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## STATE OF NEW MEXICO

## ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NOS: 21109, 21110

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

APRIL 16, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, DYLAN COSS and LEONARD LOWE, on Thursday, April 16, 2020, 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.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

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1	APPEARANCES	
2	For the Applicant:	
3	JAMES BRUCE	
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5	505-982-2151 jamesbruce@aol.com	
6	For EOG Resources:	
7	ADAM RANKIN	
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10		
11	I N D E X	
12	CASE CALLED	
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1 HEARING EXAMINER ORTH: We will move now to the

- 2 next two matters, which I think, 21109 and 21110, Matador
- 3 Production, compulsory pooling for a well named Ted 1514.
- 4 Mr. Bruce?
- 5 MR. BRUCE: Yes, I'm representing Matador in this
- 6 case, and request that the case be presented by affidavits.
- 7 HEARING EXAMINER ORTH: All right. And we have
- 8 Holland & Hart as entering an appearance for EOG.
- 9 MR. RANKIN: Madam Examiner, Adam Rankin from the
- 10 law firm appearing on behalf of EOG Resources Incorporated.
- 11 No objection to the case being presented by affidavit. We
- 12 do have one exhibit that we submitted previously to the
- 13 Division and served on Mr. Bruce.
- 14 HEARING EXAMINER ORTH: Thank you very much. Mr.
- 15 Bruce, if you would proceed please.
- 16 MR. BRUCE: Yes. In these two cases, first I
- 17 would know note that these cases were filed along with two
- 18 others, 21108 and 21110, those two cases which involve the
- 19 Bone Spring formation were continued at the request of XTO,
- 20 and so we are only presenting the two Wolfcamp cases.
- 21 The wells collectively cover the S/2 of Section
- 22 15, and the S/2 of Section 14 of 20-29 for two-mile laydown
- 23 laterals. The exhibit package contains the usual materials,
- 24 and notice is complete, and there are pooling checklists at
- 25 the end of the package of exhibits, and if anybody has

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- 1 questions, I will answer them.
- 2 HEARING EXAMINER ORTH: Mr. Coss, do you have
- 3 questions of Mr. Bruce?
- 4 (No response.)
- 5 HEARING EXAMINER ORTH: All right. Mr. Coss
- 6 stepped away for a moment. Mr. Lowe, do you have questions
- 7 of Mr. Bruce?
- 8 EXAMINER LOWE: No, I do not.
- 9 HEARING EXAMINER ORTH: Mr. Rankin, would you
- 10 like to describe what you submitted in the exhibit that you
- 11 submitted.
- MR. RANKIN: Thank you very much. EOG has
- 13 requested special payment provisions in any order issued in
- 14 these cases. The applicant, Matador, has not objected to
- 15 the payment provisions. The specific language is included
- 16 in the exhibit. It's the same as prior case that Ms. Luck
- 17 presented, so we ask that those terms be included with the
- 18 special -- as a special payment provision in terms of the
- 19 order. We understand the Division has included a space
- 20 for -- a space for provisions in the --
- 21 (Audio disruption.)
- 22 HEARING EXAMINER ORTH: Mr. Rankin?
- 23 MR. RANKIN: -- compulsory pooling case and we
- 24 will be working to make sure the language is included in
- 25 these.

Page 5 1 HEARING EXAMINER ORTH: I'm sorry, would you 2 repeat -- would you repeat your last, say, 30 seconds worth of sentences. You were breaking up. 3 MR. RANKIN: We understand that the Division has 4 5 included a provision for special payment provisions in the compulsory order, so we will be making sure that's included 6 going forward. 7 HEARING EXAMINER ORTH: Thank you very much. 8 9 MR. BRUCE: Matador does not object to the I just want to make that clear. 10 language. HEARING EXAMINER ORTH: Thank you, Mr. Bruce. 11 think I already said your packet is accepted and will be 12 13 taken under advisement. If I didn't, there it is. 14 MR. BRUCE: Thank you. 15 (Exhibits accepted.) 16 (Taken under advisement.) 17 18 19 20 21 22 23 24 25

Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 6 I, IRENE DELGADO, New Mexico Certified Court 7 Reporter, CCR 253, do hereby certify that I reported the 8 foregoing proceedings in stenographic shorthand and that the 9 foregoing pages are a true and correct transcript of those 10 proceedings that were reduced to printed form by me to the best of my ability. 11 12 I FURTHER CERTIFY that the Reporter's Record of 13 the proceedings truly and accurately reflects the exhibits, 14 if any, offered by the respective parties. 15 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties of attorneys in this case 16 and that I have no interest in the final disposition of this 17 18 case. Dated this 16th day of April 2020. 19 20 2.1 Irene Delgado, NMCCR 253 License Expires: 12-31-20 22 23 2.4 25