle in that upon learning that.  
1989 In communications with BP, Longfellow learned that the interest attributed to BP in  
1990 the county records is actually.  
1991 Now we believe owned by Hillcorp.  
1992 And Longfellow has been communicating with with all of them.  
1993 BP, Apache and Hillcorp to get that cleared up, but in the meantime we're forced  
1994 pulling all of those owners and they all received notice.  
1995 With that, I would ask that the exhibits be admitted into the record and that this case  
1996 be taken under advisement.  
1997 OK, your exhibits are admitted without exception.  
1998 Who do you have questions for, Mr. Fordice?  
1999

2000 **FE** **Fordyce, Andrew, EMNRD** 2:12:13

2001 I have questions for the land man.

2002

2003 **PH** **Pecos Hall** 2:12:15

2004 Miss Shaheen.

2005 Yes, Mr. Gaston, I believe is on the platform.

2006 Yeah, I recognize you, Mr. Gaston.

2007 Good morning.

2008 Would you please raise your right hand?

2009

2010 **SG** **Stuart Gaston** 2:12:26

2011 Good morning.

2012

2013 **PH** **Pecos Hall** 2:12:29

2014 Do you swear or affirm under penalty of perjury that the testimony you're about to

2015 give is the truth?

2016 The whole truth and nothing but the truth.

2017

2018 **SG** **Stuart Gaston** 2:12:35

2019 I do.

2020

2021 **PH** **Pecos Hall** 2:12:36

2022 OK. And you've been previously qualified as an expert in land?

2023

2024 **SG** **Stuart Gaston** 2:12:40

2025 Yes, Sir, I have.

2026

2027 **PH** **Pecos Hall** 2:12:42

2028 Mr. Fornix, go ahead.

2029

2030 **FE** **Fordyce, Andrew, EMNRD** 2:12:45

2031 Good morning.

2032 I'd like to direct your attention to exhibit A2.

2033 Which is on page 35 of 94.

2034

2035 **SG** **Stuart Gaston** 2:12:57

2036 Yes.

2037

2038 **FE** **Fordyce, Andrew, EMNRD** 2:13:01

2039 So this application is for Van Halen 33 CD wells in the South half of section 33.

2040 This exhibit appears to be for Van Halen 33. AB wells in the north half of section 33.

2041

2042 **SG** **Stuart Gaston** 2:13:23

2043 Yes, Sir, I see that. That it.

2044

2045 **FE** **Fordyce, Andrew, EMNRD** 2:13:24

2046 So I believe we have the wrong exhibit attached to this application.

2047

2048 **SG** **Stuart Gaston** 2:13:29

2049 Yes, that is correct.

2050

2051 **FE** **Fordyce, Andrew, EMNRD** 2:13:30

2052 And would ask for a correction on that and additionally one small item if you Scroll  
2053 down to the next page, the total number of acres in track two is listed as 26.667,  
2054 which I believe should be 80.

2055

2056 **SG** **Stuart Gaston** 2:13:30

2057 This is the one.

2058

2059 **FE** **Fordyce, Andrew, EMNRD** 2:13:46

2060 So I would request those two corrections.

2061

2062 **SG** **Stuart Gaston** 2:13:46

2063 That's correct.

2064 Yes, Sir.

2065 That's correct.

2066 Yes, Sir. We will have those corrected.

2067

2068 **FE** **Fordyce, Andrew, EMNRD** 2:13:51

2069 And I have no further questions.

2070

2071 **SG** **Stuart Gaston** 2:13:54

2072 Thank you.

2073

2074 **PH** **Pecos Hall** 2:13:56

2075 Follow up machine. I just want to make sure I understand. Replace exhibit A2  
2076 because it is the wrong exhibit.

2077 It's for another case and which track do we have the incorrect acreage?

2078

2079 **FE** **Fordyce, Andrew, EMNRD** 2:14:11

2080 Track 2.

2081

2082 **PH** **Pecos Hall** 2:14:12

2083 Track 2. Thank you.

2084

2085 **FE** **Fordyce, Andrew, EMNRD** 2:14:14

2086 The total number of acres in track two is shown to be 26.66 currently.

2087 And I believe it should be 80.

2088

2089 **PH** **Pecos Hall** 2:14:23

2090 Thank you.

2091 OK, Miss Shaheen, please continue your case to February 5th for further review.

2092

2093 **FE** **Fordyce, Andrew, EMNRD** 2:14:25

2094 Thank you.

2095

2096 **PH** **Pecos Hall** 2:14:31

2097 Thank you.

2098 We're off the record in this case.

2099 Let's move on to two Chevron cases, 2581025811.

2100 Good morning, Mr. Examiner.

2101 Deena Bennett, on behalf of Chevron in these two consolidated cases and there are  
2102 no other parties, please proceed.

2103 Thank you. In these two companion cases, Chevron seeks orders pooling  
2104 uncommitted interests in a bone spring. On the one hand, in Wolfcamp on the other  
2105 spacing unit.

2106 Comprised of all of Section 1, Township 24 S, range 32 E.

2107 Lee County, New Mexico.

2108 And as I noted in the compulsory pooling checklist, these.

2109 Spacing units are technically non standard, but Chevron has already applied for and  
2110 received approval of the non standard units administratively.

2111 In support of our applications, we submitted the usual suite of exhibits including the  
2112 Self Affirm, declaration of Douglas Crawford, the land professional who's previously  
2113 testified before the division, the Self Affirm Declaration of Darcel Wright.

2114 And Chevron's geologist, who has not previously testified before the division.

2115 But whose resume we have included.

2116 And then myself affirmed declaration showing that notice was timely, mailed and  
2117 published on December 12th and December 17th respectively. With that, I would ask  
2118 that the exhibits and cases 25810 and 25811 be taken be admitted into the record

2119 and the.  
2120 Cases be taken under advisement.  
2121 The exhibits are admitted without exception.  
2122 Mr. Fordyce, who do you have questions for?  
2123

212 **FE** **Fordyce, Andrew, EMNRD** 2:15:59

2125 I have questions for the geologist.

2126  
212 **PH** **Pecos Hall** 2:16:01

2128 OK.  
2129 So we got to get the geologists qualified.  
2130 Would you call your geologist?  
2131 That's right.  
2132 Sorry, Miss Wright, if you could please turn your camera on. Thank you.  
2133 OK.  
2134 Miss Wright, would you raise your right hand?  
2135 Do you swear or affirm under penalty of perjury that the testimony you're about to  
2136 give is the truth, the whole truth?  
2137 Nothing but the truth.  
2138

213 **WD** **Wright, Darsel** 2:16:22

2140 I do.

2141

214 **PH** **Pecos Hall** 2:16:23

2143 OK.

2144 Very good.

2145 Would you spell your name please?

2146

214 **WD** **Wright, Darsel** 2:16:26

2148 DARSEL Wright Wright.

2149

215 **PH** **Pecos Hall** 2:16:30

2151 Great. And who are you employed by?

2152

215  **Wright, Darsel** 2:16:33

2154 I'm employed by Chevron.

2155

215  **Pecos Hall** 2:16:35

2157 Chevron how long have you been employed by Chevron?

2158

215  **Wright, Darsel** 2:16:38

2160 I've been employed since July 2024 with the previous internship over the summer of 2023.

2162

216  **Pecos Hall** 2:16:47

2164 OK.

2165 In what capacity are you employed with Chevron?

2166

216  **Wright, Darsel** 2:16:51

2168 I'm a full time asset geologist currently.

2169

217  **Pecos Hall** 2:16:54

2171 OK.

2172 All right, let's go a little bit into your background.

2173 What education do you have toward that qualification?

2174

217  **Wright, Darsel** 2:17:02

2176 I started with a bachelor's in petroleum geoscience.

2177 This was done in.

2178 I graduated in 2008.

2179 And then I went on to do a master's degree in geology in which I did some work on 2180 some field work in deltak deposits and a thesis.

2181 And then I did a master's degree recently, which I graduated in 2024.

2182 And data analytics to help understand large qualities of quantities of data.

2183

218  **Pecos Hall** 2:17:37

2185 Who? Who issued the degrees?

2186

218  **Wright, Darsel** 2:17:40

2188 So the the bachelor's was done in Trinidad and Tobago at the University of the West  
2189 Indies.

2190 The Masters in geology was done at the University of Houston and the Masters in  
2191 Data Analytics was done at Texas A&M University.

2192

219  **Pecos Hall** 2:17:57

2194 OK. And who have you worked for as a geologist before?

2195

219  **Wright, Darsel** 2:18:04

2197 After my bachelor's degree, I worked for Trinidad.

2198 Part of LMKR so landmark in Trinidad.

2199 That was after I completed two internships during my bachelor's degree with the  
2200 Petroleum Company after not antibiot.  
2201 ICS doing my master's.

2202

220  **Pecos Hall** 2:18:23

2204 Hold on. Hold on, Miss Wright. So, so that I don't have to go backward.

2205

220  **Wright, Darsel** 2:18:28

2207 Sorry.

2208

220  **Pecos Hall** 2:18:29

2210 What were the dates that you worked for the Trinidad company and what was your  
2211 position there?

2212

221  **Wright, Darsel** 2:18:36

2214 I was a geologist from 2008 to 2010.

2215

221  **Pecos Hall** 2:18:42

2217 And what were your duties?

2218 What were your duties there?

2219

222  **Wright, Darsel** 2:18:44

2221 My duties were to interpret well logs and to consult for size works and Strat works  
2222 and all of the openworks products.

2223 For BP Trinidad.

2224

2225 **PH** **Pecos Hall** 2:18:59

2226 OK. And then when you left there?

2227

2228 **WD** **Wright, Darsel** 2:19:02

2229 I left there to do my masters in geology at the University of Houston, after which I  
2230 was employed with BP.

2231 From 2012 to 2015.

2232

2233 **PH** **Pecos Hall** 2:19:15

2234 As what employed as what?

2235

2236 **WD** **Wright, Darsel** 2:19:16

2237 As a geologist, sorry, yes.

2238

2239 **PH** **Pecos Hall** 2:19:18

2240 And and your and your job description there was what?

2241

2242 **WD** **Wright, Darsel** 2:19:22

2243 My job description was a geologist in which I worked in appraisal and I worked in  
2244 exploration for for, for BP.

2245 So I worked there.

2246 Alaskan units, the Gulf of America and the Utica areas.

2247

2248 **PH** **Pecos Hall** 2:19:40

2249 OK. And then from after BP?

2250

2251 **WD** **Wright, Darsel** 2:19:42

2252 After BP, I then took some time off.

2253 I was actually a stay at home Mom for some time and then.

2254 I went back into doing a degree in data analytics, so I got another master's degree in  
2255 data analytics with Texas A&M.

2256 At which point Chevron had gave me an internship in 2023 as a geologist.  
2257 I worked doing data analytics on geology for them during the internship and then  
2258 I was employed full time as a development geologist so.  
2259 I've been an asset geologist.  
2260 For the past six months before that I was development geologist, in which I also  
2261 worked in the.  
2262 On Titan in the Permian areas?

2263

2264  **Pecos Hall** 2:20:36  
2265 OK. Is there a specific field that you see qualification from this division or more  
2266 general field of geology?

2267

2268  **Wright, Darsel** 2:20:46

2269 Currently I am a general geologist.  
2270 List.

2271

2272  **Pecos Hall** 2:20:49

2273 Perfect. So from here on in Miss Wright, this division considers you an expert in the  
2274 field of geology, Mr. Ford.  
2275 Nice. Go right ahead.

2276

2277  **Wright, Darsel** 2:20:57

2278 OK.

2279

2280  **Fordyce, Andrew, EMNRD** 2:20:59

2281 To direct you to case 25810, exhibit B3, page 60.

2282

2283  **Wright, Darsel** 2:21:09

2284 OK.

2285

2286  **Fordyce, Andrew, EMNRD** 2:21:16

2287 So.

2288 I guess what I'm gonna ask is can you identify?  
2289 The wells that were used in this cross section.  
2290 As I'm unable to read them, they appear.

2291 The well names appear to be unlegible.  
2292 And so I would ask that this exhibit be revised with legible well names.  
2293 And include.  
2294 API numbers.  
2295 With them.

2296

229  **Wright, Darsel** 2:21:50

2298 OK.

2299

230  **Fordyce, Andrew, EMNRD** 2:21:52

2301 And since we're gonna correct that the the title of your slides or the well names used  
2302 in your your slides do not match the application, the application is MR1. Federal wells  
2303 and this says Mr. 202432 Fedcomwells.  
2304 In your exhibits, since we're gonna correct exhibit B3, if you could make those  
2305 corrections, that would be great.  
2306 I have the same request for case 25811.

2307

230  **Wright, Darsel** 2:22:29

2309 OK.

2310

231  **Fordyce, Andrew, EMNRD** 2:22:30

2312 And those exhibits, and would also like to point out an error in the compulsory  
2313 pooling application checklist.  
2314 That's on page 5.  
2315 For well #4.  
2316 The completion target is listed as Wolfcamp.  
2317 A. But for this case, the completion target should be third Bone Spring.  
2318

231  **Wright, Darsel** 2:23:07

2320 OK.

2321

232  **Fordyce, Andrew, EMNRD** 2:23:11

2323 And as all the questions I had for that one.

2324

2325  **Pecos Hall** 2:23:16

2326 Mr. Forde's, does this require further review?

2327

2328  **Fordyce, Andrew, EMNRD** 2:23:25

2329 If those corrections could be made, no, I don't think we need to do anything other

2330 than verify that the corrections were made.

2331

2332  **Wright, Darsel** 2:23:34

2333 OK.

2334

2335  **Pecos Hall** 2:23:36

2336 OK.

2337 How long will it take for you to submit this?

2338 Today, Miss Wright.

2339

2340  **Wright, Darsel** 2:23:42

2341 I can get this.

2342 I can get this submitted today, yes.

2343

2344  **Pecos Hall** 2:23:45

2345 All right. So Miss Bennett, same thing with the other one cover letter.

2346 The record will remain open until the end of today.

2347 Doesn't require further review from Mr. Fordyce, so we'll take this under advisement.

2348 Once you submit that.

2349 Thank you.

2350 All right. Thank you.

2351 OK.

2352 And Mr. Fordyce. Or better yet, Mr. Wright, which exhibit are you amending?

2353

2354  **Wright, Darsel** 2:24:12

2355 I am amending exhibit B3 for both cases.

2356

2357  **Pecos Hall** 2:24:15

2358 BB3 for both cases. OK, Mr. Fordyce, is that correct?

2359

236  **Wright, Darsel** 2:24:16

2361 Is that correct?

2362

236  **Pecos Hall** 2:24:19

2364 Is that the only exhibit?

2365

236  **Fordyce, Andrew, EMNRD** 2:24:23

2367 B3 that way in case 25810.

2368 It's B3 that has the cross section, but would like the the well names corrected on that  
2369 at the headers. While we're doing it for exhibits B2B3 and B5 and then for case  
2370 25811.

2371 There's a scrivener here in the in the CPAC for, well, #4 completion target.

2372

237  **Pecos Hall** 2:24:53

2374 And Mr. Examiner, I I will prepare the revised CPAC, and I understand what needs to  
2375 be done there.

2376 All right, so Miss Wright, it sounds like B2B3 and B5 all need to be corrected.

2377

237  **Wright, Darsel** 2:25:04

2379 OK will do.

2380

238  **Pecos Hall** 2:25:10

2382 All right.

2383 Thank you.

2384 OK, Mr. Fordyce.

2385 Thank you, miss Wright.

2386 Thank you.

2387

238  **Wright, Darsel** 2:25:16

2389 Thank you.

2390

239  **Pecos Hall** 2:25:17

2392 We're off the record in those two cases.

2393 Let's go to Permian Resources 2583.

2394 Oh yes, Jackie McLean, on behalf of Permian Resources and EOG, has entered an  
2395 appearance in this case. OK.

2396 It has not.

2397

2398 **JK** **Jordan Kessler** 2:25:31

2399 And.

2400

2401 **PH** **Pecos Hall** 2:25:32

2402 I was looking to see whether I have to turn my page over.

2403 You have two other cases as well. Following this, are they?

2404 They're not yours.

2405 Well, they're not part of the two phase spacing unit. So this is by itself.

2406 Yes, very good 25830 and it's acting for Permian resource who's representing EOG, I  
2407 believe, Miss Ah, there we are.

2408

2409 **JK** **Jordan Kessler** 2:25:53

2410 This is Jordan Kessler.

2411 Correct. On behalf of EOG, we're monitoring.

2412

2413 **PH** **Pecos Hall** 2:25:58

2414 Thank you, Miss Kessler.

2415 OK, Miss Miss McClinton, go right ahead. Thank you.

2416

2417 **JK** **Jordan Kessler** 2:26:00

2418 Thank you.

2419

2420 **PH** **Pecos Hall** 2:26:02

2421 And just to begin with, case number 25828 was initially included then pre hearing  
2422 statement for case number 25830 but that has been filed a notice of dismissal for  
2423 that case.

2424 And in case 2583-O Permian Resources seeks an order pulling all uncommitted  
2425 interests and the Wolfcamp formation.

2426 In lots one through 6.

2427 Of one through 16 of Section 6 Township 21 S, range 33 E and all of section 36,  
2428 Township 20 S, range 33 E and Lee County, New Mexico, and this unit will be

2429 dedicated to the two phase state Commonwealth Permian Resources has received  
2430 admin.  
2431 Approval of the non standard spacing unit under administrative order NSP 2335.  
2432 Exhibits were submitted timely for this case and include land, geology and notice  
2433 exhibits.  
2434 Which showed that we sent notice to all interested parties on December 16th and  
2435 notice in an affidavit of publication for December 21st. And I ask that the exhibits be  
2436 admitted for case number 25830 and that the case be taken under advisement.  
2437 Thank you.  
2438 The exhibits are admitted without exception. Mr. Fordyce, who do you have  
2439 questions for?

2440

2441 **FE** **Fordyce, Andrew, EMNRD** 2:27:24

2442 I have questions for the geologist.

2443

2444 **PH** **Pecos Hall** 2:27:26

2445 Geologist OK. Call your geologist, Mr. Canton.

2446

2447 **CC** **Chris Cantin** 2:27:35

2448 Hello.

2449 Hello, can you hear me?

2450

2451 **PH** **Pecos Hall** 2:27:42

2452 I can hear you, but I can't see you.

2453

2454 **CC** **Chris Cantin** 2:27:44

2455 Yes, let me work my camera real quick.

2456

2457 **PH** **Pecos Hall** 2:27:54

2458 OK.

2459 Very good, Mr. Canton.

2460 I recognize your name.

2461 I don't recognize your face, though. You've been previously qualified as an expert for  
2462 this division.

2463

246  **Chris Cantin** 2:28:03

2465 Yes, Sir.

2466

246  **Pecos Hall** 2:28:04

2468 All right, perfect.

2469 Would you raise your right hand please?

2470 You swear affirm under penalty of perjury, the testimony you're about to give is the  
2471 truth, the whole truth, nothing but truth.

2472

247  **Chris Cantin** 2:28:14

2474 Yes, Sir.

2475

247  **Pecos Hall** 2:28:15

2477 Thank you.

2478 You can put your hand down and spell your name please.

2479

248  **Chris Cantin** 2:28:18

2481 C.

2482 HRISCA NTIN.

2483

248  **Pecos Hall** 2:28:24

2485 OK.

2486 Very good, Mr. Fordyce.

2487

248  **Fordyce, Andrew, EMNRD** 2:28:28

2489 Good morning, Mr. Kent.

2490 I'd like to direct your attention to exhibit B3, which is on page 64.

2491

249  **Chris Cantin** 2:28:39

2493 One second.

2494 Pull it up real quick.

2495 OK.

2496

249 **FE** **Fordyce, Andrew, EMNRD** 2:28:57

2498 Uh.

2499

250 **cc** **Chris Cantin** 2:28:57

2501 B you said B2.

2502

250 **FE** **Fordyce, Andrew, EMNRD** 2:29:00

2504 Exhibit B3. I believe on page 64.

2505

250 **cc** **Chris Cantin** 2:29:05

2507 OK, I have my personal one up so I don't have the page number it is.

2508 The structure map. Is that correct?

2509

251 **FE** **Fordyce, Andrew, EMNRD** 2:29:12

2511 Yeah, I was just.

2512 I wanted to clear up a discrepancy that the title of of your slide is third bone string or

2513 excuse me third Bone spring structure map.

2514

251 **cc** **Chris Cantin** 2:29:23

2516 Yes.

2517

251 **FE** **Fordyce, Andrew, EMNRD** 2:29:24

2519 But I I'm thinking this should be for the Wolfcamp.

2520 So I just wanted to clarify and verify this discrepancy as a third bone sprain or is it

2521 Wolfcamp?

2522

252 **cc** **Chris Cantin** 2:29:31

2524 Yes.

2525 Yes, it is it.

2526 Yes, it base of Thor Bone Spring, top of Wolf, top of Wolf Camp.

2527 It must have just been a misprint of mine from a a previous.

2528 Bone spring.

2529 Exhibit, But yes, it's to be used. The top of wolf camp for this, which is also the base

2530 of the Bone Spring.  
2531 I can have that mended. If you want me to.  
2532  
2533 **FE Fordyce, Andrew, EMNRD** 2:30:04  
2534 Yeah, if you wouldn't mind.  
2535 So everything matches and there's no discrepancies.  
2536 Or confusion for for this Wolfcamp case.  
2537 Exhibit B3.  
2538 And actually exhibit B4 and B5.  
2539 They all reference bone springs.  
2540 In their labeling.

2541  
2542 **CC Chris Cantin** 2:30:27  
2543 Yes, I I can get that minute for you.  
2544 It's just a copy paste that didn't change from the two faced Bone Spring pulling  
2545 exhibit I was working on.

2546  
2547 **FE Fordyce, Andrew, EMNRD** 2:30:38  
2548 Thank you, Mr. Kenton.  
2549 I'd also like to.

2550  
2551 **CC Chris Cantin** 2:30:40  
2552 Yes, Sir.  
2553 Thank you.

2554  
2555 **FE Fordyce, Andrew, EMNRD** 2:30:41  
2556 I would also like to point out.  
2557 In the CPAC on page 2.  
2558 There is another scrivener there for, well, #2.  
2559 Umm.  
2560 Well, #2 should be the two face fed com 203 H not stay com.  
2561 As that J turn well, goes through a federal track.

2562  
2563 **CC Chris Cantin** 2:31:18  
2564 OK, I'll I'll look to land to answer that, but we can get that changed.

2565

2566  **Pecos Hall** 2:31:23

2567 We can.

2568 We can correct that and can we ask that we submit it by the end of the day, since  
2569 these are just typographical errors?

2570 So, Mr. Panton, what exhibits are you going to modify?

2571

2572  **Chris Cantin** 2:31:37

2573 Modify.

2574 See, it's gonna be B3B4.

2575 And B5.

2576 Bone Spring and change that to Wolfcamp.

2577

2578  **Pecos Hall** 2:31:51

2579 And then, Miss McLean, you're gonna change C back, right?

2580 Yes, alright, sounds good.

2581 So, Mr. Fordyce, that comports with what you want them to do?

2582 B3B4.

2583 B5.

2584

2585  **Fordyce, Andrew, EMNRD** 2:32:03

2586 That is correct.

2587

2588  **Pecos Hall** 2:32:04

2589 All right, perfect.

2590 All right. Thank you.

2591 All right, so Miss McLean, if you can get this in today, we will leave the record open.

2592 These are not changed that require any further review and we'll take this case under  
2593 advisement.

2594 At 5:00 today.

2595 Thank you.

2596 Yeah. Moving on to Permian Resources 25856.

2597

2598  **Chris Cantin** 2:32:21

2599 Thank you.

2600

2601 PH **Pecos Hall** 2:32:25

2602 Good morning, Mr. hearing examiner, Yarisa Pena with Hardy McClain on behalf of  
2603 Permian Resources operating.

2604 Thank you.

2605 Do you want to present 25866 at the same time?

2606 Yes, please go right ahead.

2607 Thank you. I believe yes.

2608

2609 HK **Hatley, Keri (LDZX)** 2:32:36

2610 11 moment, Mr. Examiner.

2611 Another entry of appearance please.

2612 This is Carrie Hatley, entering her parents on behalf of COG operating and we are  
2613 monitoring only.

2614

2615 PH **Pecos Hall** 2:32:40

2616 Yes, by all means.

2617 All right.

2618 Thank you, miss Halle.

2619

2620 HK **Hatley, Keri (LDZX)** 2:32:47

2621 You're welcome.

2622 Thank you.

2623

2624 PH **Pecos Hall** 2:32:49

2625 Thank you.

2626 And just for the division to know, we also dismissed 25864 and 25861 prior to  
2627 hearing that were combined that were consolidated with these two cases.

2628 Thank you. In in these two cases, Permian seeks an order pulling on committed  
2629 interest in the first Bone Spring interval of the Bone Spring formation.

2630 In an overlapping horizontal standard or spacing unit in the West half W, half and E  
2631 half W, half of sections 27 and 22.

2632 Township, 22 S.

2633 Range 35 E in Lee County and these two units will be dedicated to the bridge State  
2634 Unit 27 Wells Permian is also seeking approval of the overlapping spacing unit in

2635 each of these well in each of these cases as well as there is a depth sever.  
2636 In the bone in the bridge state units and Permian only seeks to to pull those  
2637 uncommitted interest from the top of the Bone Spring formation to the base of the  
2638 1st.  
2639 Bone Spring interval.  
2640 Exhibits were timely submitted for this case last week and include land testimony and  
2641 corresponding exhibits of Reagan. Armstrong, who has previously testified before the  
2642 division and the geology testimony and corresponding exhibits of Cole Henderson  
2643 Hendrickson, who has also previously been admitted to testify as an expert in GE.  
2644 Geology before the division.  
2645 Finally, we include our notice testimony that shows that we timely sent notice to all  
2646 interested parties on December 17th, 2020.  
2647 And the affidavit of publication for December 20/21/2025.  
2648 With that, I ask that the exhibits be admitted for case numbers 25856 and 866, and  
2649 that the cases be taken under advisement.  
2650 Your exhibits are admitted without exception, and the two cases are taken under  
2651 advisement. Thank you.  
2652 Thank you.  
2653 Moving on to Catamount Energy Partners, 257-642-5765.  
2654 Good morning, Mr. Carrion examiner, railey Starnes with the Santa Fe Office of  
2655 Holland and Harte, on behalf of Catamount Energy Partners, and I don't think there  
2656 are any other appearances.  
2657 You're right.  
2658 Thank you both of these cases.  
2659 Catamount seeks orders extending the drilling deadlines under each of their  
2660 respective pooling orders for one year and supported these applications. We've filed  
2661 the usual hearing packets and exhibits, including the original pooling orders, the self  
2662 affirm statements of the land Man, Denise Greer. The statements of notice as well.  
2663 As the affidavits of publication is it Miss Starr? As you said, Starnes? STARNES. Yes,  
2664 Sir.  
2665 Thank you.  
2666 I'm wondering why we have a bunch of amendment cases and.  
2667 I wonder why did you file them?  
2668 Did you have objection?  
2669 No, to my knowledge. Actually all of the amendment cases I'm about to present have

2670 no objections.

2671 OK.

2672 We filed these in that in between time before we got the guidance on the new  
2673 processes, all right.

2674 So unless there are any questions, we would ask that these exhibits be admitted into  
2675 the record and the cases be taken under advisement.

2676 And is this a good cause?

2677 Extension this is the first request for extensions, so no.

2678 But our land man is on line. If you would like to ask her any questions about that, OK.

2679 So maybe I didn't ask it right.

2680 Let me ask it differently.

2681 Is this this amendment for an extension of time?

2682 Yes, but it's not based on good 'cause.

2683 It's based on the order language that just says the first extension is kind of  
2684 automatically granted unless.

2685 There are any objections? And then second and third would require a showing of  
2686 good cause.

2687 In the future, you wouldn't file these in front of the hearing Bureau.

2688 You would go through some other procedure and then file it directly with the  
2689 technical team. I think the new procedure has us Violet as a status report, progress  
2690 update, kind of quasi administrative letter.

2691 Let me ask.

2692 We're working on that now.

2693 Let me ask Mr. Fordyce, Mr. Fordice, in the future, how would something like this  
2694 without objection be filed?

2695

2696 **FE Fordyce, Andrew, EMNRD** 2:36:42

2697 I believe it would. I have to pull it up but follow the.

2698 I'm looking for it now. If you give me a moment.

2699

2700 **PH Pecos Hall** 2:36:51

2701 By all means, take your time 'cause. I think it helps everyone since it's a new process.

2702

2703 **FE Fordyce, Andrew, EMNRD** 2:37:01

2704 Notice that.

2705 I'm pulling it up now.  
2706 The notice that I believe was dated November 1st, 2025.  
2707 Outlines.  
2708 Providing notice to the affected parties, monitoring for objections and submitting.  
2709 The application for deviation to OCD, permitting, and then in addition to that, notice  
2710 there was.  
2711 Sort of a question and answer document that was circulated.  
2712 Outlining some further details.  
2713 Like to submit it using the submission type here order compliance progress report.  
2714

271  **Pecos Hall** 2:37:50

2716 OK, perfect.

2717

271  **Fordyce, Andrew, EMNRD** 2:37:51

2719 If that answers your question.

2720

272  **Pecos Hall** 2:37:53

2722 It it does answer my question.

2723 So this language in the order that you're talking about is that new?

2724 Is that language that the division has put in new orders for that almost automatic  
2725 first extension, I think and others can correct me.

2726 I think it's the last year or so that these orders started containing that paragraph. OK.

2727 OK.

2728 Very good.

2729 OK, your exhibits are admitted into evidence.

2730 Mr. Fordos, any questions on these suit cases?

2731

272  **Fordyce, Andrew, EMNRD** 2:38:29

2733 Only that you know, since this is a new process, it would just say the application does  
2734 say that there's good 'cause and since the landmans affidavits and and documents  
2735 don't say what that good 'cause is.

2736 You know, I would say well, the application says there's a good cause, but there's no  
2737 discussion of what the good 'cause it is.

2738 You know, this is sort of as we're all aware, a new process.

2739 So rather than asking the Landman to explain what the good 'cause is, if it's intended

2740 that these cases with if there are no, no questions or objections sort of be  
2741 automatically taken under under advisement, then perhaps I don't have questions for  
2742 these two cases.

2743

274  **Pecos Hall** 2:39:20

2745 Thank you.

2746 So was there a reason?

2747 Because that's why I asked you about the good guys saw it in your application. I think  
2748 that we had submitted this application prior to these new guidances coming out and  
2749 then we had to kick it to this docket for various reasons. And in the interim, once we  
2750 got.

2751 That new language we kind of tailored her affidavit to meet the automatic  
2752 requirement, but I am happy to either amend the application and remove that.  
2753 Necessary, but I guess what I'm what I'm saying though is since the order itself  
2754 doesn't require a good 'cause, I'm wondering why the application, which was filed  
2755 after the order and to amend the order, talked about good 'cause when it wasn't  
2756 necessary.

2757 I I think we drafted this application the way we've just always drafted applications for  
2758 extensions. So in the future, if the order doesn't require it 'cause you won't put that  
2759 in. That's correct.

2760 Yes, sounds good.

2761 OK, these two cases are taken under advisement. Thank you.

2762 Miss starts moving on to Matador production.

2763 It looks like we have about four of four of them that are together 257808183 and  
2764 eight four.

2765 Yes, good morning, Mr. again.

2766 Really, starting with the Santa Fe Office of Holland and Hart, on behalf of MRC  
2767 Permian Company. And these are four applications for extension requests under the  
2768 their original pooling orders.

2769 Do the work.

2770 Do the the orders require a good 'cause or not?

2771 These are the same order language that are the automatic. Ideally the automatic  
2772 granting of the first extension, but we did go ahead and sell.

2773 Everything I understand has notice been conducted properly.

2774 Yes, it has.

2775 And timely. Yes. OK. And you're offering exhibits in these four cases?

2776 We are.

2777 And if there are no questions, I'd ask that they be admitted into the record, OK and  
2778 they are admitted into the record without exception.

2779 I don't believe we have any questions, do we, Mr. Fordyce?

2780

2781 **FE Fordyce, Andrew, EMNRD** 2:41:16

2782 No, not in these cases.

2783

2784 **PH Pecos Hall** 2:41:17

2785 Not in these cases.

2786 They're all taken under advice, but thank you.

2787 Moving on to a matador case 25785.

2788 Hello again. Raley starts with the Santa Fe Office of Holland and Hart on behalf of  
2789 MRC Permian Company.

2790 And we are once again asking for one year extension under the polling order with  
2791 the same newer language for the automatic granting of the first extension.

2792 So the year ended notice was timely, notice was timely and we have not received.

2793 Any objection? Great. Your exhibits are admitted without exception.

2794 Mr. Fordyce questions on this case.

2795

2796 **FE Fordyce, Andrew, EMNRD** 2:41:54

2797 No questions on this case.

2798

2799 **PH Pecos Hall** 2:41:56

2800 All right, this case is taken under advisement.

2801 Now we're moving on to Chevron USA, 2581625817.

2802 Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland  
2803 and Hart, on behalf of the applicant, Chevron USA. Thank you.

2804 And there are no other parties involved here. So these are a request for an extension.

2805 This is a first request for extension and I believe.

2806 We put good 'cause in there as well.

2807 But I you know, it's got all of the usual things that to be included with these hearing  
2808 packets.

2809 So it's got, we've included a copy of the extension application, the original pooling

2810 order and then the self affirm statement of our land man, Douglas Crawford, who has  
2811 previously testified before the division and his credentials have been accepted as a  
2812 matter of record.

2813 We did provide the evidentiary notice exhibit because we were still a little unsure of  
2814 at the time we were putting this together, what the requirements are and we've  
2815 obviously gotten some clarification there. I did want to note on these that both  
2816 involve just pulling the overrides and since.

2817 We have filed everything.

2818 I did get an update that some of the some of these the request is an extension for  
2819 completion rather than to drill.

2820 And so a couple of the wells have come online, so in case.

2821 25816.

2822 Well, 222 H has come on or has come online this well in December and the same  
2823 with the 223 H and then for case 25817, the 624 is also online as well and we do have  
2824 our Landman avail.

2825 For any questions and but if there are none, I either way I would ask that the exhibits  
2826 and the sub exhibit be admitted into the record in these cases.

2827 Be taken under advisement at this time.

2828 Was your notice timely?

2829 Yes, it was OK. And you had no objections. No, no. OK.

2830 Your exhibits are admitted without exception, Mr. Fordyce.

2831 Questions on these two Chevron cases.

2832

2833 **FE** **Fordyce, Andrew, EMNRD** 2:44:10

2834 Yeah, I did have some questions.

2835 Based on the wells were spud in December 2024 in case 25816.

2836 I didn't know if that was like a surface only are they are they drilled.

2837 And also based on when the orders were issued.

2838 In 25816 that was.

2839 September 2nd of last year in 25817, that was.

2840 February 9th.

2841 10th of last year, so just wanted to clarify.

2842 Are the wells just spud with a surface pipe?

2843 Are they drilled?

2844 Are we asking for?

2845 Obviously it wouldn't make sense to ask for an extension based on the order date.  
2846 We're asking the request is for an extension based on the spud dates in 2024.  
2847 Just wanted to clear those items up.

2848

284  **Pecos Hall** 2:45:15

2850 OK.

2851 Well, let's get the land, man.  
2852 Is that that's the only witness right now. That's correct.  
2853 You got Mr. Crawford, who is available and and I would note, just to put it on the  
2854 record that Chevron owns an interest in each of the tracks that the wells penetrated.  
2855 And again these relate to pooling overrides.  
2856 Mr. Crawford, would you please raise your right hand?  
2857 You swear affirm under penalty of perjury, that the testimony you're about to give is  
2858 the truth, the whole truth, nothing but the truth.

2859

2860  **Crawford, Douglas** 2:45:42

2861 I do.

2862

2863  **Pecos Hall** 2:45:43

2864 Thank you. Mr. Crawford. Would you spell your name?

2865

2866  **Crawford, Douglas** 2:45:45

2867 Douglas Crawford and DO.

2868 UGLAS last name, Crawford.

2869

2870  **Pecos Hall** 2:45:52

2871 And you've been previously admitted as an expert before this division.

2872

2873  **Crawford, Douglas** 2:45:56

2874 That is correct.

2875

2876  **Pecos Hall** 2:45:57

2877 In what field?

2878

287  **Crawford, Douglas** 2:45:58

2880 Petroleum, Petroleum, Land Management.

2881

288  **Pecos Hall** 2:46:00

2883 OK, Mr. Fordyce.

2884 Which exhibit do you want to direct?

2885 Your witness to 1st.

2886

288  **Fordyce, Andrew, EMNRD** 2:46:12

2888 I don't know that I'm looking at a specific exhibit.

2889 Let me pull this up.

2890 Just noting that in the application.

2891 That would be Page 3.

2892 I believe.

2893

289  **Pecos Hall** 2:46:38

2895 And I'm gonna. I can share my screen.

2896 We're gonna. We're gonna put it on the screen, Mr. Fordyce and Mr. Crawford.

2897 Which paragraph of the application? Mr. Fordyce.

2898

289  **Fordyce, Andrew, EMNRD** 2:47:00

2900 Paragraph two says that the 222 H was spud on December 20th.

2901 Of last last year of 2024 and the 223H and 224H were spud December 21st.

2902 So I was just wanting clarification.

2903 If there if those wells are spud and just have like a surface pipe or are they drilled?

2904 And then.

2905

290  **Pecos Hall** 2:47:32

2907 Well, hold on, let's get the answer to that question first.

2908

290  **Crawford, Douglas** 2:47:36

2910 No wells have been drilled.

2911 We haven't finished drilling yet, but they have been drilled.

2912 They have not yet been completed.

2913

2914 **FE** **Fordyce, Andrew, EMNRD** 2:47:46

2915 OK.

2916 So then.

2917 Again, the order for 25816 pulling the record tylen overrides that was issued  
2918 September 2nd of last year.

2919

2920 **PH** **Pecos Hall** 2:48:02

2921 When you say lat Mr. Mr. Fordez, I'm sorry to interrupt you, but when you say instead  
2922 of saying last year, could you give us a year?

2923

2924 **FE** **Fordyce, Andrew, EMNRD** 2:48:03

2925 And in two 5817.

2926 Yeah.

2927 Yeah, September 2nd of 2025 and 25817.

2928

2929 **PH** **Pecos Hall** 2:48:14

2930 OK.

2931

2932 **FE** **Fordyce, Andrew, EMNRD** 2:48:17

2933 An order was issued February 19th of 2025.

2934 Again for record title and overrides.

2935 So I'm just clarifying that it would not make sense based on specifically 25817 to  
2936 extend one year.

2937 From February of 2025.

2938 So you're requesting an extension for one year beyond those bud dates, is that  
2939 correct?

2940

2941 **CD** **Crawford, Douglas** 2:48:52

2942 That that is correct, yes.

2943

2944 **FE** **Fordyce, Andrew, EMNRD** 2:48:55

2945 OK.

2946 That is all I I really wanted to ask and clear up.

2947

2948  **Pecos Hall** 2:49:02

2949 OK.

2950

2951  **Fordyce, Andrew, EMNRD** 2:49:02

2952 On these two cases.

2953

2954  **Pecos Hall** 2:49:04

2955 Then it sounds like these cases can be taken under advisement. Is that correct?

2956

2957  **Fordyce, Andrew, EMNRD** 2:49:08

2958 That's correct.

2959

2960  **Pecos Hall** 2:49:09

2961 OK.

2962 Very good.

2963 Thank you, miss Vas.

2964 Thank you. OK.

2965 Thank you, Mr. Crawford.

2966 All right, let's call Kotera energy 25826.

2967 Good morning, Mr. Examiner.

2968 Deena Bennett, on behalf of Kotera Energy, operating and no other parties, have  
2969 entered an appearance in this case. In this case, kotera energy is seeking an  
2970 extension of time to commence drilling the wells authorized under order R 23624.

2971 That order was issued to avant.

2972 Operating and Kotera acquired Avant operatings interest, and so kotera is the  
2973 successor in interest.

2974 This order.

2975 The order R2362 four was issued before the division changed its form of order to  
2976 allow for.

2977 Extensions of time without good cause and by following the alternative procedure,  
2978 and so that is why we included good 'cause in the application.

2979 And also Mr. Roberson, the land man for Kotara, who's previously testified before the  
2980 division and his credentials have been accepted, includes in paragraph 13 the good  
2981 'cause for the extension of time, which includes that.

2982 The acquisition of Avant has created some delays as well as.  
2983 The acquisition of Franklin Mountain Energy.  
2984 So they acquired a lot of assets and are working through those and there's been  
2985 some unanticipated changes in economic conditions.  
2986 That he lays out in his affidavit in paragraph 13.  
2987 So again, this is an application to seek an amendment to the order for an additional  
2988 year to commence drilling under the wells.  
2989 Sorry to commence drilling the wells under the order. I've included the usual exhibits  
2990 which are the self affirmed statement of Tre Roberson and myself.  
2991 Affirmed statement showing that notice was timely, mailed and timely published.  
2992 Including on December 16th for the mailing and we did two publications December  
2993 17th and December 21st. And both of those are timely.  
2994 With that, I would ask that the exhibits in case number 25826 be taken, be admitted  
2995 into the record and the case be taken under advisement.  
2996 Exhibits are admitted without exception.  
2997 Mr. Fordyce, do you have any questions for this case?  
2998

299  **Fordyce, Andrew, EMNRD** 2:51:23

3000 Yes, I do have questions for the lineman on this case.

3001

300  **Pecos Hall** 2:51:26

3003 Batman, would you call your land?

3004 Yes, thank you, Mr. Roberson, if you could please turn your camera on.

3005

300  **Trey Roberson** 2:51:32

3007 All right.

3008

300  **Pecos Hall** 2:51:35

3010 I recognize you, Mr. Robertson.

3011 Would you raise your right hand please?

3012 Do you swear?

3013 Affirm under penalty of perjury, that the testimony you're about to give is the truth,  
3014 the whole truth, and nothing but the truth.

3015

3016 **TR** **Trey Roberson** 2:51:47

3017 Yes, I do.

3018

3019 **PH** **Pecos Hall** 2:51:48

3020 Thank you.

3021 Would you spell your name?

3022

3023 **TR** **Trey Roberson** 2:51:50

3024 It's Tre, Trey Roberson, Roberson.

3025

3026 **PH** **Pecos Hall** 2:51:55

3027 Great. And you've been accepted by this division in the field of land, is that correct?

3028

3029 **TR** **Trey Roberson** 2:52:01

3030 That's correct.

3031

3032 **PH** **Pecos Hall** 2:52:02

3033 Very good, Mr. Fordyce.

3034

3035 **FE** **Fordyce, Andrew, EMNRD** 2:52:05

3036 Good morning.

3037 I'd like to point you to page 4.

3038 Which is exhibit A yourself, a firm statement.

3039 And on page 4.

3040 Bullet paragraph 15.

3041 Says that cadera requests an extension of time for one year from January 14th, 2026.

3042 But then I'd like to.

3043 Point out if you could direct your attention to page 19.

3044 There's a estimated.

3045 Or proposed.

3046 Development plan that's also attached in the exhibits as a three.

3047 So.

3048 I guess.

3049 My confusion here is a little bit is just wanted to discuss our.

3050 Is Scotera asking for a one year extension to drill all nine wells or is there some  
3051 other?

3052 Proposal.

3053 Some reasonable timeline that is being proposed.

3054 Similar to what's in exhibit A3.

3055

3056 **TR** **Trey Roberson** 2:53:28

3057 Yes, our proposal is the timeline in a three, we would spud the initial wells within the  
3058 first year, which is a 504 age and the 505 H and then subsequently develop the  
3059 remainder of the nine wells within the time frame on Exhibit A3.

3060

3061 **FE** **Fordyce, Andrew, EMNRD** 2:53:51

3062 So in your timeline, when it says, for example, within five years of signature.

3063 Are you discussing five years from the signature of the original order?

3064 Or are you discussing five years from the signature of an extension?

3065 As typically, development plans that that, that we see for example in competing  
3066 cases.

3067 Don't typically typically go beyond five years, so.

3068 I guess what I'm thinking is, you know, is your development plan suggesting that  
3069 these nine wells maybe be drilled within a total time frame of six or seven years?

3070 You know exactly what we're talking about.

3071

3072 **TR** **Trey Roberson** 2:54:43

3073 So since we've not spud the first two wells, this would be within one year of the  
3074 extension.

3075 And so we would expect the first wells there and then subsequently five years after  
3076 that, so six years from now.

3077

3078 **FE** **Fordyce, Andrew, EMNRD** 2:55:01

3079 Does Kotera feel if there's any way to tighten up that timeline?

3080 So that these nine wells are not six years out.

3081

3082 **TR** **Trey Roberson** 2:55:05

3083 I would.

3084 I would anticipate.

3085 I would anticipate that we drill them quicker.  
3086 We're a little further northern in the basin than when some of these have been drilled  
3087 and so seeing the production from some of our other wells that we've drilled will  
3088 allow us to continue develop this. We have developed the South half of this section  
3089 and so we are.  
3090 Currently monitoring that production, which will help with the development of the  
3091 north half.

3092

3093 **FE** **Fordyce, Andrew, EMNRD** 2:55:40

3094 So this this is your proposed development plan and and kotara doesn't wouldn't feel  
3095 like it was you know prudent to propose a more timely development plan.

3096

3097 **TR** **Trey Roberson** 2:55:56

3098 If if you recommend that we expedite it, we certainly we certainly can.

3099 This was.

3100 This was conservative.

3101 But we, we could expedite if we.

3102 We need to.

3103

3104 **FE** **Fordyce, Andrew, EMNRD** 2:56:13

3105 You know, honestly, I I would think that the division you know again saying like.

3106 These development plans for that may contain 16 wells for contested hearings  
3107 typically don't go beyond five years.

3108 I think the division would would like to see a little more progress being made then  
3109 you know these nine wells in say six years or seven years if you count.

3110 Completion time.

3111 But those were the the questions that I had for you, Mr. Roberson.

3112

3113 **TR** **Trey Roberson** 2:56:46

3114 OK.

3115 I would note that this is also 1/2 mile development, so this is the equivalent of 18  
3116 wells in a section. Also, because we have already drilled, I believe it's 9 or 11 in Alpha  
3117 Wolf to the South, so this is a considerable amount of wells for section.

3118 In this area.

3119

3120 **FE** **Fordyce, Andrew, EMNRD** 2:57:14

3121 I have no, I have no further questions.

3122 I appreciate your time, Mr. Roberson.

3123

3124 **TR** **Trey Roberson** 2:57:18

3125 Sir.

3126

3127 **PH** **Pecos Hall** 2:57:19

3128 OK, Mr. Roberson.

3129 What are you going to be submitting to the division?

3130

3131 **TR** **Trey Roberson** 2:57:23

3132 We can submit a revised A3 development plan.

3133

3134 **PH** **Pecos Hall** 2:57:24

3135 Mr.

3136 OK.

3137 What were you guys saying?

3138 Miss Bennett, that is what I was going to suggest, is that we take the time necessary

3139 to address Mr. Fordyce's concerns in a revised A3 and rather than have the division

3140 have concerns over the development timeline, we'd rather address it proactively.

3141 But it might take a week. I'd say to address that.

3142 So if we.

3143 I understand this one would require us more likely than not to come back.

3144 Back so we're we're happy to do that.

3145 Yeah, we'll put it at the beginning of the February 5th docket. Once you continue it

3146 there.

3147 Thank you.

3148 Would you issue a cover letter?

3149 Yes, of course.

3150 All right.

3151 Thank you. OK.

3152 So we're off the record in that case.

3153 Thank you, Mr. Robertson.

3154

3155  **Trey Roberson** 2:58:16

3156 Thank you.

3157

3158  **Pecos Hall** 2:58:16

3159 Moving on to Permian Resources 25848.

3160 Good morning, Mr. hearing examiner.

3161 Yeah, we're still in the morning.

3162 Paul Advance with the Santa Fe Office of Holland and Heart on behalf of the  
3163 applicant.

3164 Permian Resources or read in Stevens and this is a request for a one year extension.

3165 Again, this is a first extension. We've included the consolidated exhibits a copy of the  
3166 application, the original pooling order, the self affirm statement of Shawn Johnson  
3167 who you already spoke with this morning. And we did include a updated pooling  
3168 exhibit.

3169 Because one of the.

3170 Interest was sold and so we noted that in an updated pooling exhibit, we also  
3171 included the evidentiary notice exhibit and then along with my timely notice, both  
3172 the letter notice and NOP, and unless there are any questions, I would ask that the  
3173 exhibit sub exhibits be admitted into.

3174 The record and that this this case be taken under advisement.

3175 Thank you.

3176 The exhibits are admitted without exception.

3177 The case is taken under advisement.

3178 Thank you.

3179 And finally, we go to spur Energy Partners 25849.

3180 Is your examiner Dana Hardy with Hardy McLean on behalf of Spur Energy Partners?

3181 We're ready.

3182 Thank you.

3183 In this case, Spurs seeks to pull additional uncommitted overriding royalty interests  
3184 under the terms of order R 23889.

3185 Our exhibits include the land testimony and exhibits of Colleen Bradley, who has  
3186 previously been admitted to testify as an expert in land matters.

3187 Before the division, we provided our notice testimony and exhibits, which shows that  
3188 notice was timely. Sent on December 19th and that we timely published on

3189 December 20th.

3190 So with that, I would ask that the exhibits be admitted and that the case be taken  
3191 under advisement.

3192 Perfect. The exhibits are admitted without exception. The case is taken under  
3193 advisement.

3194 Thank you, miss Hardy. Thank you.

3195 That concludes our business for today.

3196 Are there any other issues that anyone has?

3197 Not hearing any, we're off the record.

3198 Thank you.

3199

3200  **Pecos Hall** stopped transcription