STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

PREHEARING TRANSCRIPT

SCHEDULING, CONTINUANCES AND DISMISSALS

May 2, 2019
Santa Fe, New Mexico

BEFORE: SCOTT DAWSON, CHIEF EXAMINER
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Scott Dawson, Chief Examiner, and David K. Brooks, Legal Examiner, on Thursday, May 2, 2019, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

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PAUL BACA PROFESSIONAL COURT REPORTERS
(8:18 a.m.)
EXAMINER DAWSON: Good morning, ladies and gentlemen. Today is Thursday, May 2nd. We're here at the Wendell Chino Building, 1220 South Saint Francis, for OCD Docket 15-19.

I'm Scott Dawson, your examiner today. And to my right is David Brooks. He's our attorney today. We also have Marlene Salvidrez and Marilyn Gruebel here. She's with the OCD, and Marilyn has her own business --

DR. GRUEBEL: Reporting businesses.
EXAMINER DAWSON: -- reporting business.
We'll go over the docket at this time. I'm going to start at the very last part of the docket here and just go over Cases 20476, 20477 and 20478. These are all EOG Resources for compulsory pooling. And these are also, I believe, associated with Case Numbers 20283 and 20284, which is Cimarex Energy Company for compulsory pooling. These cases are continued, I am assuming.

And I think, Mr. Bruce, you had requested a continuance to May 16th?

MR. BRUCE: That's when the Cimarex cases are scheduled for.

EXAMINER DAWSON: Okay. And EOG, Holland \& Hart, are you guys okay with the 16 th on that one or --
the problem with the $16 t h$ is that we're not sure if that can be heard because on the 17 th, we have a special hearing. So would you guys rather continue that to a further date down the road, or what's your thoughts on that one, Mr. Feldewert?

MR. FELDEWERT: My understanding, subject to Mr. Bruce, is that these cases will be continued to May 16 th and then we would try to find a docket to hear them together because $I$ only saw the emails. So I'm like you, not optimistic we'll be able to hear them on the 16 th.

EXAMINER DAWSON: If we cannot hear them on the $16 t h$, then on the $16 t h$, we'll continue them further down --

MR. FELDEWERT: Maybe work on getting a date at that time?

EXAMINER DAWSON: Yes, a further date, an undetermined date.

Okay. Thank you.
So going back to the top of the list, 20411 -- Case Number 20411 is continued. 20412 is continued. 20413, 20414 and 20415 are continued. $20420,20421,20422$ and 20423 are continued. 20441, $20442,20443,20444,20445,20446$, they're all continued. 20447 is readvertised and will be continued.

20451 is continued. 20452 and 20453 are both dismissed. 20410 is dismissed. 20161, they have withdrawn the amendment.

20456 through 20465 are all continued. That's 20456, 57, 58, 59, 60, 61, 62, 63, 64 and 65.

20469 is dismissed. 20470 is continued. 20480 is dismissed. 20472, 20473, 20474 are all continued. 16504 is continued. 20475 is continued.

And that should take care of all the dismissals and continuances.

If any of you have any further continuances and dismissals, can you please let me know at this time --

MR. BRUCE: Mr. Examiner, on page 2 near the top, WPX, 20450, that's kind of a companion case with the following -- with the following WPX case and also some Matador cases. The second one is continued to May 30th, and the first one, the Beagle well, should be continued to May 30 th.

And Ms. Shaheen represents WPX.
EXAMINER DAWSON: Okay. You said just that one case, 20450?

MR. BRUCE: Correct.
EXAMINER DAWSON: Okay. So Case 20450 will be continued.

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Any others that anybody else has?

MS. SHAHEEN: On page 2, Case Number 20161 , Devon Lone Tree Draw, where it says "Withdrawn Amendment" --

EXAMINER DAWSON: Yes.
MS. SHAHEEN: -- Devon actually went to dismiss that case in toto there.

EXAMINER DAWSON: Okay. So Case 20161 will be dismissed.

Okay. Is that it?
Okay. So and what we're planning today, we're going to hear all the cases, and at the end, we're going to hear the OXY case for the pressure maintenance project, and also we'll hear the NGL SWD cases. There are five cases on the SWDs that we'll hear at the end of the day, after we hear all the other hearings.
(The prehearing proceedings conclude, 8:24
a.m.)
(8:25 a.m.)
EXAMINER DAWSON: So we'll start out with the first one on the list, which is 20415 , and this is application for Chevron for compulsory pooling, Eddy County, New Mexico.

Please call for appearances.
MR. DeBRINE: Mr. Examiner, that case is
actually continued to May 30th.

EXAMINER DAWSON: Oh, I'm sorry. I'm sorry. Yes. That's correct.
(The prehearing proceedings conclude, 8:25
a.m.)
(9:26 a.m.)
EXAMINER DAWSON: Okay. So we're going to go down the list to Case Number 20424 , which is an application of EOG Resources for compulsory pooling, Lea County, New Mexico.

Please call for appearances.
MR. FELDEWERT: Mr. Examiner, I must have missed this. This case has been continued to the May 16th docket.

EXAMINER DAWSON: Continued to May 16 th?

MR. FELDEWERT: It's a competing case for some Marathon wells.

EXAMINER DAWSON: Okay. So at this point, Case Number 20424 is continued to May 16th. So noted.

MR. FELDEWERT: Thank you.
EXAMINER DAWSON: Sure.

We'll break for ten minutes, and then we'll come back about -- we'll be back at 9:40.
(The prehearing proceedings conclude, 9:27
a.m.)

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STATE OF NEW MEXICO
COUNTY OF BERNALILLO

CERTIFICATE OF COURT REPORTER

I, MARY C. HANKINS, Certified Court
Reporter, New Mexico Certified Court Reporter No. 20, and Registered Professional Reporter, do hereby certify that $I$ reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings that were reduced to printed form by me to the best of my ability.

I FURTHER CERTIFY that the Reporter's Record of the proceedings truly and accurately reflects the exhibits, if any, offered by the respective parties.

I FURTHER CERTIFY that I am neither
employed by nor related to any of the parties or attorneys in this case and that $I$ have no interest in the final disposition of this case.

DATED THIS 21st day of May 2019.

MARY C. HANKINS, CCR, RPR
Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
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