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5

6 **OCD Regular Docket May 7, 2026-** 7 **20260507_143748UTC-Meeting Recording**

8 May 7, 2026, 2:37PM

9 2h 21m 40s

10

11 **PH Pecos Hall 9:04**

12 The hearing by affidavits and a few other things that we're doing as well. We're going
13 to start with Hillcorp Energy. 25951 inches of appearance, please. Good morning, Mr.
14 Ring Officer Adam Rankin on behalf of the applicant in this case, Hillcorp with the
15 Santa Fe Office of Holland and Heart. Good morning, Mr. Rankin. I don't believe
16 there's any other parties, right?

17

18 **FE Fordyce, Andrew, EMNRD 9:21**

19 ****.

20

21 **PH Pecos Hall 9:24**

22 Correct, go right ahead.
23 Mr. Hearing Officer, this case was previously presented to the division. We provided
24 testimony and affidavits in support during the course of the presentation. The
25 division asked questions about the proper spacing. We provided A supplemental
26 exhibit packet that identified the basis for the 320 acre

27

28 **FE Fordyce, Andrew, EMNRD 9:37**

29 Yes.

30

31 **PH Pecos Hall 9:47**

32 stand up spacing orientation that's based off a 1950s unit agreement that was
33 approved by the commission and incorporated into the order adopting the unit
34 agreement. And so our position is that the 320 acre spacing is correct. It's based on a
35 commission order that overrides these state designated spacing for that acreage.

36 We ask that the additional exhibits be admitted to the record and the case be taken
37 under advisement. Admitted without exception, taken under advisement. Thank you,
38 Mr. Rankin. Let's move on to Conoco Phillips. This is case 2 on our docket, 25987.
39 Interest of appearance.

40

41 **FE Fordyce, Andrew, EMNRD 10:25**

42 Okay.

43

44 **PH Pecos Hall 10:30**

45 This is ours, Mr. Hearing Officer, but Rayleigh Starnes is going to be presenting that
46 case and she has a telehealth dock. No problem. We'll come back to it. All right, we'll
47 come back to this one. All right, let's go on to #3 on the docket, 25993 Spur Energy
48 Partners. Could you say like the name of the volunteer? Sure. Because we don't have
49 the docket. Oh, you don't? No. There was none.

50 So, sit or sit down, Brad, can you send out the docket? Yes, I did forget to do that. I
51 was working on that. No problem on that. I'm sorry about that. I'll say Staley A.

52

53 **FE Fordyce, Andrew, EMNRD 10:55**

54 Yes.

55

56 **PH Pecos Hall 11:07**

57 Yes, good morning, Mr. Examiner. Dana Hardy with Hardy McLean on behalf of Spur
58 Energy Partners, and there are no other parties. Go right ahead. Thank you. Spur
59 seeks an order pooling additional uncommitted interest under the terms of division
60 order R23913. Exhibits were timely submitted and include the land testimony and
61 exhibits
62 of Colleen Bradley, who's previously testified as an expert in petroleum land matters.
63 Before the division, our notice information shows that we sent notice timely by
64 certified mail on April 7th, 2026, and timely published on April 14th, 2026. So with
65 that, unless there are questions, I would ask that the exhibits be admitted and that
66 the case be taken under advisement.

67

68 **FE Fordyce, Andrew, EMNRD 11:31**

69 S.

70

71 **PH Pecos Hall** 11:46

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

73

74 **FE Fordyce, Andrew, EMNRD** 11:52

75 Yes, Mr. hearing, examiner, I have questions for the land man.

76

77 **PH Pecos Hall** 11:55

78 Thank you. Would you call your land, man? Yes, Miss Colleen Bradley.

79

80 **FE Fordyce, Andrew, EMNRD** 11:59

81 Yes.

82

83 **PH Pecos Hall** 12:01

84 Should be online, I hope.

85 ****.

86 I'm not seeing her on the.

87 Teams meeting.

88 Yep, it's possible. We'll text her. Okay. We can come back to this case. Okay. Will you
89 let me know when you have her available and we'll come back to the case? Yes, I will.

90 Thank you. All right. So let's move on to case #4 on the docket. This is 260.

91 46 Tap Rock operating the well name. It looks like there's two cases together, 26047.

92 The well names are Beer 30.

93

94 **JE Jacob Everhart** 12:54

95 Yep, Jacob Everhart with Badia Wozniak, New Mexico, representing Tap Rock
96 operating and case number is 26046 and 47.

97

98 **PH Pecos Hall** 13:02

99 Good morning, Mr. Everhart.

100

101 **JE Jacob Everhart** 13:03

102 Good morning.

103

104 **JK Jordan Kessler** 13:06

105 Good morning, Mr. Examiner. This is Jordan Kessler with EOG Resources, entering an
106 appearance for monitoring purposes only.

107

108 **PH** Pecos Hall 13:13

109 Good morning, Ms. Kessler.

110 Hardy McLean.

111 Ohh, you don't have your docket on?

112 Yeah.

113

114 **JE** Jacob Everhart 13:25

115 I believe it's powder horn, yeah.

116

117 **PH** Pecos Hall 13:26

118 I believe you're representing Powderhorn. Yes. Thank you. Dana Hardy with Hardy

119 McLean for Powderhorn. Thank you. And monitoring. We are monitoring these.

120 Monitoring. Thank you. Okay, Mr. Everhard, go ahead.

121

122 **JE** Jacob Everhart 13:38

123 Okay, in case number 46 and 47, Taprock is requesting approval of two standard
124 horizontal spacing units and compulsory pooling. In 46, we are requesting for
125 approval of a 643.04 acre standard HSU comprised of the north half of sections 3 and
126 4, Township 25 South, Range 25 East, Eddy County, New Mexico.

127 which will be comprised of the Beer 30 Fedcom 152H well, which will produce in the

128 Bone Spring Formation. In case number 26047, that is a 640 acre standard HSU

129 comprised of the south half of sections 3 and 4, Township 25 South, range 23 East,

130 Eddy County, New Mexico,

131 spring formation. In both cases, the exhibit pack was filed on May 1st, 2026. It

132 contains exhibit A, which is a CPAC, exhibit B, which is the application and a

133 proposed notice of hearing, which was filed on March 18th, 2026. Exhibit C in both

134 cases is the affidavit of senior landman Erica Shoemaker. She has previously testified

135 and her qualifications have been accepted by the division.

136 Exhibit C1 through C6 are the standard suite of land exhibits that accompany a case

137 of this type. Exhibit D is the affidavit of VP of Geoscience Matt Jones, who has

138 previously testified before the division and his qualifications have been accepted.

139 Exhibits D1 through D5 are the standard suite of geology exhibits. Exhibit

140 E is a notice affidavit showing the notice letters were mailed on April 8th, 2026, and
141 also proof of publication in the Carlsbad Current Argus published on April 14th,
142 2026. And with that, Mr. Examiner, I'd like to request that the exhibits be admitted
143 into the record and the matters be taken under advisement.

144

145 **FE Fordyce, Andrew, EMNRD 15:15**

146 Okay.

147

148 **PH Pecos Hall 15:22**

149 Admitted without exception, taken under advisement. Thank you. Miss Hardy, let me
150 know when Miss Bradley's available. She is online now, Mr. Excellent. Miss Bradley,
151 would you turn on your camera?

152

153 **JE Jacob Everhart 15:26**

154 Thank you.

155

156 **CB Colleen Bradley 15:38**

157 Hello!

158

159 **PH Pecos Hall 15:40**

160 Good morning. I don't see you yet, but we'll get to you.

161

162 **FE Fordyce, Andrew, EMNRD 15:43**

163 Two.

164

165 **PH Pecos Hall 15:44**

166 There we go. No, that's Miss Shaheen. I can see her. You can, huh? Yes.

167 There we go. Miss Bradley, please raise your right hand.

168 Do you swear a firm under penalty of perjury that the testimony you're about to give
169 is the truth, the whole truth, and nothing but the truth?

170

171 **FE Fordyce, Andrew, EMNRD 16:03**

172 Yeah.

173

174 **CB Colleen Bradley** 16:04

175 I do.

176

177 **PH Pecos Hall** 16:05

178 Please spell your name.

179

180 **CB Colleen Bradley** 16:08

181 Calling Bradley, COLL EE NBRADLEY.

182

183 **FE Fordyce, Andrew, EMNRD** 16:10

184 Ohh.

185

186 **PH Pecos Hall** 16:15

187 And I've been informed that you have been previously qualified as an expert for this
188 division.

189

190 **CB Colleen Bradley** 16:20

191 Yes.

192

193 **PH Pecos Hall** 16:21

194 In what field?

195

196 **CB Colleen Bradley** 16:23

197 Petroleum Landman.

198

199 **FE Fordyce, Andrew, EMNRD** 16:24

200 It.

201

202 **PH Pecos Hall** 16:24

203 Thank you, Mr. Fordyce.

204

205 **FE Fordyce, Andrew, EMNRD** 16:28

206 Miss Bradley, if I could direct your attention to exhibit A3, which is page 15 in the
207 exhibit packet.

208

209 **CB Colleen Bradley** 16:40

210 Okay.

211

212 **FE Fordyce, Andrew, EMNRD** 16:40

213 If.

214 This exhibit is showing.

215 Four tracks in a 320 acre spacing unit, it looks like.

216 And at the bottom, it gives some lease numbers, apparently. Where the bottom two...

217 look very similar, but one might be for the northwest, northeast, and one is for the

218 northeast, northeast.

219 Um...

220

221 **CB Colleen Bradley** 17:11

222 Right, so go ahead.

223

224 **FE Fordyce, Andrew, EMNRD** 17:13

225 Well, if we could scroll down to the next page, then we'll start getting closer to the

226 heart of my question.

227 So...

228 In this exhibit on this page, it's showing tracks one, two, three, and 4A and 4B. So I'm

229 a little confused about what, there's four tracks, but we have a 4A and a 4B.

230

231 **CB Colleen Bradley** 17:45

232 Right, so...

233

234 **FE Fordyce, Andrew, EMNRD** 17:46

235 I'm not sure what the 4A and the 4B are is my question, I guess.

236

237 **CB Colleen Bradley** 17:50

238 Right, that was more a reference for me. So the four would just be 4, and so it

239 shouldn't include the 4A or the 4B.

240 So it should just be 4. And that matches up with the legal. So that was more for me.

241 So that hasn't all I can remove that from.

242 Because if you notice, it's just for tract 4.

243

244 **FE Fordyce, Andrew, EMNRD** 18:14

245 Okay, if we could take a look at exhibit A4 on page 25.

246

247 **CB Colleen Bradley** 18:15

248 So.

249 Okay.

250

251 **FE Fordyce, Andrew, EMNRD** 18:23

252 Um...

253 This was...

254 I think a letter to the overrides or writing royalty interests. This exhibit on page 25

255 is discussing 3 tracks of land.

256 with one of them in section 26 rather than section 30.

257

258 **CB Colleen Bradley** 18:52

259 Right, so the...

260

261 **FE Fordyce, Andrew, EMNRD** 18:53

262 So...

263

264 **CB Colleen Bradley** 18:55

265 The.

266

267 **FE Fordyce, Andrew, EMNRD** 18:55

268 You can see my confusion, Ms. Bradley, with the four tracks and the four A's and the

269 four B's, and then this discusses 3 tracks and things don't seem to be matching up.

270 So I was just wondering if you could help clear that up for me.

271

272 **CB Colleen Bradley** 19:10

273 Right, so that's correct. So track three and four on the tracked breakout, the

274 ownership breakout, those are all, it's the same state lease. So it's here represented

275 as just track three. And I didn't split out this track three by into two different

276 quarter quarters.

277 And so it's the same legal, so three is 3 and four and technically 4B and 4A. But I can

278 understand the confusion here that it's not split out into four tracks, but it is the
279 same number of leases with the same descriptions. And this was more
280 for to send out to the owners, the override royalty owners to show them the actual
281 lease breakout.

282 Instead of by ownership as to which is for the, you know, my master plat.

283

284 **FE Fordyce, Andrew, EMNRD 20:06**

285 Ms. Bradley, could you then maybe let's say, could you amend exhibit A3 then in the
286 exhibit packet to sort of remove the ambiguity and make things a little more
287 straightforward maybe I guess.

288

289 **CB Colleen Bradley 20:24**

290 Yes, I can do that definitely.

291

292 **FE Fordyce, Andrew, EMNRD 20:26**

293 Yeah, the page 15 and 16 that we were looking at earlier.
294 so that it's not confusing what tracks 4A and 4B are, I guess.

295

296 **CB Colleen Bradley 20:39**

297 Right, no, I can clean that up.

298

299 **FE Fordyce, Andrew, EMNRD 20:42**

300 Very good. I have no further questions, Mr. Harring examiner.

301

302 **CB Colleen Bradley 20:46**

303 Thank you.

304

305 **PH Pecos Hall 20:46**

306 All right, Miss Bradley, how long would it take for you to fix the exhibits?

307

308 **CB Colleen Bradley 20:51**

309 I can get that done today, within the next hour or two.

310

311 **PH Pecos Hall 20:55**

312 Okay, so that your council could file an amended hearing exhibit packet with a cover

313 letter by today? Yes, that's fine. Very good. Then we'll leave the record open for you
314 to clean this up and submit it by today. And then we'll take it under advisement at
315 that time. Thank you. All right. Thank you. Thank you, Ms. Bradley.

316

317 **FE Fordyce, Andrew, EMNRD** 21:00

318 Of.

319

320 **CB Colleen Bradley** 21:02

321 Yes.

322 Okay, thank you.

323

324 **PH Pecos Hall** 21:14

325 Let's go back to the case I called earlier. Miss Starnes is here now. Yes, thank you.

326 Yeah, I called case 25987. This is Little John Conoco Phillips. Yes. Go right ahead.

327 Good morning, Mr. Her and Examiner. Raylee Starnes with the Santa Fe office of

328 Holland and Hart on behalf of Conoco Phillips Company.

329 Are there any other parties? I'm not sure.

330

331 **JK Jordan Kessler** 21:35

332 Yes, good morning.

333 And this is.

334 This is Jordan Pessler on behalf of EOG Resources, just monitoring.

335

336 **PH Pecos Hall** 21:42

337 Thank you, Miss Kessler. Go right ahead, Mister. Okay, in this case, Conoco Phillips

338 seeks an order approving a non-standard 942 acre more or less spacing unit and

339 pooling all the uncommitted interest in the Wolf Camp formation underlying all of

340 irregular sections 30 and 31 in Township 26 South range 33 East in Lee County.

341

342 **FE Fordyce, Andrew, EMNRD** 21:42

343 Yes.

344 Yes.

345 I.

346

347 **PH Pecos Hall** 22:04

348 and initially dedicated to the Little John 701, 702, 703, 704, 708, 709, 710, 711, and
349 712 wells. In support of this application, we've timely filed a hearing packet that
350 includes first a cover letter that explains some of our revised exhibits that are
351 included in the packet.

352

353 **FE Fordyce, Andrew, EMNRD 22:16**

354 OK.

355 Okay.

356

357 **PH Pecos Hall 22:25**

358 and reflects that there are actually no working interest owners being pooled at this
359 time, but record title and override only. We've also included the usual suite of
360 exhibits with our compulsory pooling application checklist, our application, the self-
361 affirmed statements of our land man Matt Darby and geologist
362 Rachel Shank. Our geologist has previously testified in front of the division, and our
363 credentials have been accepted as a matter of record, but our land man, Matt Darby,
364 has not previously testified or been recognized. So we have included a copy of his
365 resume in our packet and would ask that the division accept his credentials and
366 recognize him.

367 as an expert in petroleum land matters. We've also included self-affirmed statement
368 of notice, which reflects that notice was timely sent on March 6th, 2026, and the
369 affidavit of publication, which reflects that notice was published on March 12th, 2026.
370 So if there are no other questions, we would ask that all of the exhibits be admitted
371 into the record and that this case be taken under advisement.

372

373 **FE Fordyce, Andrew, EMNRD 23:20**

374 Yes.

375

376 **PH Pecos Hall 23:25**

377 Admitted without exception. Mr. Fortes, who do you have questions for?

378

379 **FE Fordyce, Andrew, EMNRD 23:30**

380 I don't have any questions, Mister, but I do have one request for Miss Starnes.

381

382 **PH Pecos Hall** 23:34

383 I'll go right ahead.

384

385 **FE Fordyce, Andrew, EMNRD** 23:36

386 Um...

387 On the CPAC, there are the well descriptions for the 10 wells.

388

389 **PH Pecos Hall** 23:45

390 Mhm.

391

392 **FE Fordyce, Andrew, EMNRD** 23:47

393 And in those descriptions.

394 as well name followed by API number pending. And all 10 of these wells have been

395 assigned API numbers. This is what the exhibits show. If you could just update the

396 CPAC to reflect the API numbers that have been assigned.

397

398 **PH Pecos Hall** 24:00

399 OK.

400 Absolutely.

401 Ms. Starnes, can you? Thank you, Mr. Fortes. Ms. Starnes, can you do that by today?

402 Yes, I can do that this afternoon. We'll leave the record open in this case till 5 P.m. so

403 that you can get that in and we'll take it under advisement. Thank you very much. All

404 right, thank you.

405

406 **FE Fordyce, Andrew, EMNRD** 24:10

407 Then that's all.

408

409 **PH Pecos Hall** 24:25

410 Moving on to case 6, has everyone received the docket now?

411 Yes. OK, very good. We moving on to case number six. This is Mewbourne Oil 2605 6.

412 Good morning, Jackie McLean on behalf of Mewburn. Good morning, Miss McLean.

413 Good morning, Mr. Officer. Adam Rankin with the law firm of Holland Park appearing

414 on behalf of MRC Delaware in this case. We're just observing. Perfect. Thank you. Go

415 right ahead, Miss McLean. Thank you. In this case, Mewburn is seeking to pull all

416 uncommitted interest in the bone sprang.
417 formation underlying A 320 acre more or less standard horizontal spacing unit
418 comprised of the south half, north half of sections 9 and 10, Township 18 South
419 range 30 East in Eddy County. And this unit will be dedicated to the milkshake 910
420 bedcom number 524H well. Exhibits were timely submitted last week and include
421 the land and geology testimony and corresponding exhibits of Josh Anderson and
422 Charles Crosby, both of whom have previously testified before the division as experts
423 in their respective fields. We also include our notice testimony and copies of the
424 notice letter, which was sent on March 25th, 2026,

425

426 **FE Fordyce, Andrew, EMNRD 25:18**

427 Yeah.

428

429 **PH Pecos Hall 25:35**

430 and we have the affidavit of publication from April 14th, 2026. With that, I ask that
431 the exhibits be admitted for case number 26056 and that the case be taken under
432 advisement. Admitted without exception. Mr. Fordyce, who do you have questions
433 for?

434

435 **FE Fordyce, Andrew, EMNRD 25:52**

436 I don't have any questions for this case either, Mr. Hearing Examiner, but I do have
437 one request for Miss McLean.

438

439 **PH Pecos Hall 26:00**

440 Go right ahead.

441

442 **FE Fordyce, Andrew, EMNRD 26:03**

443 I have a pool code correction for you for this case, Miss McLean. The correct pool
444 code should be Loco Hills Bone Spring East.

445

446 **PH Pecos Hall 26:07**

447 Okay.

448 Okay. Do you want to read that back? Local Hills, Bone Spring East, Code 39513.

449

450 **FE Fordyce, Andrew, EMNRD** 26:26

451 That's correct.

452

453 **PH Pecos Hall** 26:28

454 Can you update your? Yes, we will get that in by 5 for sure. Perfect. Thank you. So
455 that would be what, the CPAC? Just the checklist. Oh, and the C102s, I believe. C102
456 and the checklist. Thank you. All right, we'll leave the record open till 5 P.m. and then
457 we'll take it under advisement. Thank you. Thank you. Let's move on to #7, BTA Oil
458 Producers, 26.

459 Yes, Jackie McLean on behalf of BTA Oil Producers. And actually yesterday, Ray Laza
460 Del Spear contacted us and we have agreed to continue this matter to the June
461 docket so that the parties can have time to negotiate.

462

463 **FE Fordyce, Andrew, EMNRD** 26:54

464 I.

465

466 **PH Pecos Hall** 27:10

467 Who state the party was? Ray Laza, Del Spear, and they filed the continuance motion
468 yesterday afternoon. Are they with us today? I...

469

470 **SM Scott Morgan** 27:18

471 Yeah.

472 Good morning, Mr. Examiner. This is Scott Morgan for Ray Lozadel Spear. And to
473 answer the question, yes, my clients found out Tuesday afternoon and we reached
474 out to Miss Hardy yesterday morning and we were able to agree on that
475 continuance.

476

477 **PH Pecos Hall** 27:34

478 All right, perfect. And I'm sorry, who are you representing, Mr. Morgan?

479

480 **SM Scott Morgan** 27:38

481 Rea Laza del Speer.

482

483 **PH Pecos Hall** 27:42

484 Can you spell that?

485

486 **SM Scott Morgan** 27:43

487 Absolutely, it's.

488 Oh, put me on the spot: R.E.A.L.

489

490 **PH Pecos Hall** 27:55

491 What type of entity is that?

492

493 **SM Scott Morgan** 27:59

494 They are a Texas mineral owner. They've got a lot of mineral interests in New Mexico.

495 They are not an operator. They just have various mineral interests.

496

497 **PH Pecos Hall** 28:03

498 Ahh.

499

500 **FE Fordyce, Andrew, EMNRD** 28:05

501 Yeah.

502

503 **PH Pecos Hall** 28:06

504 Okay.

505 Okay, good. And the reason for the continuance that you filed is for what?

506

507 **SM Scott Morgan** 28:14

508 We didn't receive notice of it. There was evidently a typo, we believe, in the actual

509 address. We figured it out yesterday, and so we're comfortable with that June 4

510 hearing date.

511

512 **PH Pecos Hall** 28:21

513 Okay.

514 Okay, perfect. So you said you filed, well, Ms. McLean said you filed the continuance

515 until what docket would that be? The June 4th docket. All right. Hearing by affidavit

516 docket. Correct, correct. June 4 HBA. All right. Thank you, Mr. Morgan. And thank
517 you, Ms. McLean. We're off the record in that case.

518

519 **SM Scott Morgan 28:44**

520 Thank you.

521

522 **PH Pecos Hall 28:44**

523 Let's move. Thank you. Let's move on to EOG Resources 26075 #8 on the docket.

524 Good morning, everyone. Dina Bennett on behalf of EOG Resources. Good morning,
525 Ms. Bennett. And there are no other parties that have entered in appearance. In this
526 case, EOG seeks A compulsory pooling of a standard horizontal spacing unit in the
527 Purple Sage Wolf Camp gas pool.

528

529 **FE Fordyce, Andrew, EMNRD 28:51**

530 Six.

531

532 **PH Pecos Hall 29:08**

533 and it's a standard 1,280 acre horizontal spacing unit that covers section 2 of
534 Township 26 South Range 28 East and section 35, Township 25 South Range 28 East.
535 And we've included the usual suite of exhibits, including the exhibits of the land man
536 who's previously testified before the division and her credentials have been accepted
537 as a matter of record.

538 And the geologist has not previously testified before the division, so we've included a
539 copy of her resume. And then we've also included the notice materials that shows
540 that notice was timely mailed and timely published. And so with that, I would ask that
541 the exhibits in case number 26075 be admitted into the record. And if there are any
542 questions, myself or the witnesses are available.

543 Amended without exception, Mr. Fordyce.

544

545 **FE Fordyce, Andrew, EMNRD 29:55**

546 I have questions for the landman.

547

548 **PH Pecos Hall 29:58**

549 Okay, would you call your land man? Yes, thank you. The land man is Isabella Sykes.

550 Good morning, Ms. Sykes. Would you please raise your right hand? Do you swear or

551 affirm under penalty of perjury, the testimony you're about to give is the truth, the
552 whole truth, nothing but the truth.

553

554 **BS Bella Sikes 30:18**

555 I do.

556

557 **PH Pecos Hall 30:19**

558 Great. Please spell your name.

559

560 **BS Bella Sikes 30:21**

561 I SABELLASIKES.

562

563 **PH Pecos Hall 30:25**

564 Okay, and I've been informed that you have previously been qualified as an expert
565 for this division.

566 In what field?

567

568 **BS Bella Sikes 30:34**

569 Petroleum Land Management.

570

571 **PH Pecos Hall 30:36**

572 Perfect, Mr. Fordyce.

573

574 **FE Fordyce, Andrew, EMNRD 30:40**

575 Ms. Ikes, if I could get you to turn your direction to exhibit A9 on page 66 of the
576 exhibit packet.

577

578 **BS Bella Sikes 30:50**

579 Yes.

580

581 **FE Fordyce, Andrew, EMNRD 30:52**

582 This is a letter sent to COG Operating LLC, I believe, for an overlapping spacing unit,
583 as COG has.

584 An existing well in looks like the east half of Section Two.

585 If we could look now to turn to exhibit A4 on page 34.

586 So COG has a well in tract 3.
587 but they're not shown to have an interest in Track 3. I was just wondering if you
588 could provide some...
589 Comment or explanation, I would have expected C.O.G. to have an interest there.
590

591 **BS Bella Sikes 31:44**
592 At some point in time, they assigned out of their interests and kept well more
593 interest only.
594

595 **FE Fordyce, Andrew, EMNRD 31:54**
596 Ohh, very good.
597 That explains that. I have no further questions for this case.
598

599 **PH Pecos Hall 32:00**
600 All right, so we can take this case under advisement.
601

602 **FE Fordyce, Andrew, EMNRD 32:04**
603 We can take it under advisement.
604

605 **PH Pecos Hall 32:05**
606 Fantastic. Thank you, Ms. Sykes. All right, we're off the record in that case. Let's move
607 on to case #9 on the docket, 26076260777879 Newborn Oil. Jackie McLean on behalf
608 of Newborn Oil Company. Thank you. And there's no other party that has entered
609 appearance in.
610 Two and two out of the four cases. I think we have Holland and Hart representing
611 Reed Stevens into it. Good morning, Mr. Hearings. Examiner Adam Rankin with
612 Holland and Hart representing Reed and Stevens in cases 26078 and 26079. We'll just
613 monitoring these cases at this time. Go right ahead, Miss. Thank you. In these cases,
614 Mewburn is seeking to pull all uncommitted interest in the Bone Spring Formation.
615

616 **FE Fordyce, Andrew, EMNRD 32:47**
617 So.
618

619 **PH Pecos Hall 32:50**
620 across sections 4, 5, and 6 in Township 18 South, Range 30 East, Eddy County, New

621 Mexico. And these units will be dedicated to the Cerros Locos Fedcom Wells. New
622 Bern is also seeking approval of an overlapping spacing unit in case number 26076
623 and 26077.

624

625 **FE Fordyce, Andrew, EMNRD 33:02**

626 Yes.

627

628 **PH Pecos Hall 33:11**

629 And exhibits were submitted timely last week and include the land and geology
630 testimony and corresponding exhibits of Josh Anderson and Charles Crosby, both of
631 whom have previously testified before the division and have been recognized as
632 experts in their respective fields. We've also included our notice testimony along with
633 copies of the notice letter,
634 which was timely sent to all interested parties on April 2nd, 2026. And we've included
635 an affidavit of publication from April 14th, 2026. And I ask that the exhibits be
636 admitted for case numbers 26076 through 26079 and that the cases be taken under
637 advisement.

638

639 **FE Fordyce, Andrew, EMNRD 33:34**

640 Yeah.

641 Oops.

642

643 **PH Pecos Hall 33:52**

644 admitted without exception and all four cases are taken under advisement. Thank
645 you. Let's move on to Devon Energy Production 26080.

646

647 **FE Fordyce, Andrew, EMNRD 34:00**

648 Still.

649

650 **PH Pecos Hall 34:03**

651 Good morning, Mr. Hearing Examiner. Good morning, Mr. Technical Examiner. Darren
652 Savage with Aberdeen Shield appearing on behalf of applicant Devon Energy
653 Production Company LP. Good morning, Mr. Savage. I don't believe there's any other
654 parties. I don't think so, no. Go right ahead. Case 26080 covers lands in sections 1920
655 and 21, Township 20 South, Range 30 East, Eddy County, New Mexico.

656 man, Daniel Brensman, has testified previously before the division and the credentials
657 have been accepted as an expert in petroleum land matters. The geologist, Tom
658 Perriam, has testified previously before the division as an expert witness in geology
659 and his credentials have been accepted as a matter of record. In this case, Devin
660 seeks an order pooling all uncommitted interest in the Wolf Camp formation.

661

662 **FE Fordyce, Andrew, EMNRD 34:25**

663 Yes.

664 Mine.

665

666 **PH Pecos Hall 34:45**

667 underlying a standard 1917, 1917.84 acre, more or less, spacing unit comprised of all
668 sections 19, 20, and 21. The unit will be dedicated to the St. Helens Fedcom wells.

669 Orientation of the wells and unit is laid down in the location of the wells as standard.

670

671 **FE Fordyce, Andrew, EMNRD 34:55**

672 Two.

673

674 **PH Pecos Hall 35:05**

675 Devin has applied and received approval for the non-standard spacing unit. Mr.
676 Brunzman's exhibit A includes his usual landman exhibits, self-firm statements, C102,
677 ownership breakdown, well proposals with AFE and chronology of context and an
678 overview of notice provided. Mr. Pariam's exhibit B includes a self-firm statement.

679 a self-affirmed geology statement along with six geology exhibits. Exhibit C provides

680 A self-affirmed statement of notice for mailings and publication notice. Notice was

681 timely mailed on April 8th, 2026 and timely published on April 11th, 2026. Mister

682 Examiner, at this time, I move that exhibits A, B, and C and all sub-exhibits be

683 admitted into the record.

684 For this case, and the case be taken under advisement, counsel and witnesses are

685 available for questions. Admitted without exception, Mr. Fordyce.

686

687 **FE Fordyce, Andrew, EMNRD 35:58**

688 I have a question for the lineman.

689

690 **PH Pecos Hall 36:02**

691 Mr. Savage, would you call your land man? Yes.

692 Mr. Brunzman, can you make an appearance?

693

694 **BD Brunzman, Daniel** 36:10

695 Yes, I can.

696

697 **PH Pecos Hall** 36:20

698 Yeah, there, there we go.

699

700 **BD Brunzman, Daniel** 36:23

701 Darren, can you hear me?

702

703 **PH Pecos Hall** 36:23

704 Mr. Yes, Mr. Brunzman, thank you. Would you raise your right hand? Do you swear or

705 firm under penalty of perjury that the testimony you're about to give is the truth, the

706 whole truth, nothing but the truth?

707

708 **BD Brunzman, Daniel** 36:34

709 Yes, I do.

710

711 **PH Pecos Hall** 36:35

712 Thank you. Would you could put, thank you. Would you spell your name?

713

714 **BD Brunzman, Daniel** 36:39

715 Yeah, Daniel Daniel Brunzman BRUNSMAN.

716

717 **PH Pecos Hall** 36:44

718 Thank you. I've been informed that you've been admitted as an expert before this

719 division.

720

721 **BD Brunzman, Daniel** 36:49

722 Yes, I have.

723

724 **PH Pecos Hall** 36:50

725 In what field?

726

727 **BD** **Brunzman, Daniel** 36:52

728 Petroleum man matters.

729

730 **PH** **Pecos Hall** 36:54

731 Thank you, Mr. Fordyce.

732

733 **FE** **Fordyce, Andrew, EMNRD** 36:57

734 Mr. Brunswick, I'm looking at exhibit A2.

735 On page 33 of the exhibit packet.

736 Can you amend this exhibit to indicate on the unit recapitulation and for the record

737 title owners which parties Devon is seeking to pull?

738

739 **BD** **Brunzman, Daniel** 37:23

740 Yes, we can for clarity. Do you mean the working interest parties, the record title

741 owners or all?

742

743 **FE** **Fordyce, Andrew, EMNRD** 37:32

744 Indicate on the exhibit which parties Devon is seeking to pull.

745

746 **BD** **Brunzman, Daniel** 37:39

747 Ohh.

748 Ah.

749

750 **FE** **Fordyce, Andrew, EMNRD** 37:42

751 Could you could you amend that exhibit for the exhibit packet?

752

753 **BD** **Brunzman, Daniel** 37:47

754 Yes, no, we'd be happy to.

755

756 **FE** **Fordyce, Andrew, EMNRD** 37:50

757 Is that something you think you could turn around quickly?

758

759 **BD** **Brunzman, Daniel** 37:54

760 Yes, we should be able to get it to you by, you know, several hours from now, but
761 today for sure.

762

763 **FE Fordyce, Andrew, EMNRD 38:00**

764 Thank you, Mr. Brunzman. I have no further questions.

765

766 **PH Pecos Hall 38:03**

767 Thank you. Mr. Exam, if I could just clarify, Mr. Technical Examiner, what are you
768 wanting to amend on that? Are you? I'm not sure if I understand what the
769 amendment would be.

770

771 **FE Fordyce, Andrew, EMNRD 38:16**

772 On page 33, I believe there were, if you look at the breakdown by track, there are
773 parties that are being pulled. I don't see any parties being pulled here on this on
774 page 33.

775

776 **PH Pecos Hall 38:33**

777 And.

778

779 **FE Fordyce, Andrew, EMNRD 38:34**

780 on the unit recapitulation and the list of record title owners.

781

782 **PH Pecos Hall 38:37**

783 So, so if I can direct you to page 34, we have a full list of uncommitted parties,
784 persons to be pulled. So you want to, so if I understand you correctly, you want it
785 highlighted on the on the unit recapitulation in addition to the full list of
786 Uncommitted parties persons to be pulled.

787

788 **FE Fordyce, Andrew, EMNRD 38:59**

789 Correct. They're highlighted on the track breakdowns. If we just add that to the
790 summary list on page 33.

791

792 **PH Pecos Hall 39:04**

793 Okay.

794 Yeah, thank you. I understand, Mr. Technical Examiner. I understand that. Thank you.
795 So, Mr. Savage, can you have that in by 5:00 today? Should be able to do that.

796

797 **FE Fordyce, Andrew, EMNRD 39:10**

798 Thank you.

799

800 **PH Pecos Hall 39:15**

801 If you are able to do it, then we'll take the case under advise and we'll leave the
802 record open until that time. If not, please let us know. Thank you. All right. We're off
803 the record in this case. Thank you. Let's move on to Mewburn Oil 26083. Good
804 morning, Dana Hardy with Hardy McLean on behalf of Mewburn. Thank you.

805

806 **OA Olivia Atkins 39:36**

807 Good morning, Mr. Examiner. Olivia Atkins with Abbey and Shill on behalf of WPX
808 Energy Permian LLC. WPX is just monitoring the case and has no objections at this
809 time.

810

811 **PH Pecos Hall 39:36**

812 Mr. Savage.

813 Thank you. Would you spell your name, please?

814

815 **OA Olivia Atkins 39:51**

816 Yes, it's Olivia Olivia Atkins ATKINS.

817

818 **PH Pecos Hall 39:59**

819 Okay, very good. Thank you, Miss Atkins. Go right ahead, Miss Hardy. Thank you. In
820 this case, Mewburn seeks to pool uncommitted interest in the Wolf Camp formation
821 underlying A 960 acre standard horizontal spacing unit comprised of the south half
822 of sections 22, 23 and 24, Township 23 South,
823 Range 26 East in Eddy County, and we'll dedicate the unit to the Iceman 2422
824 Fedcom 716 and 718H Wells. Our exhibits were timely submitted, include the land
825 testimony and exhibits of Josh Anderson and the geology testimony and exhibits of
826 Tyler Hill.

827 Both of our witnesses have testified previously before the division as experts in their
828 respective fields. Our notice information is provided in exhibit C and shows that we

829 timely sent notice by certified mail on April 2nd, 2026, and timely published on April
830 11th, 2026. So with that, unless there are questions, I request that the exhibits be
831 admitted and that the case be taken under advisement.

832 The exhibits are admitted without exception. The case is taken under advisement.

833 Thank you, Ms. Harding. Thank you. Let's move on to COG operating 2 cases,
834 2608426086. Jackie McLean for COG. Thank you. And no other party has entered an
835 appearance in these cases. Thank you. Go ahead.

836

837 **FE** **Fordyce, Andrew, EMNRD** 41:14

838 I.

839

840 **PH** **Pecos Hall** 41:21

841 Thank you. In this case, or in case these cases, CRG seeks an order pooling all
842 uncommitted interests in the Wolf Camp and Bone Spring formations. And the Wolf
843 Camp spacing unit will be comprised of the south half of Section 29 and all of
844 Section 32.

845

846 **FE** **Fordyce, Andrew, EMNRD** 41:28

847 Yeah.

848

849 **PH** **Pecos Hall** 41:41

850 Township 25 South, range 35 East in Lee County. And in that case, there is a depth
851 severance. So COG is only seeking to pull uncommitted interest from the top of the
852 Wolf Camp Formation to the base of the Wolf Camp A interval. And then in case
853 number 26086, COG is seeking to pull all uncommitted

854 interest in the Bone Spring formation underlying A 720 acre more or less non-
855 standard horizontal spacing unit comprised of the southwest quarter and west half
856 southeast quarter of Section 29 and the west half and west half east half of Section
857 32 Township 25 South.

858 Range 35 East in Lee County, and both of these spacing units will be dedicated to the
859 Boder Federal Comm Wells. Exhibits were timely submitted for these cases last week
860 and include the land testimony and geology testimony and exhibits from Caroline
861 Frederick and Tyler Patrick, both of who have previously testified before the.

862 division and have been recognized as experts in their respective fields. We've also
863 included our notice testimony and copies of the notice letter, which was timely sent

864 on April 8th and April 15th, 2026. And we've included an affidavit of publication from
865 April 21st, 2026.

866 With that, I ask that the exhibits be admitted for case numbers 26084 and 26086 and
867 that these cases be taken under advisement. Admitted without exception. 26084 is
868 taken under advisement. Mr. Fordyce, 26086.

869

870 **FE Fordyce, Andrew, EMNRD** 43:19

871 Yes, Mr. Hearing, examiner, I have a question for the geologist.

872

873 **PH Pecos Hall** 43:23

874 Okay, Tyler Patrick.

875

876 **PT Patrick, Tyler** 43:29

877 Good morning.

878

879 **PH Pecos Hall** 43:31

880 Good morning, Mr. Patrick. Would you raise your right hand?

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

883

884 **PT Patrick, Tyler** 43:39

885 Yes, I do.

886

887 **PH Pecos Hall** 43:40

888 Great. Would you spell your name, please?

889

890 **PT Patrick, Tyler** 43:42

891 Tyler Patrick, Tyler, Patrick, Patrick.

892

893 **FE Fordyce, Andrew, EMNRD** 43:44

894 S.

895

896 **PH Pecos Hall** 43:47

897 And I've been advised that you've been admitted as an expert for this division.

898

899 **PT** **Patrick, Tyler** 43:52

900 Yes, sir, under geology.

901

902 **PH** **Pecos Hall** 43:53

903 Perfect. Thank you. Go right ahead, Mister Fortes.

904

905 **FE** **Fordyce, Andrew, EMNRD** 43:57

906 Mr. Patrick, I'm looking at exhibit B1 on page 42.

907

908 **PT** **Patrick, Tyler** 44:04

909 See.

910

911 **PH** **Pecos Hall** 44:07

912 And I can share this really quickly.

913

914 **PT** **Patrick, Tyler** 44:10

915 That'd be great.

916 Yes, sir.

917

918 **FE** **Fordyce, Andrew, EMNRD** 44:19

919 Um...

920 So, Mister Patrick, the...

921 spacing unit as it's depicted is incorrect.

922 Is incorrect.

923 As for this case, the east half of the east half of the sections that are within the

924 spacing unit are not included. Asking if you could just for exhibits B1 through B3,

925 make a correction to those two.

926 Show the spacing unit correctly.

927

928 **PT** **Patrick, Tyler** 44:52

929 Yes, sir.

930

931 **FE** **Fordyce, Andrew, EMNRD** 44:54

932 And I'm assuming that's something you could do quickly.

933

934 **PT** **Patrick, Tyler** 44:56

935 Yes, sir.

936

937 **FE** **Fordyce, Andrew, EMNRD** 44:59

938 Thank you, Mr. Patrick. I have no further questions for this case.

939

940 **PH** **Pecos Hall** 45:02

941 All right, thank you. Miss McLean. Yes, just want to confirm exhibits B1 through B3
942 are what needs to be revised.

943

944 **FE** **Fordyce, Andrew, EMNRD** 45:12

945 Correct the just to.

946

947 **PH** **Pecos Hall** 45:12

948 In case number 26084.

949

950 **FE** **Fordyce, Andrew, EMNRD** 45:16

951 Yeah, it's showing 960 acres, like in the 26084, but this case is 200, 720 acres.

952 So just to update the exhibit to show the correct spacing unit, B1 through B3.

953

954 **PH** **Pecos Hall** 45:31

955 Well, wait.

956 We will do that. Thank you. Before 5:00? Before 5:00. Fantastic. We'll leave the record
957 open for case 26086 until 5:00 for you to submit an amended exhibit with a cover
958 letter explaining why, and then we'll take the case under advisement.

959 Thank you. All right, we're off the record in that case. Let's move on to case number
960 17 on the docket, Spur Energy Partners. Mr. Examiner, Dana Hardy with Hardy
961 McLean on behalf of Spur, and there are no other parties. Right ahead. Thank you. In
962 this case, Spur seeks to pool uncommitted interest in the Yazo formation underlying
963 A 306.59 acre

964

965 **FE** **Fordyce, Andrew, EMNRD** 45:58

966 Yeah.

967

968 **PH Pecos Hall** 46:09

969 Standard horizontal unit comprised of lots 5 through 12, which is the north half
970 equivalent of Section 4, Township 18 South, Range 27 East, and Eddy County. Spur
971 will dedicate the unit to the Kite 4 federal wells. Exhibits were timely submitted and
972 include the land testimony and exhibits of Brian Swanson.

973 who has not previously testified before the division. We did provide his resume and
974 he's available for questions if the division has any. We've also provided the geology
975 testimony and exhibits of Matthew Van Wee, who has previously testified as an
976 expert in geology before the division. Our notice information is included in Exhibit C
977 and shows that notice was timely sent on April 17th, 2026.

978 And our affidavit of publication is timely from April 21st, 2026. So with that, I ask that
979 the exhibits be admitted and that the case be taken under advisement. Admitted
980 without exception. Mr. Fordyce, your questions?

981

982 **FE Fordyce, Andrew, EMNRD** 47:03

983 Yes.

984 I don't have any questions for this case, Mr. Hearing Examiner. I have a request for
985 Ms. Hardy. On the CPAC on page two.

986 The entry for well family.

987 actually has a well name entered.

988 If we could just correct that to be the well family name.

989 And I have no further further questions for this case.

990

991 **PH Pecos Hall** 47:36

992 Can you do that by 5? Yes, we can do that. Okay, very good. Thank you. We'll leave
993 the record open till 5 P.m. and if we receive your amended exhibit packet with a
994 cover letter explaining what you've done, we'll take the case under advisement.

995 Thank you. Thank you.

996 Moving on to case number 18 on the docket. This is Mewbourne Oil 26088. Good
997 morning, Mr. Hearing Summar Yaritza Pena with Hardy McLean on behalf of

998 Mewbourne Oil Company. Morning, Ms. Pena. Morning. And I don't think there are
999 any other parties. I agree. In this case, Mewbourne seeks an order pulling additional

1000 uncommitted interest under the terms of the

1001 Division order R22905. Exhibits were timely submitted in this case last week and

1002 include the land testimony and corresponding exhibits of Brad Dunn, who has
1003 previously testified before the division and has been recognized as an expert in
1004 petroleum land matters. And we also include our notice testimony along with copies
1005 of the notice letter, which was timely sent
1006

1007 **FE Fordyce, Andrew, EMNRD 48:19**

1008 Thank you.
1009

1010 **PH Pecos Hall 48:30**

1011 on April 7th, 2026, and the affidavit of publication from April 14th, 2026. With that, I
1012 ask that the exhibits in case number 26088 be taken under, be admitted into the
1013 record and that the case be taken under advisement. Amended without exception,
1014 taken under advisement. Thank you. Thank you. Off the record in that case, let's
1015 move on to Matador Production. There are several cases here.
1016

1017 **FE Fordyce, Andrew, EMNRD 48:50**

1018 I.
1019

1020 **PH Pecos Hall 48:54**

1021 260919294 and 95 entries please. Yes, good morning, Mr. Hearing Examiner Raley
1022 Starnes with the Santa Fe office of Holland and Heart on behalf of MRC Permian
1023 Company. Thank you, Miss Star.

1024 I don't believe there's any of the parties. Okay, perfect. In these four consolidated
1025 cases, Matador seeks an order pooling all of the uncommitted interest in the Barnett
1026 and Woodford formations underlying the west half of irregular section 4 and sections
1027 9 and 16 in Township 24 South, range 36 East, Lee County.

1028 and initially dedicates the units to the Roy Turner State Comm Wells. In support of
1029 these applications, we've timely filed hearing packets that each include compulsory
1030 pooling application checklists, the applications, the self-affirmed statements of the
1031 landman David Johns, the self-affirmed statements of the geologist Andrew Parker,
1032 both of whom have

1033 previously been admitted as experts in their field to testify in front of the division. My
1034 self-affirmed statement of notice, which reflects that notice was timely sent on April
1035 17th of 2026, and the affidavits of publication that reflect notice was published on
1036 April 17th, 2026. I would like to note that our geologist had a

1037 time conflict this morning, but in his place is Blake Herber. He's familiar with these
1038 cases and he has previously testified in front of the division as well. So if there are no
1039 other questions, we would ask that these exhibits be admitted into the record and
1040 the cases be taken under advisement. Admitted without exception. Mr. Fortice, your
1041 questions?

1042

1043 **FE Fordyce, Andrew, EMNRD 50:19**

1044 Yeah.

1045 Yeah, I have questions for the Lion Manager hearing examiner.

1046

1047 **PH Pecos Hall 50:28**

1048 Thank you. Will you call your land man? Yes, David Johns, Mr. Johns.

1049

1050 **FE Fordyce, Andrew, EMNRD 50:41**

1051 Okay.

1052

1053 **PH Pecos Hall 50:43**

1054 Mr. Johns, would you raise your right hand? Do you swear or affirm on the penalty of
1055 perjury that the testimony about to give is the truth, the whole truth, nothing but the
1056 truth?

1057

1058 **M Matador 50:52**

1059 Yes.

1060

1061 **PH Pecos Hall 50:53**

1062 Great. You can put your hand down. Thank you. Spell your name, please.

1063

1064 **M Matador 50:57**

1065 David DAVID, Johns, JOHNS.

1066

1067 **PH Pecos Hall 51:03**

1068 Okay, Mr. Johns, it's very hard to hear you, and I'm afraid the AI transcript won't pick
1069 up your voice. Would you say that again louder?

1070

1071 **FE** **Fordyce, Andrew, EMNRD** 51:09

1072 K.

1073

1074 **M** **Matador** 51:13

1075 Can you guys hear me better now?

1076

1077 **PH** **Pecos Hall** 51:14

1078 Yes.

1079

1080 **M** **Matador** 51:16

1081 David, David Johns, JOHNS.

1082

1083 **PH** **Pecos Hall** 51:22

1084 And you've been previously qualified as an expert for this division?

1085

1086 **M** **Matador** 51:25

1087 Yes, sir.

1088

1089 **PH** **Pecos Hall** 51:26

1090 In what's field?

1091

1092 **M** **Matador** 51:28

1093 Landman.

1094

1095 **PH** **Pecos Hall** 51:30

1096 Perfect. Go right ahead, Mr. Fordyce.

1097

1098 **FE** **Fordyce, Andrew, EMNRD** 51:33

1099 Mr. Johns, if I could direct your attention to exhibit C3 on page 20.

1100

1101 **M** **Matador** 51:47

1102 Yes, Sir.

1103

1104 **FE** **Fordyce, Andrew, EMNRD** 51:50

1105 This exhibit shows MRC pooling some unleashed mineral interest in track one and
1106 track two.
1107 which are fee tracks and MRC Permian has 100% working interest in tract 3, a state
1108 tract, correct?

1109

1110 **M Matador** 52:18

1111 That's correct. We have a we have 100% of the this stay tracked.

1112

1113 **FE Fordyce, Andrew, EMNRD** 52:25

1114 So if you could go to the previous page, page 19.

1115 For the estate of Dorothy W. Price, deceased.

1116 Would it be correct to say that that ownership is in tracks one and two, not two and
1117 three?

1118

1119 **M Matador** 52:43

1120 Yes, sir, that's correct. That's a typo.

1121

1122 **FE Fordyce, Andrew, EMNRD** 52:46

1123 For Region Oil and Gas Company, would it be correct to say that they have
1124 ownership in tracks one and two, not three and three?

1125

1126 **M Matador** 52:54

1127 Correct.

1128

1129 **FE Fordyce, Andrew, EMNRD** 52:57

1130 For Dapco Inc., would it be correct to say that they have ownership in tracks one and
1131 two, not four and three?

1132

1133 **M Matador** 53:04

1134 That's correct. That's a typo.

1135

1136 **FE Fordyce, Andrew, EMNRD** 53:06

1137 Okay.

1138 This is exhibit will need to be amended for all four of these Roy Turner cases.

1139 To make that correction.

1140 And I have no further questions for Mr. Johns on these four cases.

1141

1142 **PH Pecos Hall** 53:26

1143 Thank you.

1144 Thank you, Mr. Fortnite. Mr. Johns, how soon can you amend that exhibit?

1145

1146 **M Matador** 53:33

1147 Early afternoon.

1148

1149 **PH Pecos Hall** 53:35

1150 So, Ms. Starns, if you can get that in by 5:00 today, we'll keep the record open and
1151 take the case under advisement. If you can't, please let us know, but please file an
1152 amended exhibit packet for each of these cases with a cover letter explaining what
1153 the change is. Absolutely, we could do that. Thank you. Thank you, Mr. Johns. Ms.
1154 Starns, we're off the record in those cases. Oh, Mr. Mr. Alexander, before you move
1155 on to.

1156 the next cases, which I am also presenting on the Lil John case for Conoco Phillips
1157 earlier. Which one? The Conoco Phillips Lil John #4 on the docket, I believe. It's #2.
1158 Number 2. How many did you call it? If you'd like, I did misstate. Our geologist has
1159 not testified before the division previously. And I did state on the record that she
1160 had. So I'm happy to correct that on the record.

1161 Or if you just want to leave it, that's fine. No, I'm fine for you to correct it. That's fine.
1162 We didn't have any questions for that. No, we did not. So I think we're fine there. OK,
1163 perfect. Thank you for correcting it. Absolutely. Appreciate it. All right. We have some
1164 Matador cases here. They're all joined, but I'm going to call them a little bit
1165 differently based on the.

1166 pre-hearing conference we had yesterday. I'm going to call the first ones.

1167 2609926100 interest of appearance, please. Yes, Riley Starnes with the Santa Fe office
1168 of Holland and Hart on behalf of MRC Permian Company. Thank you. I don't believe
1169 there's any other parties. Okay, great. And these two of seven consolidated cases,
1170 Matador seeks an order approving

1171 standard spacing unit and pooling all of the uncommitted interest in the, I have to
1172 check exactly which, if these are both Bone Spring, Barnett or Woodford, but these
1173 cases encompass all of them. Let's see, you said 99.

1174 Okay, I believe these are the bone spring cases.
1175 and initially seeks to dedicate these to the Phelps Fedcom Wells. We filed our usual
1176 suite of exhibit of hearing. We filed our usual exhibits in our hearing packet for these
1177 applications, which include the self-affirmed statements of our land man David
1178 Johns, self-affirmed statements of our geologist Andrew Parker,
1179 Both of whom have previously been admitted as experts in their field to testify in
1180 front of the division. My self-affirmed statement of notice, which reflects notice was
1181 timely sent on April 17th, 2026. The affidavit of publication that reflects notice was
1182 published on April 22nd of 2026. And then once again, Andrew Parker is unavailable
1183 this morning, but we do have geologist Blake Herber prepared to testify in his place.
1184 So if there are no other questions on these two cases, I would ask that these exhibits
1185 be admitted into the record and that these cases be taken under advisement. The
1186 exhibits are admitted without exception. Mr. Fordyce.

1187

1188 **FE Fordyce, Andrew, EMNRD 56:32**

1189 Yes, I have questions for the landman and the geologist in these two cases.

1190

1191 **PH Pecos Hall 56:37**

1192 Thank you.

1193

1194 **FE Fordyce, Andrew, EMNRD 56:38**

1195 What?

1196

1197 **PH Pecos Hall 56:39**

1198 Mr. Johns and Mr. Herber, unless Mr. Parker is back, but I don't think that he is.

1199 Can we get the geologist on the screen?

1200

1201 **BH Blake Herber 56:49**

1202 We get this.

1203 Yes, I'm here on a separate screen.

1204

1205 **PH Pecos Hall 56:53**

1206 I see you. Thank you. I see you. Ms. Starnes, you said that both have been previously

1207 qualified as experts. Yes, sir. Except that this geologist was not the one who

1208 submitted the exhibits, but has reviewed them and has his own independent expert

1209 opinion about. Yes, he is familiar with these cases and is prepared to testify.
1210 All right, thank you. Would you know, so, Mister Johns, I've already sworn you in.
1211 Mister Herber, please raise your right hand. Do you swear or affirm under penalty of
1212 perjury that the testimony you're about to give is the truth, the whole truth, nothing
1213 but truth?
1214

1215 **BH** **Blake Herber** 57:24

1216 I do.

1217

1218 **PH** **Pecos Hall** 57:25

1219 All right, thank you. Would you spell your name, please?

1220 Okay, and I've been advised that you've been previously qualified as an expert by this
1221 division. In what field?

1222

1223 **FE** **Fordyce, Andrew, EMNRD** 57:35

1224 It.

1225

1226 **BH** **Blake Herber** 57:41

1227 Geology.

1228

1229 **PH** **Pecos Hall** 57:42

1230 Thank you. Okay, Mr. Fordyce, go right ahead.

1231

1232 **FE** **Fordyce, Andrew, EMNRD** 57:46

1233 Mr. Herber, I'm looking at exhibit D3 on page 40, which is a structural cross section.

1234

1235 **M** **Matador** 57:51

1236 The.

1237

1238 **BH** **Blake Herber** 57:56

1239 Yes, sir.

1240

1241 **FE** **Fordyce, Andrew, EMNRD** 57:59

1242 Um...

1243 So, in doing my research, I've noticed that this Davis and Well.

1244 On the right is...
1245 in Section 20 of 24 South.
1246 And the West Jail well is in section 17.
1247 of 25 South, so about 5 miles due south of the Davidson well.
1248 Uh...
1249 The David or the West Jaw well is labeled as A in the cross section.
1250 But if you scroll up to exhibit D2, the previous page.
1251 Um...
1252 It has actually A&A prime reversed, it looks like.

1253
1254 **BH Blake Herber 58:47**

1255 Okay.

1256

1257 **FE Fordyce, Andrew, EMNRD 58:47**

1258 In these.

1259 So if we could just get a correction to those exhibits to show where those wells are
1260 located correctly.

1261

1262 **BH Blake Herber 58:59**

1263 Yes, sir, we can do that.

1264

1265 **FE Fordyce, Andrew, EMNRD 59:05**

1266 I have no further questions for Mr. Herbert.

1267

1268 **PH Pecos Hall 59:11**

1269 Okay.

1270

1271 **FE Fordyce, Andrew, EMNRD 59:18**

1272 Mr. Jones, I'm looking at exhibit C3 on page 22.

1273

1274 **M Matador 59:25**

1275 Perfect. And just to confirm, this is case number 26099.

1276

1277 **FE Fordyce, Andrew, EMNRD 59:31**

1278 Correct.

1279

1280 **M Matador** 59:32

1281 Okay. Yes, Sir, I'm there.

1282

1283 **FE Fordyce, Andrew, EMNRD** 59:35

1284 Yeah.

1285 So on page 22, it's showing that Matador is seeking to pool.

1286 Two overriding royalty interests, Colburn Oil LP and Flowtex Oil Company LLC.

1287 I have checked your summary of contacts in exhibit C5 on page 31. And I've also

1288 double checked on the postal delivery port pages 44 and 45. And I've been unable to
1289 find any.

1290 any evidence in the exhibits that these two interests were attempted to be contacted
1291 or received notice.

1292

1293 **M Matador** 1:00:22

1294 The 2 overriding role changer standards.

1295

1296 **FE Fordyce, Andrew, EMNRD** 1:00:25

1297 Correct, Colburn Oil and Flowtex Oil.

1298

1299 **M Matador** 1:00:31

1300 We did not send them a well proposal as there. They don't they don't own a working
1301 interest. We can we can certainly reach out and contact them and let them know that
1302 we were planning on drilling a well, but we didn't we didn't include them in our
1303 scope of providing notice.

1304

1305 **FE Fordyce, Andrew, EMNRD** 1:00:50

1306 If there's an interest that's being pooled, they should be due notice.

1307 And I cannot see where these two interests were.

1308 Ever contacted or received or sent notice or received notice?

1309

1310 **M Matador** 1:01:10

1311 We will work to provide notice to them and make sure we reach out to them and add
1312 them to the summary of contacts.

1313

1314 **FE Fordyce, Andrew, EMNRD** 1:01:22

1315 Okay, I don't have any further questions for this case, Mr. Hearing Examiner.

1316 Ms. Starnes, are we going to need to continue these cases to cure notice?

1317

1318 **PH Pecos Hall** 1:01:33

1319 Yes, we'll do that and we can file a motion to continue to the June 4th docket. And

1320 it's just for the two cases you called, the 99 and 100. That's why I called them

1321 separately. Okay, perfect.

1322 I'm not promising any other. I'm not promising anything else on the others. I'm just

1323 letting you know. But for the specific. OK. So June 4, today is May 7. That should give

1324 you time? I think so, yes. So both cases will come back around on June 4? Yes, sir. All

1325 right. And then what about exhibit D3? I heard.

1326 Mr. Fordyce wanting corrections on some exhibits. Yes, I will get those corrected and

1327 we'll probably file an amended packet when we perfect notice, if that works. Yeah,

1328 with the cover letter explaining. Mr. Fordyce, I just want to be very clear. Was it only

1329 D3 that the geologist had to correct or was it something else?

1330

1331 **FE Fordyce, Andrew, EMNRD** 1:02:24

1332 Yes.

1333 Um...

1334 Those 3 for those two cases that.

1335 Correction, it needs to be made for the other two Bone Springs cases.

1336 101 and 102 which you have not called yet.

1337

1338 **PH Pecos Hall** 1:02:42

1339 Oh, I was just asking you on these two cases, 99 and 100, which exhibits do you want

1340 corrected by the geologist?

1341

1342 **FE Fordyce, Andrew, EMNRD** 1:02:51

1343 Um...

1344 D2 and D3, one of the two, they're back, they're kind of backwards. One of them

1345 needs to be corrected.

1346

1347 **PH Pecos Hall** 1:02:56

1348 Perfect.
1349 I think it was D2 corrected to reflect D3. Yes. I didn't know. I'm at him. Yes. Is that
1350 right, Mr. Fordes?

1351

1352 **FE Fordyce, Andrew, EMNRD 1:03:01**

1353 So.

1354 That would work.

1355 That is correct.

1356

1357 **PH Pecos Hall 1:03:09**

1358 All right, and then we have a notice issue with one party, is that correct?

1359

1360 **FE Fordyce, Andrew, EMNRD 1:03:14**

1361 Two parties.

1362

1363 **PH Pecos Hall 1:03:15**

1364 Excuse me, two parties. What are the names of the parties?

1365

1366 **FE Fordyce, Andrew, EMNRD 1:03:19**

1367 Colburn Oil LP and Flowtex Oil Company LLC.

1368

1369 **PH Pecos Hall 1:03:25**

1370 All right, perfect. All right, so Miss Starns, you understand what to do? I do, thank
1371 you. All right, perfect. And we'll see these cases back June 4. Perfect.

1372 All right, thank you, Mr. Ford. I'm now going to call two more cases by themselves,
1373 26101, 26102, also Matador Production. Perfect. Good morning, Mr. Great Examiner,
1374 Raley Stern to the Santa Fe office of Holland and Hart on behalf of MRC Permian
1375 Company. Great, go right ahead. And these two consolidated cases, Matador seeks
1376 an order

1377 pulling all of the uncommitted interest in the, which numbers were these 102? This is
1378 101 and 102. Perfect.

1379 These are.

1380 Maybe still the, maybe still our bones brain cases.

1381 And underlying the...

1382 Ah.

1383

1384 **FE Fordyce, Andrew, EMNRD** 1:04:42

1385 Yeah.

1386

1387 **PH Pecos Hall** 1:04:42

1388 Johns and our geologist Andrew Parker, both of whom have previously been
1389 admitted as experts in their fields, testify in front of the division. My self-affirmed
1390 statement of notice, which reflects notice was timely sent on April 17th, 2026, and
1391 the affidavits of publication that reflect notice was published on April 22nd, 2026.

1392

1393 **FE Fordyce, Andrew, EMNRD** 1:04:52

1394 Yeah.

1395

1396 **PH Pecos Hall** 1:05:01

1397 If there are no questions, we would ask that these exhibits be admitted into the
1398 record and the case is taken under advisement. Admitted without exception. Mr.
1399 Fordyce, these two cases.

1400

1401 **FE Fordyce, Andrew, EMNRD** 1:05:11

1402 If we don't need to rehash the geology exhibit, these two cases have the same
1403 correction to be made to exhibit D2.

1404

1405 **PH Pecos Hall** 1:05:22

1406 Perfect.

1407 And I believe you can make that today. Yes. So we'll leave the record open till 5 P.m.
1408 for these two cases.

1409 with cover letter, amended exhibit, we should be able to take this under advisement.

1410 Okay, and just to clarify, these were 102 and 103. 101 and 102. Gosh. Perfect. Thank

1411 you. Now we're going to call.

1412

1413 **FE Fordyce, Andrew, EMNRD** 1:05:40

1414 Go on in.

1415 No.

1416

1417 **PH Pecos Hall** 1:05:48

1418 Let's call 26103 and 104 by themselves. Interest of appearance.
1419 Rayleigh Starnes with the Santa Fe Office of Holland and Hart on behalf of MRC
1420 Permian Company. Thank you. Please go right ahead. Perfect. In these two
1421 consolidated cases, Matador seeks an order approving standard spacing units and
1422 pooling all of the uncommitted interests in the
1423 Barnett formation. In underlying the west half of irregular section 4 and section 9,
1424 township 25 South, range 36 East. In support of these applications, we have filed our
1425 usual hearing exhibits, CPACS applications, the self-firm statement of our land man,
1426 David Johns.
1427 Self-affirmed statement of our geologist, Andrew Parker, both of whom have
1428 previously been admitted as experts in their field to testify in front of the division. My
1429 self-affirmed statement of notice, which reflects notice, was timely sent on April 17th,
1430 2026, and the affidavits of publication that reflect notice was published on April 22nd
1431 of 2026. There are no questions. I'd ask that these cases or these exhibits be
1432 admitted into the record and these cases taken under advisement.
1433 Without exception, Mister Fordyce.

1434

1435 **FE Fordyce, Andrew, EMNRD 1:07:01**

1436 Mr. Hearing Examiner, these two cases, 26103 and 104, I have the same notice issue
1437 with interest owners Colburn Oil LP and Flow Tax Oil Company LLC.

1438

1439 **PH Pecos Hall 1:07:15**

1440 So do you want to clarify that with the land man or do you believe that we don't
1441 need to bring him back?

1442

1443 **FE Fordyce, Andrew, EMNRD 1:07:16**

1444 Thanks.

1445 I don't believe we need to bring him back. It's the same discussion that we had for
1446 26099 and 26100. Those cases were continued to cure notice.

1447

1448 **PH Pecos Hall 1:07:26**

1449 Okay.

1450 Okay.

1451 Okay.

1452 No exhibit issues with this case, just a notice issue.

1453

1454 **FE Fordyce, Andrew, EMNRD** 1:07:43

1455 Just the notice issued, Mister Hearing Examiner.

1456

1457 **PH Pecos Hall** 1:07:46

1458 Ms. Darns, if you're in agreement with that, you'll bring this case back on June 4th.

1459 Yes, sir. Or these cases, okay.

1460 All right. Let's see, June 4. All right. Okay, I'm going to call your last case, Ms. Starnes,

1461 26105. Entry of appearance, please. Yes, Rayleigh Starnes with the Santa Fe office of

1462 Holland and Hart on behalf of MRC Permian. In this.

1463 case, Madador seeks an order pooling all of the uncommitted interest in the

1464 Woodford Formation, underlying the east half of irregular Section 4 and Section 9,

1465 Township 25 South, Range 36 East, and initially dedicated to the Phelps.

1466 Bedcom Wells. In support of this application, we have filed our normal suite of

1467 hearing exhibits, including the compulsory pooling application checklist, the

1468 application, the self-affirmed statement of our land man David Johns, the self-

1469 affirmed statement of our geologist Andrew Parker, both of whom have previously

1470 been admitted as experts in their field to testify in front of the division.

1471

1472 **FE Fordyce, Andrew, EMNRD** 1:08:55

1473 Yeah.

1474

1475 **PH Pecos Hall** 1:08:56

1476 My self-affirmed statement of notice, which reflects that notice was timely sent on

1477 April 17th, 2026, and the affidavit of publication that reflects notice was published on

1478 April 22nd of 2026. If there are no questions, we would ask that these exhibits be

1479 admitted into the record and this case be taken under advisement. Admitted without

1480 exception and taken under advisement. Thank you. Thank you.

1481 Let's move on to Flat Creek Resources 26110. Sharon Shaheen on behalf of Flat Creek

1482 Resources and no other party has entered an appearance in this matter. Shaheen, go

1483 right ahead. Thank you. In this application, Flat Creek seeks to pool the north half of

1484 sections 22 and 23, Township 24 South, range 26 East in Eddy County, New Mexico.

1485 This unit will be dedicated to the Jernigan

1486 BS2 Fedcom #1H and #2H. Flat Creek will seek administrative approval of the non-

1487 standard spacing unit. This case seeks to pool a spacing unit that is similar to and

1488 would replace the spacing unit proposed by Flat Creek in pending case number
1489 25255.
1490 where Flat Creek proposed to pool the entire Bone Spring formation across a depth
1491 severance that exists at 8,062 feet, being 300 feet above the top of the Wolf Camp
1492 formation. The application in case number 25255 was first heard about a year ago on
1493 May 8th, 2025.
1494 Supplemental evidence was submitted on March 19th, 2026 that the division's
1495 request in the case was then on the March 26th, 2026 docket. However, no order has
1496 been issued. Flat Creek has a farm out agreement with an imminent deadline for
1497 production. Flat Creek is therefore filing the application in 26110

1498

1499 **FE Fordyce, Andrew, EMNRD 1:10:23**

1500 Yeah.

1501

1502 **PH Pecos Hall 1:10:43**

1503 in an effort to obtain an order in sufficient time to satisfy the deadline in the farm out
1504 agreement in the event an order approving the application in case number 25255 is
1505 not issued shortly. And I should also say that they proposed to pool down to the
1506 depth severance in this particular case.

1507 The usual set of exhibits were timely filed last week. The land man, Mike Gregory, has
1508 previously testified before the division. However, the geologist, Marshall Davis, has
1509 not. Notice went out for the original case in 2025, and there were no entries of
1510 appearance at that time. In an abundance of caution, Flat Creek sent notice of the
1511 application that's on the docket today.

1512

1513 **FE Fordyce, Andrew, EMNRD 1:11:08**

1514 Yes.

1515

1516 **PH Pecos Hall 1:11:26**

1517 The certified mailing went out on April 20th, which was 17 days ago. Publication was
1518 timely on April 23rd. To date, no interest owner has entered an appearance or
1519 informed Flat Creek of any concerns regarding the proposed pooling. With that, I ask
1520 that the exhibits be admitted into the record and this case be taken in
1521 Under advisement, I use it without exception, Mister Fordyce.

1522

1523 **FE Fordyce, Andrew, EMNRD** 1:11:51

1524 Yeah.

1525 No.

1526 I have questions for Miss Shaheen on...

1527 The CPAC on page 4, Machine.

1528

1529 **PH Pecos Hall** 1:12:02

1530 Yes.

1531

1532 **FE Fordyce, Andrew, EMNRD** 1:12:02

1533 The depth, the depth severance entry says no.

1534 But there's a lengthy.

1535 A lot of discussion in the exhibits about a depth severance, so should that entry be
1536 yes?

1537

1538 **PH Pecos Hall** 1:12:18

1539 Well, that's a good question. I've always wondered about that. There's no depth
1540 severance in the proposed pooling. There is a depth severance in the formation. I'm
1541 happy to correct that if I've misunderstood what there's what what the question
1542 asked for.

1543

1544 **FE Fordyce, Andrew, EMNRD** 1:12:35

1545 Yeah, well, you touch on it in the pooling this vertical extent section, but I think it
1546 would be more accurate with that said to say that there is a depth severance and
1547 define the depth severance so that that's clear and it would it would
1548 Reflect the.

1549 vertical extent that Flat Creek is wishing to pool in this application.

1550

1551 **PH Pecos Hall** 1:13:05

1552 I'm happy to do that, and we can do that today.

1553

1554 **FE Fordyce, Andrew, EMNRD** 1:13:09

1555 Additionally, there's

1556 a correction that needs to be made in the land exhibits. It's actually the C102s.

1557 There's 2 C102s provided for the 1H and no C102 provided for the 2H.

1558

1559 **PH Pecos Hall 1:13:30**

1560 We will fix that as well today.

1561

1562 **FE Fordyce, Andrew, EMNRD 1:13:35**

1563 And as you mentioned, the notice is not timely. It was 17 days rather than the 20
1564 days. So.

1565 How do you propose to cure notice?

1566

1567 **PH Pecos Hall 1:13:47**

1568 Well, I'm happy to continue this to the next available docket so that we can let the
1569 time for certified mailing run.

1570

1571 **FE Fordyce, Andrew, EMNRD 1:13:58**

1572 I have, I have no further questions, but sharing examiner.

1573

1574 **PH Pecos Hall 1:14:02**

1575 Thank you. Freya, when is the next docket we can put this on the cure notice?

1576 The June 4th docket. What about?

1577 What if we put it at, I mean, I think all that would require once the exhibits are fixed,
1578 the CPAC, the C102s, et cetera.

1579 Is for Michigan to.

1580 submit those amended exhibits into evidence and we can take the case under
1581 advisement as long as there's no objection, but

1582 Um...

1583 Is there something in late May? We could do the May 19th docket. Okay. Miss Shane,
1584 does that work for you? That would be great. I appreciate it. Okay, you're welcome.

1585 All right, so we, so Miss Shaheen, you'll continue this to the May 19th docket to cure
1586 notice, fix these other things we just spoke about.

1587

1588 **FE Fordyce, Andrew, EMNRD 1:14:52**

1589 Okay.

1590 Yeah.

1591

1592 **PH Pecos Hall** 1:15:05

1593 And we're off the record in this case. Thank you. Thank you. All right, let's move on to
1594 case 26121, Mewbourne Oil. It also is joined with 26122. Entrance of appearance,
1595 please. Yes, good morning, Mr. Hearing Examiner, Rayleigh Storms with the Santa Fe
1596 office of Holland and Heart on behalf of Mewbourne Oil Company.

1597

1598 **FE Fordyce, Andrew, EMNRD** 1:15:06

1599 Yeah.

1600

1601 **PH Pecos Hall** 1:15:26

1602 You, Mr. Chair Officer, Adam Rankin, entering appearance just monitoring Matador
1603 MRC Delaware, and also we've been contacted by EOG. This is Jordan Kessler, and
1604 I've been authorized to inform the division that they are just monitoring the case and
1605 have no objections. Thank you.

1606

1607 **DK David Kirmse** 1:15:44

1608 Good morning, Mr. Examiner. David Kirmsi of Bradfield Sayre on behalf of PBX
1609 Operations. We are just making an entry of appearance to monitor.

1610

1611 **PH Pecos Hall** 1:15:53

1612 Thank you, Mr. Kermzi. Would you spell your name for the record, please?

1613

1614 **DK David Kirmse** 1:15:55

1615 Yes, David DAVID, Kirmse, KIRMSE.

1616

1617 **PH Pecos Hall** 1:16:02

1618 All right, thank you, sir. Ms. Starnes, go ahead. Okay. In these two consolidated cases,
1619 Newborn seeks an order approving a standard spacing unit and pooling all of the
1620 uncommitted interest in the Bone Spring formation underlying the west half of
1621 sections 20 and 29 in Township 18 South Range 33 East in Lee County.

1622

1623 **FE Fordyce, Andrew, EMNRD** 1:16:07

1624 Ohh.

1625

1626 **PH Pecos Hall** 1:16:22

1627 And these are going to initially be dedicated to the Undertaker 2029 Fedcom Wells.
1628 In support of these applications, we have timely filed hearing packets that include
1629 compulsory pooling application checklists, the applications, the self-affirmed
1630 statements of the landman, Brock Dixon, the self-affirmed statements of the
1631 geologist, Charles Crosby,
1632 both of whom have previously been admitted as experts in their field to testify in
1633 front of the division. My self-affirmed statement of notice, which reflects that notice
1634 was timely sent on April 17th, 2026, as well as the affidavits of publication that reflect
1635 notice was published on April 19th of 2026. If there are no other questions, we ask
1636 that these exhibits be admitted into the record and the cases be taken under
1637 advisement.

1638

1639 **FE Fordyce, Andrew, EMNRD** 1:16:52

1640 Yeah.

1641 Yeah.

1642

1643 **PH Pecos Hall** 1:17:05

1644 Exhibits are admitted without exception, Mr. Fordyce.

1645

1646 **SE Sanchez, Patricio, EMNRD** 1:17:10

1647 Actually, Mr. Sanchez, Mr. Examiner.

1648

1649 **PH Pecos Hall** 1:17:14

1650 Ah, very good. Would you turn on your camera, please?

1651

1652 **SE Sanchez, Patricio, EMNRD** 1:17:18

1653 Yes, it is. It is on.

1654

1655 **PH Pecos Hall** 1:17:20

1656 I see you now. Okay, Mr. Sanchez, do you want to introduce yourself to the regulated
1657 community?

1658

1659 **SE Sanchez, Patricio, EMNRD** 1:17:22

1660 Okay.
1661 Yes, my name is Patricio Sanchez. I'm a native New Mexican. I've worked in the oil
1662 industry for over 30 years, and I'm A licensed professional engineer in the state of
1663 New Mexico and a certified petroleum engineer through the Society of Petroleum
1664 Engineers. And happy to be back with the OCD.

1665

1666 **FE Fordyce, Andrew, EMNRD 1:17:41**

1667 Yeah.

1668

1669 **SE Sanchez, Patricio, EMNRD 1:17:48**

1670 Thirty years later, worked for him in Santa Fe 30 years ago in the Environmental
1671 Bureau for Roger Anderson.

1672

1673 **PH Pecos Hall 1:17:49**

1674 Yeah.

1675 Thank you, Mr. Patricio. Would you like to question any of the witnesses?

1676

1677 **SE Sanchez, Patricio, EMNRD 1:18:02**

1678 Yes, I have just some, I think this is just more clarification type stuff that can be fixed.

1679 It shouldn't impede the approval of these cases. Firstly, Mr. Examiner, I would like
1680 them to refer to C2 page 19 of 37.

1681 where the table combines both the undertaker wells, number 521H and 523H. Could
1682 we please have those actually broken out individually in both applications? And the
1683 same thing will go forward for the next case also, the 122. I'd like that.

1684 Table broken out just for the specific well.

1685 And then, also.

1686

1687 **PH Pecos Hall 1:18:44**

1688 So, yeah, many.

1689 Mister Patricio, hold on one second. So, Miss Storms, do you understand what Mister
1690 Patricio wants? I think so. You'd like the ownership commitment exhibit broken out
1691 so that there's two, one copy that just says 521 and one copy that just says 523.

1692 Okay.

1693

1694 **SE Sanchez, Patricio, EMNRD 1:18:49**

1695 Yes.

1696 Yes.

1697 Yes, that way it's just, you know, case specific and well specific. Thank you. And then,
1698 and then just one other under exhibit EE, page 35 and 36 on the mailing, the same
1699 thing. They're kind of consolidated there for both wells. Can we have them separated
1700 for the specific cases, please?

1701

1702 **PH Pecos Hall** 1:19:05

1703 Yes, sir.

1704 Okay.

1705 Yes, sir, I can do that.

1706

1707 **SE Sanchez, Patricio, EMNRD** 1:19:24

1708 And everything else looks fine to me. I think we can, Mr. Examiner, I would
1709 recommend that you can proceed with this one, with those corrections, if they can
1710 get them to you as needed.

1711

1712 **PH Pecos Hall** 1:19:37

1713 Okay, thank you, Mr. Patricio. Miss Starnes, how long would it take to correct that? I
1714 can get those to you by the day. Yes. Okay, very good. So then, as long as you
1715 submit those with a cover letter and amended exhibit packet by 5 P.m., we'll be able
1716 to take these two cases under advisement. Thank you very much. Thank you. Thank
1717 you, Mr. Patricio.

1718

1719 **SE Sanchez, Patricio, EMNRD** 1:19:55

1720 Thank you, Mr. Examiner.

1721

1722 **PH Pecos Hall** 1:19:56

1723 All right, now we're going to move on to a different technical examiner. This will be
1724 the UIC team. I'm going to call first Trace Delaware. This is 26074. Mr. Examiner, Dana
1725 Hardy with Hardy McLean on behalf of Trace. Thank you. I don't believe there's any
1726 other parties. There are not. Go right ahead. Thank you. In this case, Trace seeks
1727 authorization to drill
1728 complete and operate an acid gas injection well, the hatch AGI number one, at its
1729 Trace Delaware Heritage Treating Facility, which will be located in Eddy County. The

1730 well is a deviated well and will be directionally drilled from a surface hole location in
1731 Unit I to a bottom hole location in
1732 I'm sorry, from a surface hole in Unit I to a bottom hole in Unit I in Section 31,
1733 Township 18 South, Range 31 East, the well will inject treated acid gas into the
1734 Soluro-Devonian formations, including the Devonian, Riston, and Fuzzlement at
1735 depths of approximately 13,341,
1736 to 14,226 feet. Trace is requesting a maximum daily injection rate of 12 million
1737 standard cubic feet per day, and the well's maximum surface injection pressure will
1738 be approximately 4,445 pounds per square inch gauge. Our exhibits
1739

1740 **SE Sanchez, Patricio, EMNRD** 1:21:19

1741 Could we take, I'm sorry to interrupt, Mr. Examiner, could we please take like a five-
1742 minute recess for the next technical examiner, please?
1743

1744 **PH Pecos Hall** 1:21:20

1745 Sure.

1746 Are you saying that?
1747

1748 **SE Sanchez, Patricio, EMNRD** 1:21:34

1749 For Mister Harris.
1750

1751 **PH Pecos Hall** 1:21:34

1752 That.

1753 Ah, so he's not he's not here now.
1754

1755 **SE Sanchez, Patricio, EMNRD** 1:21:39

1756 He is, but I think he's having some technical issues with this computer maybe.
1757

1758 **PH Pecos Hall** 1:21:41

1759 Okay, alright.
1760

1760 Um...

1761 What I'll do is let Ms. Hardy finish her presentation. We'll accept the exhibits into
1762 evidence, and then we'll take a break so that Mr. Harris can come on. I know he's
1763 already reviewed this case.

1764

1765 **SE Sanchez, Patricio, EMNRD** 1:21:58

1766 Much apologies to you, sir, and to the other folks there.

1767

1768 **PH Pecos Hall** 1:22:02

1769 Thank you, Mr. Patricio. Please continue. Sure, thank you. Our exhibits include the
1770 testimony of David White, including his CV and the application and notice of hearing
1771 along with the C108. Mr. White has previously testified before the division and been
1772 recognized as an expert in AGI permitting and operations.

1773 petroleum geology, seismic and structural interpretation, and fault slip probability
1774 modeling. I expect there will be questions for Mr. White. And he does have one
1775 clarification to make on the C108 when he is answering those questions. Our packet
1776 also includes the testimony and resume of David Deloso. Mr. Deloso has not
1777 previously testified.

1778 He is the co-founder and chief operating officer of Trace Midstream Partners 2, and
1779 its affiliate Trace Delaware Treating Services, LLC. We have provided his resume. He's
1780 really testified as a fact witness on behalf of the company. We have provided our
1781 notice, testimony, and exhibits, which show notice was timely sent.

1782 on April 2nd, 2026, and that we did timely publish on April 11th, 2026. So I would ask
1783 that the exhibits be admitted into the record and our witnesses are available for
1784 questions. Perfect. Thank you. The exhibits are admitted without exception, and we
1785 will take a 5 minute break to let Mr. Harris

1786 Come on the screen.

1787 Thank you.

1788 We're back on the record.

1789 Mr. Harris, I see you. Mr. Getz, I see you. The exhibits have been admitted into
1790 evidence in case 26074, Trace Delaware. Do you have any questions for the
1791 witnesses?

1792

1793 **Harris, Anthony, EMNRD** 1:27:11

1794 Yes, Anthony Harris here. Yes, I do have some questions.

1795

1796 **PH Pecos Hall** 1:27:14

1797 For which witness?

1798

1799  **Harris, Anthony, EMNRD** 1:27:17

1800 For Mr. White, I assume he's available.

1801

1802  **PH Pecos Hall** 1:27:20

1803 Thank you. Yes, Mr. White is here in person, so calling him to the witness stand.

1804 Please come up to the witness stand.

1805

1806  **Harris, Anthony, EMNRD** 1:27:24

1807 Okay, thank you.

1808

1809  **PH Pecos Hall** 1:27:28

1810 And would you turn on the microphone by pressing the button on the right? Perfect.

1811 Would you state and spell your name for the record? David White, D-A-V-I-D-W-H-I-

1812 T-E. Right. Would you raise your right hand, please?

1813

1814  **Harris, Anthony, EMNRD** 1:27:32

1815 Yeah.

1816

1817  **PH Pecos Hall** 1:27:49

1818 Do you swear or affirm under penalty of perjury that the testimony you're about to
1819 give is the truth, the whole truth, nothing but the truth? I do. Thank you very much.

1820 You've previously been admitted as an expert for this division. That is correct. Ms.

1821 Hardy went through a list of the fields that you've been qualified for. Would you
1822 state them on the record?

1823 I've been qualified as an expert in geology, acid gas injection well permitting and
1824 operation and compliance and other related specialties surrounding acid gas

1825 injection well permitting, such as induced seismicity risk assessment and those items
1826 that Ms. Hardy

1827 had described. Who are you employed by? Geo Lex Incorporated.

1828 What is your position there? I'm the vice president and senior geologist. Okay,

1829 perfect. Thank you. Mr. Harris.

1830

1831  **Harris, Anthony, EMNRD** 1:28:43

1832 Yes, good morning.

1833 Morning, Mr. White. In your application that was submitted,
1834 It was 135 pages long. Could we please go to page 136?
1835 Sorry, page 26 of 135.

1836

1837  **Pecos Hall** 1:29:04

1838 Yeah.

1839

1840  **Harris, Anthony, EMNRD** 1:29:05

1841 Ha ha ha.

1842

1843  **Pecos Hall** 1:29:06

1844 I was wondering how Miss Hardy was gonna do that.

1845

1846  **Harris, Anthony, EMNRD** 1:29:09

1847 Yeah, I was wondering about that math too.

1848 Okay, thank you. So, in your executive summary.

1849 In the second paragraph, it mentions that a proposed hatch AGI one well is designed
1850 to address the anticipated sour gas disposal needs of the Tres Delaware Heritage
1851 Treating Facility. Just one question is, what is the anticipated, I'm assuming that
1852 facility has not been constructed yet, is that correct?

1853

1854  **Pecos Hall** 1:29:45

1855 It has not.

1856

1857  **Harris, Anthony, EMNRD** 1:29:46

1858 Okay. Is there an approved development plan for that through the BLM or what is
1859 the status on that?

1860

1861  **Pecos Hall** 1:29:55

1862 We began working with the BLM with respect to this project in late Q4 2025. I think
1863 the Mr. Deloso, who is here on behalf of the applicant, can provide a little bit more
1864 clarity on
1865 the status of the facility and the timeline for the facility. But ultimately, it is kind of in
1866 the development phase, but working with BLM to move forward with all the
1867 approvals necessary for it.

1868

1869  **Harris, Anthony, EMNRD** 1:30:33

1870 Okay, thank you. Mr. Getz will be joining us later. He may have some follow-up

1871 questions on that, but for now, we'll move on. So

1872 So.

1873 For what, where will the production come from that will feed this facility? Are the

1874 existing production wells? Are there new production wells that will need to be drilled,

1875 or where is the source gas going to be? Where will the source gas come from for

1876 these for this facility?

1877

1878  **Pecos Hall** 1:31:03

1879 In terms of the source gases, my assumption would be that it would be from existing

1880 and planned development within the area. Again, in terms of the

1881 specific assets or fields that are being developed that are part of why this facility is

1882 being proposed and constructed. Mr. Deloso from Trace can probably speak more to

1883 that.

1884

1885  **Harris, Anthony, EMNRD** 1:31:36

1886 OK, thank you.

1887 If we could go to page 27, please.

1888 And if we look at the 4th paragraph on page 27, it says the proposed maximum

1889 allowable operating pressure, MAOP, requested for the hatch AG11 is approximately

1890 4445 PSI. And that's based upon an anticipated bottom hole pressure of 6,287 PSI.

1891 So is it safe to assume that 6,287 PSI is your proposed, will be your abandonment

1892 pressure at the end of the life as well?

1893

1894  **Pecos Hall** 1:32:32

1895 No, I think that that would be the initial pressure based on, you know, current

1896 subsurface data that are available to evaluate reservoir conditions. The abandonment

1897 pressure or anticipated abandonment pressure will ultimately be a bit of a moving

1898 target with respect to how the well is operated.

1899 but the existing geologic simulation model that supports this application could be

1900 utilized to forecast an initial estimate for the abandonment pressure.

1901

1902  **Harris, Anthony, EMNRD** 1:33:08

1903 Okay, yeah, that's one thing we would want to have from...
1904 from the operator is a statement on what the anticipated reservoir abandonment
1905 pressure will be in the future.

1906 And also, what the required.

1907

1908  **Pecos Hall** 1:33:21

1909 Mm-hmm.

1910

1911  **Harris, Anthony, EMNRD** 1:33:25

1912 density of the kill fluids would be to kill the well or to, you know, mitigate a well
1913 control incident. So is that something that could be provided?

1914

1915  **Pecos Hall** 1:33:36

1916 Yes, absolutely.

1917

1918  **Harris, Anthony, EMNRD** 1:33:38

1919 Okay. Thank you.

1920 If we could move to page 36, please.

1921 Okay, in section 3.4, on to the third paragraph.

1922 It mentions how the equilibrium software in the last sentence, the equilibrium 3.1
1923 software.

1924 And then it employs A modified Peng-Robinson equation of state. So that's the basis
1925 for you, for your estimates of the maximum allowable operating pressure of
1926 4445 PSI, is that correct?

1927

1928  **Pecos Hall** 1:34:35

1929 Yes, that is a component that goes into that determination, utilized specifically for
1930 determining what the acid gas density of this particular mixture would be under
1931 surface conditions, bottom hole conditions, and the like.

1932

1933  **Harris, Anthony, EMNRD** 1:34:52

1934 Okay.

1935 Thank you.

1936 So then on page 37, we could just move down to the next page.

1937 So, if we look at...

1938 We have the...
1939 I guess the third paragraph where it says where specific gravity equals the average
1940 specific gravity of the treated acid gas in the tubing, whereby the specific gravity at
1941 the top is 0.65 and the specific gravity at the bottom is 0.82, and then it references
1942 table 3. Do you see that?
1943 Particular line I'm referencing.

1944

1945  **Pecos Hall** 1:35:32

1946 Yes.

1947

1948  **Harris, Anthony, EMNRD** 1:35:33

1949 Okay, so then the specific gravity of .65 and .82, you're then taking the average of
1950 those two.

1951 to estimate what your...

1952 Maximum operating pressure will be, is that correct?

1953 The IP Max? Yeah, okay.

1954

1955  **Pecos Hall** 1:35:49

1956 That's correct.

1957 That's correct. Or to incorporate the acid gas density or average acid gas density into
1958 the typical calculation for determining that MAOP.

1959

1960  **Harris, Anthony, EMNRD** 1:36:03

1961 Okay.

1962 Thank you. If we could just move to page 38, table 3.

1963 So, um...

1964 We look here at the conditions in the second table, the conditions at the wellhead.

1965 The pressure is assuming 1,800 psi, and then again the bottom hole pressure.

1966 and conditions at the bottom of the well is 6,287. And we've already established that

1967 those will be the initial conditions, the initial injection conditions for the well. Is that

1968 correct?

1969

1970  **Pecos Hall** 1:36:43

1971 That is correct.

1972

1973  **Harris, Anthony, EMNRD** 1:36:45

1974 Okay. So then over time, I think you, would you agree that over time, the reservoir,
1975 the bottom hole pressure and the reservoir pressure will increase over time? Is that a
1976 fair statement?

1977

1978  **PH Pecos Hall** 1:36:58

1979 That is correct to some degree, depending on the ultimate attributes of the reservoir
1980 and offsetting operations.

1981

1982  **Harris, Anthony, EMNRD** 1:37:06

1983 Okay, and then, so, as...

1984 As the reservoir pressure increases.

1985 The wellhead pressure will increase, and as those parameters change the specific
1986 gravity, would you agree that that would also increase?

1987

1988  **PH Pecos Hall** 1:37:25

1989 Yes, that's correct.

1990

1991  **Harris, Anthony, EMNRD** 1:37:26

1992 Okay, so what we're seeing here is, or your maximum allowable operating pressure is
1993 based upon initial conditions. It doesn't necessarily reflect.

1994 what the maximum operating pressure should be.

1995 in the future. So if we were to issue this permit, it would be valid for initial injection

1996 conditions. But if we see pressure increase over time, that maximum allowable

1997 operating pressure would ultimately decrease because the specific gravity is

1998 increasing. Is that a fair statement?

1999

2000  **PH Pecos Hall** 1:38:02

2001 It is based on these assumptions of surface operating conditions.

2002

2003  **Harris, Anthony, EMNRD** 1:38:07

2004 OK, thank you.

2005 So, since the...

2006 I do agree that the requested maximum level operating pressure is valid for initial

2007 conditions, but it doesn't consider the change in specific gravity that could
2008 potentially occur over the life of the well as the reservoir pressure increases. So that
2009 could pose potential issues with
2010 containment, which is the primary concern in this case for this particular discussion.
2011 So one thing we would request is or include in the order is a condition of approval
2012 that, number one, you submit an estimate of, well, prior to issuing the order, please
2013 submit an
2014 an estimate of your abandonment pressure, what that abandonment pressure would
2015 be. And then we would include a condition of approval in the order to address the
2016 potential change in specific gravity that will occur over the life of the well from the
2017 perspective of insuring containment. So
2018 We would want to see a calculation for what the maximum operating pressure would
2019 be when abandonment conditions are achieved. And that would also incorporate, it
2020 would kind of be like just a short technical analysis that would include the step rate
2021 test information that you plan to collect under as well, which will identify the parting
2022 pressure.
2023 For deformation.
2024 And then also, it would...
2025 address the specific gravity of the fluid at abandonment conditions. And also the
2026 study of the short analysis could also include the in situ stress data that you'll acquire
2027 from, that you've committed to acquire from the dipole sonic logs, which we'll get
2028 into here in just a minute.
2029 So, do you have any concerns with that particular condition?

2030

2031  **Pecos Hall** 1:40:04

2032 No, I don't think so. And ultimately, kind of the challenge around those points that
2033 we're discussing kind of leads us in kind of our overall assessment of a well and
2034 development of an application, as you know,
2035 pertinent to all of this and the ability to maintain containment, we further strengthen
2036 in our applications with those assessments of fracture gradients utilizing dipole data,
2037 but certainly don't have any objection to those additional items.

2038

2039  **Harris, Anthony, EMNRD** 1:40:38

2040 Okay, thank you very much.

2041 If we could move back up to page 32, please.

2042 OK, thank you. If we...
2043 If we look at the table one for your surface casing, your whole size will be...
2044 24 inches and your casing size is 20 inch. I know this may be somewhat of a standard
2045 design that you've used in the past. One question is, have you encountered any
2046 issues with cement quality?
2047 based upon that particular hole size and that casing size, because by some industry
2048 standards, that could be considered low clearance, which could pose challenges for
2049 mud removal and cement placement. So just like to get your thoughts on whether
2050 you've encountered any...
2051 Issues with cement quality using that particular configuration.

2052

2053  **Pecos Hall** 1:41:42

2054 And for clarity, you're referencing the surface casing diameters.

2055

2056  **Harris, Anthony, EMNRD** 1:41:48

2057 Correct. For example, a 24 inch and 20 inch casing will give you, say, a 2 inch clearing,
2058 2 inch annular clearance on both sides of the casing. There's some industries industry
2059 best practices that would go that would recommend a 26 inch hole for a 20 inch
2060 casing. Have you do you have any thoughts on that or have you encountered any
2061 issues with cement quality using this particular?

2062

2063  **Pecos Hall** 1:41:50

2064 Okay.

2065 Mm.

2066

2067  **Harris, Anthony, EMNRD** 1:42:11

2068 Configuration cement bond quality.

2069

2070  **Pecos Hall** 1:42:14

2071 You're correct. We have utilized this configuration multiple times before. With
2072 respect to surface casing, have not had any cementing issues or bond quality issues
2073 that I have that I have participated in or seen.

2074

2075  **Harris, Anthony, EMNRD** 1:42:31

2076 Okay.

2077 Thank you.

2078 If we could move to page 33, please.

2079 I guess before we leave that, in your application, you do commit to run and cement
2080 bond logs for starting at the intermediate casing, I believe. One thing we would want
2081 to see is that we would want to see a bond log run on the surface casing. Are there
2082 any concerns with that?

2083

2084  **Pecos Hall** 1:43:00

2085 No, and I believe in my written testimony.

2086 expecting that requirement as part of a condition of approval. I think we had attested
2087 that we would do so in my written testimony that was submitted after the original
2088 C108.

2089

2090  **Harris, Anthony, EMNRD** 1:43:20

2091 OK, thank you.

2092 On page, yeah, on page 33, we're looking at table 2 here, sort of the conductor.

2093 I guess what is the general purpose of this conductor? Is it basically serving as a
2094 seller or what is the purpose of that casing that particular string?

2095

2096  **Pecos Hall** 1:43:44

2097 Yeah, just a seller and allowing circulation for that.

2098

2099  **Harris, Anthony, EMNRD** 1:43:53

2100 Okay, so would there be any groundwater penetrated before that conductor is set to
2101 anticipate encountering any groundwater prior to setting that conductor case?

2102

2103  **Pecos Hall** 1:44:03

2104 I don't believe any.

2105 We would probably need to look back to the section covering groundwater to get
2106 confirmation of that. My apologies, I'm not intimately familiar without moving to that
2107 portion of it at what the groundwater depth would be.

2108

2109  **Harris, Anthony, EMNRD** 1:44:26

2110 Yeah, no, I appreciate that. Your one table here did mention that the Dockum group
2111 was anticipated, the formation tops anticipated at 121 feet, which would be just

2112 below your conductor here. But one concern from OCD perspectives is that if the
2113 Dockum group contained any water, groundwater,
2114 then your conductor casing sort of becomes a...
2115 potential conduit or contamination for groundwater. So having a ready mix slurry for
2116 that particular conductor casing would pose some concerns for OCD. So
2117 We would probably want to include a condition that if groundwater is encountered
2118 prior to setting the conductor casing, that
2119 something other than ready mix be used, we'd want to see probably a conventional
2120 cementing operation performed by a circulator cement down the casing and up the
2121 annular space. Is there any concerns with that?

2122

2123  **Pecos Hall** 1:45:24

2124 No, there's not.

2125

2126  **Harris, Anthony, EMNRD** 1:45:25

2127 Okay, thank you.

2128 Okay, if we could move to page 34 please.

2129 So it just mentions here section 3.2, the geophysical logging, and how you'll have
2130 open hole geophysical logging performed.

2131 Um...

2132 underneath the surface casing. But then the second sentence says the proposed
2133 open hole logging suite will consist of gamma ray, density, resistivity, neutron
2134 porosity, sonic porosity, 360 degree caliber measurements would integrate a
2135 borehole volume. Additionally,
2136 and formation microimager FMI and sonic dipole logs will be recorded along the
2137 proposed injection interval and the overlying caprock. So basically you will run, will
2138 that require running two separate of our, I guess, separate logging runs for the
2139

2140  **Pecos Hall** 1:46:25

2141 Oh.

2142

2143  **Harris, Anthony, EMNRD** 1:46:34

2144 for the production casing, prior to setting the production casing, and also for the
2145 open hole because if we look on page, if we look to page 62.

2146 Yeah, thank you.

2147 So, your production casing, if we could just scroll down to the bottom, please.
2148 Your production casing is basically going to be set at 13,619 feet, which is right at
2149 the top of the Devonian.
2150 So in order to characterize the Woodford and the stress in the Woodford, you would
2151 need to run the dipole sonic across the Woodford prior to setting the production
2152 casing. Is that correct?

2153

2154  **Pecos Hall** 1:47:25

2155 That is correct, and that is typically the way those are performed in separate logging
2156 runs.

2157

2158  **Harris, Anthony, EMNRD** 1:47:31

2159 Okay, so you'd have basically two runs for...
2160 for your dipole sonic, one across the production, prior to setting the production
2161 casing, and then also a separate run for dipole sonic to characterize the stress in the
2162 injection interval. Is that correct?

2163

2164  **Pecos Hall** 1:47:46

2165 That is correct.

2166

2167  **Harris, Anthony, EMNRD** 1:47:48

2168 Okay. Thank you very much.

2169 Um...

2170 If we could go to page 46, please.

2171 So in section 4.8.

2172 In the second paragraph.

2173 In the last sentence, it says, as shown in figure 15.

2174 These compiled fluid records and testing operations indicate increased pore pressure
2175 gradients from the lower bone springs to the wood formation strata.

2176 expressed in the utilization of heavier drilling fluids.

2177 and then normal pressure conditions are observed to return underlying the

2178 Woodford Shale. So with these anomalous pressure gradients that are anticipated,

2179 I guess, do you anticipate any challenges with drilling those, that section in terms of
2180 fluid loss or potentially, is there any managed pressure drilling?

2181 Lanned for that whole section.

2182

2183 **PH Pecos Hall** 1:49:01

2184 So managed pressure drilling will likely be considered as this project area does fall
2185 within where what literature is available describes as the Eastern Delaware Basin
2186 overpressure interval. So it will be considered in the drilling and completion activities
2187 for the well.

2188 However, with respect to those publications, the overpressure conditions are not
2189 necessarily as significant in this area as they are in some other areas of the basin,
2190 such as, you know, more eastern towards the platform margin and southeastern New
2191 Mexico.

2192 So at this point, it's a matter of being prepared for it, recognizing it, and ultimately,
2193 as we get closer to drilling activities, getting, making sure we understand whether or
2194 not those NPD components are necessary.

2195

2196  **Harris, Anthony, EMNRD** 1:49:58

2197 Okay, thank you. And I guess along those same lines, would you have any
2198 contingencies from a cementing perspective? Would you have any contingencies to
2199 run DV tools and external casing packers if necessary to have multi-stage cementing
2200 across that interval if, I mean, if the pressure variance?
2201 was such that it demanded, you know, a multi-stage job.

2202

2203 **PH Pecos Hall** 1:50:22

2204 Yes, absolutely, we would. We would have those contingencies.

2205

2206  **Harris, Anthony, EMNRD** 1:50:27

2207 Okay, thank you.

2208 Um...

2209 And then if we could just go to page 62 again for the wellbore diagram.

2210 Okay, thank you.

2211 So if you look at your first intermediate casing from about just below 2000 feet,
2212 you've got the Tanzil, the Yates, Seven Rivers, Queen, Greyburg, Saint Andrews.

2213 Not familiar exactly with this area, but you can also potentially face multiple pressure
2214 regimes across that interval as well. Is that fair to say?

2215

2216 **PH Pecos Hall** 1:51:11

2217 You can. The primary motivation for isolating that section or those groups of
2218 formations in this casing string is ultimately a significant portion of local production
2219 has occurred within those intervals, underlying the salt and overlying the relatively
2220 lower pressure
2221 intervals of the Delaware Mountain Group. In our experience, variable pressure
2222 conditions in this interval haven't been a condition that's not manageable. And so
2223 ultimately, we've landed on that isolation design via casing those intervals together.
2224

2225  **Harris, Anthony, EMNRD** 1:51:32

2226 Yeah.

2227 Okay. So then if you did encounter, for example, if the queen was being, if there's
2228 pressure maintenance occurring in the queen, and if you have large variability in
2229 pressure regimes again, would you have contingencies here from a cementing
2230 perspective to run multi-stage?

2231 Cement job, if necessary.

2232

2233  **Pecos Hall** 1:52:15

2234 Yes.

2235

2236  **Harris, Anthony, EMNRD** 1:52:17

2237 Okay.

2238 Thank you. That's all the questions I have. I can turn it over to Mr. Getz.

2239

2240  **Pecos Hall** 1:52:24

2241 Thank you, Mister Harris, Mister Getz.

2242

2243  **Goetze, Phillip, EMNRD** 1:52:30

2244 Good morning. My sole question, Mr. Harris has covered most of everything I had.

2245 Well, we had one item that we did not cover. The issue of a well and the proximity of
2246 the proposed

2247 Give me a moment. Proposed path for the deviated well. There is a lateral that

2248 crosses that path. Actually, there are two laterals, but there's one shallow in the bone
2249 spring.

2250 And I guess this would be for Mr. White. I do not see any reference other than listed
2251 in the wells looked at.

2252 Be.
2253 Good.
2254 We have...
2255 Let's see. It's the API number 3001531647 has two laterals coming off of it. It is the
2256 West Shugart 31 Federal Con #1. The second
2257 Lateral, which was put off to this well.
2258 crosses over the proposed bore path in unit letter O, and at that depth, the well is
2259 within the bone springs. If you could, as part of your
2260 Submittal provide us at least some sort of assurance that it's been taken into
2261 consideration and that we will not have issues with these two wells crossing their
2262 paths. Understood?

2263

2264  **Pecos Hall** 1:54:22

2265 Understood.

2266

2267  **Goetze, Phillip, EMNRD** 1:54:25

2268 And then the last item is for Miss Hardy.

2269 At this point, we have purely an application before the BLM.

2270 The issuance of the UIC permit for AGI wells has been for a facility in existence or for
2271 a permit that's been approved.

2272 What do you foresee is when the BLM is going to release an approved permit?

2273

2274  **Pecos Hall** 1:54:57

2275 Mr. Getz, we have Mr. David Deloso here and he's available to answer questions if
2276 you would like on that. It's my understanding that that is imminent, that the BLM will
2277 issue the right of way permit following submission of the APD and that the APD is
2278 due to be submitted within the next week.

2279 Mr. Getz and Mr. Harris, why don't we call Mr. Deloso and that way Mr. Harris can get
2280 his questions answered.

2281 more fully and then you can also follow up Mr. Getz if that works for both of you
2282 gentlemen.

2283

2284  **Goetze, Phillip, EMNRD** 1:55:36

2285 That does.

2286

2287 **PH Pecos Hall** 1:55:37

2288 Okay. Thank you, Mr. White. You're excused. Mr. Deloso, would you please come to
2289 the...

2290 Would you turn on the microphone? Is the button on the right?

2291 There you are. Would you? Good morning, sir. Would you state and spell your name
2292 for the record? Yes, my name is David Deloso. That's DAVIDDELL apostrophe OSSO.
2293 Thank you. Would you raise your right hand? Do you swear or affirm under penalty
2294 of perjury?

2295 testimony about the give is the truth, the whole truth, nothing but the truth? I do. All
2296 right, thank you. Have you?

2297 Have you been recognized as an expert before this division in any field? I have not.

2298 Okay, very good. Are you seeking to be admitted as an expert? I am not seeking to
2299 be an expert. Okay. Who are you employed by? I am employed by Trace Midstream,
2300 the entities mentioned earlier by...

2301 Is white.

2302 Miss Hardy, excuse me. Okay, would you just answer the question fully then? Who
2303 are you employed by? Trace Midstream.

2304 I didn't understand what you were saying about the entities earlier mentioned by Ms.
2305 Hardy. Well, I mentioned that because I'm here on behalf of Trace Delaware Treating
2306 Services LLC, which is a subsidiary of my employer. Ah, I see. Okay, very good. Okay,
2307 and all right, so we'll restrict your testimony to

2308 lay witness testimony for facts that you are, that you know yourself. Okay? All right.

2309 Mr. Harris, would you ask those questions that you asked Mr. White that he wasn't
2310 able to quite answer earlier?

2311

2312  **Harris, Anthony, EMNRD** 1:57:30

2313 Yes, I can.

2314 So I'll just repeat the question. So since there's no processing facility yet, what is the
2315 anticipated source of the gas for this trading facility?

2316

2317 **PH Pecos Hall** 1:57:43

2318 So the source of the gas, which will be treated at the Heritage Amine Treating
2319 Facility, will be sourced from kind of easternmost Eddy County and western Lee
2320 County. And this is a combination of existing trace midstream customers and also

2321 prospective customers that we're in commercial negotiations with currently.
2322 I'd like to add to that as part of this, you know, this is mature enough, you know,
2323 these are subject to confidentiality, but they're mature enough to where I did want to
2324 point out that we have ordered several 1000 horsepower of NACE compliant
2325 compression for sour gas service. And we've also ordered long lead equipment for a
2326 NACE compliant compressor station.

2327

2328  **Harris, Anthony, EMNRD** 1:58:06

2329 Okay.

2330

2331  **PH Pecos Hall** 1:58:25

2332 rated for sour service. Additionally, we've ordered about 10 miles of ANSI 600 NACE
2333 compliant gas pipeline. And the intent of that is to connect gas to the heritage amine
2334 treating facility and ultimately to a hatch AGI well.

2335

2336  **Harris, Anthony, EMNRD** 1:58:44

2337 Okay.

2338 So is there an approved development plan or?

2339 For the wells that will proceed will feed this facility, I'm assuming most of the wells
2340 already exist, is that correct?

2341

2342  **PH Pecos Hall** 1:58:58

2343 Most of the wells would be drilled primarily in some of the shallower horizons
2344 and, you know, in formations that have not yet been developed and produced at
2345 scale.

2346 by the specific customers that we're talking to.

2347

2348  **Harris, Anthony, EMNRD** 1:59:15

2349 Okay, thank you. Mr. Getz, may I have some additional questions?

2350

2351  **PH Pecos Hall** 1:59:20

2352 Mr. Gets.

2353

2354  **Goetze, Phillip, EMNRD** 1:59:21

2355 Yes. Okay. Well, you raise one more question for me. Good morning. So we refer to

2356 the heritage facility and we refer to the hatch. Well, are these both on the same
2357 properties or are these separated?

2358

2359  **Pecos Hall** 1:59:24

2360 Yeah.

2361 Good morning.

2362 These are these would be on two separate BLM grants, but they are adjacent. They
2363 share a common a common boundary.

2364

2365  **Goetze, Phillip, EMNRD** 1:59:44

2366 Okay, so we're in proximity then we're not we're not going miles or anything from
2367 between well and and facility.

2368

2369  **Pecos Hall** 1:59:51

2370 That's correct. The heritage site is directly adjacent to the east of the hatch site.

2371

2372  **Goetze, Phillip, EMNRD** 1:59:57

2373 OK, very good.

2374 So, the discussion on the permit.

2375 Okay, so are we, does the BLM issuing separate permits? Or I don't quite understand
2376 the basis of this. And the reason why we ask is because, again, the issuance of an AGI
2377 permit is associated with a facility.

2378 And at least we have to have some sort of, other than a commitment of resources,
2379 but an actual permit since this is both BLM land and BLM minerals. So I'm hearing
2380 that we're doing an APD. It is typical that BLM does an APD as right away when it's
2381 not associated with a mineral lease. Are we getting separate permits for the heritage
2382 and the?

2383 and the ABD or what is the status.

2384

2385  **Pecos Hall** 2:00:51

2386 Yes, the heritage and hatch sites will have separate BLM right of way grants. And
2387 they're part of the reason they're connected and one has not preceded the other is
2388 that the BLM preferred, given that they are adjacent to conduct a single
2389 environmental assessment. And so the final step, all steps prior to the submission of
2390 the APD have been completed. So that is

2391 That is the last, the last component. So per the testimony, we've been working with
2392 them for several months and they are anticipating receiving the APD imminently.

2393

2394  **Goetze, Phillip, EMNRD** 2:01:25

2395 Well, that's fine. What about the actual facility? What's the status for the permit for
2396 the amine or the compressor or any other of the equipment?

2397

2398  **PH Pecos Hall** 2:01:36

2399 For clarification, are you referring to the air permit with the NMED or the right of
2400 way?

2401

2402  **Goetze, Phillip, EMNRD** 2:01:40

2403 No, no, no. What I'm talking about is okay. BLM has the right of way. It is for your
2404 surface facility. What is the status of that right of way permit?

2405

2406  **PH Pecos Hall** 2:01:53

2407 It is it currently has a pending number and the only reason that we haven't already
2408 had that facility permitted is because the common EA will require the APD for the
2409 hatch facility to be submitted. It is it like the hatch right of way is is imminent upon
2410 submitting the APD.

2411

2412  **Goetze, Phillip, EMNRD** 2:02:13

2413 This puts us into a little chicken and egg situation, since the issuance of a permit
2414 cannot be done.

2415 Um...

2416 I think we need further discussion outside of this realm. You've created a situation
2417 that makes our UIC's role not applicable to what your situation you've created. And
2418 so we should have a discussion. At this point, our issuance for the UIC permit
2419 is fixed on the existence of a facility. The APD is really not of our concern other than
2420 we do approve it and the conditions in the UIC permit are applicable to the APD. The
2421 issuance of an AGI well is tied to a facility.

2422 And I would suggest, since we're going to be asking for additional information, that
2423 we have a meeting outside of this and let's get this resolved. Otherwise, if we don't
2424 have the permit for the facility, you don't get

2425 the AGI well permit for UIC. That's how we do our business.

2426 Okay.

2427

2428  **Pecos Hall** 2:03:32

2429 Understood.

2430

2431  **Goetze, Phillip, EMNRD** 2:03:36

2432 Other than that, that's no more questions.

2433

2434  **Pecos Hall** 2:03:36

2435 I think if...

2436 All right, thank you, Mr. Harris, Mr. Getz. Miss Hardy, how do you want to proceed?

2437 Well, I had a question for Mister Gatz, and...

2438 Would it be possible for trace to submit the permit information from the BLM for the
2439 facility once it's?

2440 Submitted, or once it's expected, once it's issued.

2441

2442  **Goetze, Phillip, EMNRD** 2:04:08

2443 Let's have a, we'll have more discussion. At this point, I need a perm, I need a legal
2444 document that says I have a facility. And in the past, for the last 20 years, now 25
2445 years of doing this, in our agreement with the EPA, we've had this rolling discussion
2446 because

2447

2448  **Pecos Hall** 2:04:11

2449 Okay.

2450

2451  **Goetze, Phillip, EMNRD** 2:04:28

2452 Some people in our applications throw in the word.

2453 geosequestration. And that has caused us as a division and under our primacy

2454 agreement to have to agree with EPA that in these cases, the reason we have the

2455 ability to issue UIC class 2s associated with acid gas injection

2456

2457  **Tremaine, Jesse, EMNRD** 2:04:36

2458 Oh.

2459

2460  **Goetze, Phillip, EMNRD** 2:04:54

2461 is because of the fact we can tie it to a facility and in most cases it's already been in
2462 place and we've not even to the point where you've had compression stations that
2463 were being turned into a main facilities and we even went that far as to issue a
2464 permit. And right now all we have is
2465 paperwork. So let us have a discussion outside of this. Let's see how we can find a
2466 path. But this is kind of a situation that needs to be discussed.

2467

2468  **Pecos Hall** 2:05:28

2469 Understood.

2470 And then.

2471 Is there a list of supplemental information that you and Mister Harris would like us to
2472 provide? I saw Miss, I know Mister Harris asked Mister White a number of questions,
2473 and I wanted to make sure we had the...

2474 list of what we need to provide.

2475

2476  **Goetze, Phillip, EMNRD** 2:05:48

2477 Well, I will let Mr. Harris open up on that. I do believe that I asked about the one well
2478 and its ability or crossing the path of the proposed drawing that some sort of
2479 assessment be done or at least some sort of statement as to collision potential or is it
2480 going to be there or isn't going to be there. So I did have that one request for that
2481 one well.

2482

2483  **Pecos Hall** 2:06:06

2484 Yeah.

2485 Yes, thank you.

2486

2487  **Goetze, Phillip, EMNRD** 2:06:12

2488 Stairs.

2489

2490  **Harris, Anthony, EMNRD** 2:06:13

2491 Yeah, and just one item from my side is what the anticipated abandonment pressure
2492 would be.

2493 And based upon that abandonment pressure, what the required hill fluid density for
2494 the well bore or for the well would be.

2495

2496  **Pecos Hall** 2:06:34

2497 Thank you.

2498

2499  **Harris, Anthony, EMNRD** 2:06:37

2500 Thank you.

2501

2502  **Pecos Hall** 2:06:38

2503 Okay, so Ms. Hardy, it's my understanding based on the discussion that we just had
2504 that there are documents that need to be resubmitted, but that there's also a
2505 conversation between the division and your client that you're going to facilitate
2506 before the case comes back.

2507 Is that your understanding? That is my understanding. Okay, so after, so when you
2508 know how you want to proceed with this case, we let the Hearing Bureau know, file a
2509 motion to continue, but add some information in the typical motion that tells me
2510 what happened with your conversation.

2511 With Mister Getz and Mister Harris, and that you have submitted a...

2512 an amended hearing packet with a cover letter, so I know how to proceed. I will do
2513 that. Thank you. All right, perfect. We're off the record in this case. Let's move on to
2514 another case. 25801 Milestone Environmental. Thank you, Dana Hardy with Hardy
2515 McLean on behalf of Milestone.

2516 Thank you. Good morning, Mr. Hearing Examiner. Adam Rankin with Santa Fe Office
2517 upon Heart appearing on behalf of COG Operating LLC.

2518 Okay, different. Yeah. Miss Miss Hadley is not available today, so we're covering for
2519 her. No objections to the case. COG is just monitoring at this time. Sounds good.

2520 Miss Hardy, go ahead. Thank you. In this case, Milestone seeks an order authorizing it
2521 to increase the rate of injection through its BASA SWD number one.

2522 from 10,000 to 20,000 barrels A day. Order number R21441 had approved a
2523 maximum injection rate of 10,000 barrels per day and authorizes the director of the
2524 division to increase the rate upon a showing by the operator of information
2525 indicating that the

2526 Injection rate will not result in a pressure that exceeds the formation party pressure,
2527 nor result in migration of the disposed fluid from the injection interval. Here we have

2528 provided testimony by Mr. Adam Haker and Mr. Jason Larger. We've provided their
2529 CVs. Neither of them have previously testified as experts.
2530 And they established in their testimony that the conditions referenced in order
2531 R21441 will be met here such that the injection pressure for this wall can be
2532 increased. We provided our notice testimony, which shows that notice was timely
2533 sent on December 9th, 2025, and that
2534 notice was timely published on December 16th, 2025. So I expect there may be
2535 questions, but I would ask that the exhibits be admitted and accepted into the
2536 record. Without exception, Mr. Getz.

2537

2538  **Goetze, Phillip, EMNRD** 2:09:32

2539 Yes, sir.

2540 Okay, good morning again, Ms. Hardy. At this point, truly, we don't have anything
2541 with regards to the submittal of the affidavits. We do have issues with compliance
2542 with the existing order, R-21441.

2543 Uh, and we can use your exhibit as uh.

2544 A reference point.

2545 So.

2546 Page, let's start with.

2547 Page 16 of forty-seven.

2548

2549  **PH Pecos Hall** 2:10:19

2550 Just pulling that up.

2551

2552  **Goetze, Phillip, EMNRD** 2:10:22

2553 Ordering paragraph 11.

2554

2555  **PH Pecos Hall** 2:10:27

2556 Sorry, Mr. Guess, what was the page number?

2557

2558  **Goetze, Phillip, EMNRD** 2:10:29

2559 I was 16 of 47.

2560

2561  **PH Pecos Hall** 2:10:33

2562 Okay.

2563 Okay.

2564

2565  **Goetze, Phillip, EMNRD** 2:10:37

2566 For page 6 and 9, ordering paragraph 11, supposed to provide a static hole
2567 measurement.

2568 There is no record of that being provided.

2569 The order also, ordering paragraph also sections back to ordering paragraph 20,
2570 which is the commencement of injection notice. There is no record of that. Please
2571 resolve that if you would.

2572

2573  **Pecos Hall** 2:11:05

2574 We will do that.

2575

2576  **Goetze, Phillip, EMNRD** 2:11:09

2577 Second item is ordering paragraph 15, which is on page 17 of 47.

2578

2579  **Pecos Hall** 2:11:22

2580 Yes.

2581

2582  **Goetze, Phillip, EMNRD** 2:11:22

2583 Wait, OK.

2584 So I'm looking at ordering paragraph 15. We were supposed to have analyticals of
2585 the slurry fluid at least four times a year, quarterly monitoring.

2586 Since it commenced injection in December 23, 2022, at least my best estimate, there
2587 should be 16 reports easily.

2588 I do not see a single one.

2589 Could you see if the operator can resolve this deficiency?

2590

2591  **Pecos Hall** 2:11:57

2592 Yes.

2593

2594  **Goetze, Phillip, EMNRD** 2:12:01

2595 Okay, and then the only other item I have is an inquiry to a milestone. Was any

2596 attempt made to reach out to the New Mexico State Land Office or discussion of this
2597 application?

2598

2599 **PH Pecos Hall** 2:12:19

2600 We did provide notice to the State Land Office.
2601 and did not hear from them on this application.

2602

2603  **Goetze, Phillip, EMNRD** 2:12:32

2604 Very good. My advice is that it's not critical that I do not see the need for a
2605 continuance, but if you were to provide this information, I would recommend to the
2606 examiner that the case be taken under advisement.

2607

2608 **PH Pecos Hall** 2:12:47

2609 Thank you, Mr. Goetz. Thank you. We will provide that information. So, Miss Hardy,
2610 when can you provide that? I would need to consult with my witnesses, and I believe
2611 they are on the teams meeting. All right ahead. If Mr. Haker or Mr. Larger could
2612 please turn on your videos.

2613

2614 **JL Jason Larchar** 2:13:12

2615 Um...

2616 This is Mr. Larsher. We have, I will have to look for some of those records. The well
2617 was drilled a few years ago and I'll need to reach out with our consultant to find
2618 those records.

2619 So I don't have an exact date.

2620 I, I would.

2621

2622 **PH Pecos Hall** 2:13:42

2623 But it won't be, but Mr. Mr. Larcher, that means it won't be today. Is that what you're
2624 saying?

2625

2626 **JL Jason Larchar** 2:13:47

2627 I don't think it will be today. I will reach out to them and see what we can do.

2628

2629 **PH Pecos Hall** 2:13:50

2630 Okay.

2631 Okay. Well, we're not trying to pressure you, Mr. Larcher. I'm just trying to figure out
2632 how to proceed with this case. So, Miss Hunt.

2633

2634  **Goetze, Phillip, EMNRD** 2:13:57

2635 Yeah.

2636

2637  **Jason Larchar** 2:14:00

2638 If we have those, well, I'm sure we have them. Let me find where that we will get
2639 them to you. I think a week is sufficient for that.

2640

2641  **Pecos Hall** 2:14:09

2642 Okay, perfect. Thank you, Mr. Larcher. Ms. Hardy, do you have any other questions
2643 for these gentlemen before we talk?

2644 Only to make sure that you all understand what is being requested and that we can
2645 track that down and provide it.

2646

2647  **Jason Larchar** 2:14:26

2648 And that was just to confirm that was items on the original order.

2649 I don't.

2650

2651  **Pecos Hall** 2:14:33

2652 Yes.

2653

2654  **Jason Larchar** 2:14:35

2655 Eleven.

2656

2657  **Pecos Hall** 2:14:38

2658 15 and 20.

2659

2660  **Jason Larchar** 2:14:42

2661 Okay.

2662 OK.

2663

2664  **Pecos Hall** 2:14:55

2665 Are you finished with these gentlemen? I think so, yes. Thank you. Just want to make

2666 sure. All right, so Ms. Hardy, why don't you continue this case to the 19th and we can
2667 conclude it at that. Sure, I will do that. And before the 19th, would you file an
2668 amended exhibit with a cover letter? Yes, I would do. All right, perfect. Thank you. All
2669 right.

2670 So this case is not taken under advisement at this time, Mr. Getz, but I have a feeling
2671 it will be on the 19th of May.

2672 All right, now we are at our last case. Mr. Hearing Examiner, if I interrupt you very
2673 briefly, I have a quick update on the notice issue for the Phelps cases. I don't know
2674 which case. They were 23, 24, 27, and 28 on the docket. Hold on. Let me find them.

2675 Okay.

2676 Okay. In that case, we were worried that the overriding interest owners had not been
2677 provided notice. We actually just had inadvertently left two or three pages of our
2678 tracking report out of the notice mailing. They were included in our notice report.
2679 And so I was wondering if instead of continuing the cases to June to perfect notice, if
2680 I submit the full tracking report with our other revisions today, could those cases be
2681 taken under advisement? Or do you think Mr. Fordyce would need time to review
2682 them? I don't know. I think he's still on with us, Mr. Fordyce.

2683 There you are. Mr. Fordyce. OK, so first of all, Miss Miss Darns has some update. Miss
2684 Darns, which cases are you referring to? Be specific. They are a 260992610026103
2685 and 26104.

2686

2687 **FE Fordyce, Andrew, EMNRD 2:16:33**

2688 Yes, Mr. Hearing Examiner, I'm still here.

2689

2690 **PH Pecos Hall 2:16:50**

2691 Okay, and what did you want to tell Mr. Fordyce? These were the cases that Mr.
2692 Fordyce indicated Colburn and Flotex had not received notice. And I double checked
2693 that we just inadvertently left off a few pages of our tracking report. And they did get
2694 notice mailed out on the same day as all the other parties.

2695 as well as were included in the publication notice. I was hoping that we could just
2696 submit the full tracking report instead of having to continue to June.

2697

2698 **FE Fordyce, Andrew, EMNRD 2:17:29**

2699 Um...

2700 Ms. Stearns, if they indeed were noticed and there's no notice issues, and there's

2701 just...

2702 Parts of the report that were.

2703 Accidentally left out.

2704

2705 **PH Pecos Hall 2:17:44**

2706 Yes, there should be, I think, 3 or 4 pages instead of just two.

2707

2708 **FE Fordyce, Andrew, EMNRD 2:17:46**

2709 If you could amend those exhibits, I if you could, you know, amend those exhibits
2710 and show that that my concerns are are.

2711 Not necessarily valid, I guess. It was just some paperwork was left out. I would be fine
2712 with leaving the record open for that.

2713

2714 **PH Pecos Hall 2:18:06**

2715 Perfect. I can file a revised packet with a cover letter indicating which pages have
2716 been included and specifically address those parties by name, if that would help.

2717 Today. Yes, by 5:00. By 5:00. So then I will amend what I, now you also know that
2718 there were exhibit issues as well. Yes, and we will include, we will update those
2719 packets. I think six of our seven packets should.

2720 be revised by 5pm today.

2721 Let me make notices. Let me make notes here.

2722 So these cases, 26099261002610326104, we are going to leave the hearing record
2723 open until 5 P.m. today to receive amended exhibit packets that will not only correct
2724 exhibit D2, but

2725 will also include the notice information on several pages that were inadvertently left
2726 out of the original hearing packet. Yes, sir. So revise exhibit E, I believe. Which will
2727 address Mr. Fordyce's concern about notice to, I think, two parties. Yes, Colburn and
2728 Flow Tech.

2729 So you're saying they were noticed? They were noticed, yes. Very good. Very good.

2730 Okay. Anything else, Ms. Starnes? That's it. Thank you so much. Off the record in
2731 those cases, I'm now going to call the last case on our docket. This was a notice of
2732 violation case that we heard on Tuesday.

2733 This is case 26067. It is the Oil Conservation Division versus G&G Oil and Gas
2734 Respondent. Entries, please.

2735 Michael Hall here on behalf of OCD and ready to proceed. Thank you. But subject to

2736 our objections we previously made. Thank you, Mr. Hall. I remember your objections.

2737 Mr. Padilla, are you with us?

2738 Mr. Padilla, are you with us?

2739 The.

2740 So let me recap what happened on Tuesday. On Tuesday, Mr. Padilla appeared for

2741 his client. He filed a motion to dismiss. The motion to dismiss was denied. We then

2742 heard from your witnesses. We received your exhibits into evidence.

2743 at that time.

2744 Mister Padilla asked for the opportunity to bring a witness on behalf of his client to

2745 testify.

2746 He was given the opportunity to do that. We advised Mr. Padilla that today we would

2747 recall the case. He said he would file a motion with an affidavit if he was not

2748 available. We've not received any motion with affidavit. Have you received anything,

2749 Mr. Hall?

2750 I have not. The hearing was the last time I've communicated with Mr. Padilla

2751 regarding this. Okay, then at this point, the hearing record is closed. The case is taken

2752 under advisement. And Mr. Hall, are you going to draft an order?

2753 Yes, if it pleases you, I would be happy to do that. Thank you. Okay, this case, we're

2754 off the record. The docket is concluded for the day. Thank you, everyone.

2755

2756 ● **Pecos Hall** stopped transcription