

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: 21361 - 21364

APPLICATION OF MEWBOURNE OIL COMPANY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NOS: 21393, 21394

APPLICATION OF ASCENT ENERGY, LLC,
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NOS: 21489 - 21491

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
FEBRUARY 18, 2021
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER FELICIA ORTH and TECHNICAL EXAMINERS LEONARD LOWE and BAYLEN LAMKIN on February 18, 2021, as hosted by the New Mexico Energy, Minerals, and Natural Resources Department, Santa Fe, New Mexico.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102
505-843-9241

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A P P E A R A N C E S

For Mewbourne:

DANA HARDY
HINKLE SHANOR LLP
P.O. Box 0268
Santa Fe, NM 87504
505-982-4554

For Ascent:

ABADIE & SCHILL, PC
DARIN C. SAVAGE
214 McKenzie Street
Santa Fe, NM 87501
970-395-4401

For Apache:

EARL DEBRINE
MODRALL SPERLING ROEHL HARRIS & SISK PA
500 4th Street, NW, Suite 1000
Albuquerque, NM 87102
505-848-9710

For EOG Resources:

PADILLA LAW FIRM
ERNEST PADILLA
1512 S. St. Francis Drive
Santa Fe, NM 87505

I N D E X

CASE CALLED
STATUS CONFERENCE

1 HEARING EXAMINER ORTH: Let's move to a long set
2 of cases. Let's see, 21362, 21363, 21634, those are
3 Mewbourne Oil matters relating to a well named Sidecar.

4 21393, 21394, Ascent Energy is the applicant
5 there relating to a well named Anvil.

6 And then 21489, 21490 and 21491, Apache
7 Corporation, the applicant there for a well named Taco. So
8 all of these matters are on the docket this morning for
9 status conference.

10 Let's do appearances. Ms. Hardy, is that you for
11 Mewbourne?

12 MS. HARDY: Yes, it is, Madam Examiner. Dana
13 Hardy for Mewbourne.

14 HEARING EXAMINER ORTH: Thank you. And then we
15 have Abadie & Schill for Ascent.

16 MR. SAVAGE: Yes, Madam Examiner, Darin Savage
17 for Ascent. We also have present Bill Zimsky from our
18 Durango office.

19 HEARING EXAMINER ORTH: Thank you. Good morning.
20 And then Modrall Sperling for Apache.

21 MR. DEBRINE: Good morning, Madam Examiner, Earl
22 Debrine with Modrall Sperling for Apache.

23 HEARING EXAMINER ORTH: Terrific. And are there
24 any other appearances this morning?

25 (No audible response.)

1 HEARING EXAMINER ORTH: No? All right. So you
2 may have heard me offer up the available -- the next
3 available dates we have.

4 Since this will be many hours of a hearing, we
5 may want to look at May. Otherwise we have some
6 availability on March 18, but you would not be the only
7 hearing. I did see folks submitting exhibits and such. We
8 can certainly set a new date for the prehearing process with
9 a new hearing date. Who would like to start us off?

10 Oh, wait, Mr. Padilla, are you among the --
11 wait, Mr. Padilla?

12 MR. PADILLA: Yes. I would like to enter an
13 appearance for EOG Resources in all of its cases. We have
14 been in these cases since the beginning. And we are only
15 entering an appearance. We haven't taken an active role in
16 these cases, but nonetheless, EOG simply wants to preserve
17 its appellate rights should that be necessary.

18 HEARING EXAMINER ORTH: All right. Well, thank
19 you, Mr. Padilla. I'm sorry I didn't see -- I didn't see
20 you until now. All right.

21 So who would like to start us off?

22 MR. HARDY: Madam Examiner, I can start, if you
23 would like.

24 HEARING EXAMINER ORTH: All right. Ms. Hardy.

25 MS. HARDY: With respect to hearing date, I think

1 this hearing will take quite a while based on the number of
2 witnesses who have been identified, and so it seems to me
3 that subject to my witnesses' availability the May date will
4 probably make the most sense.

5 I personally am going out of town on March 19, so
6 I doubt this case would be finished following another
7 hearing on the 18th. So it seems to me we are probably
8 looking at May, if those are the earliest dates available
9 other than March.

10 HEARING EXAMINER ORTH: They are. We have
11 something like -- many, many cases already on the April
12 date, just can't squeeze another one in there. All right.

13 Mr. Debrine?

14 MR. DEBRINE: Yes, Madam Examiner, both of the
15 May dates you mentioned work on counsel's calendar. I would
16 need to confer with Apache. I have an e-mail in to them,
17 and we may have more information before we are done here,
18 but those look good for counsel.

19 HEARING EXAMINER ORTH: All right. Mr. Savage?

20 MR. SAVAGE: Yes, Madam Examiner, can you repeat
21 two dates in May?

22 HEARING EXAMINER ORTH: May 6 and May 20.

23 MR. SAVAGE: Those look like they may be
24 available for us. I would have to confer with the client on
25 that to confirm, but I will mark this down and we will get

1 back to you very promptly.

2 HEARING EXAMINER ORTH: All right. So if each of
3 you would submit an e-mail copying all the rest of us
4 confirming your availability on one of the May dates, I can
5 get a prehearing order out as soon as I have heard from each
6 of you.

7 So is there anything else we need to talk about
8 while we are together? Typically, as you know, the exhibits
9 would be due the Thursday before, objections would be due
10 that Tuesday before. Are there any other dates we need to
11 be talking about?

12 MR. DEBRINE: Madam Examiner, you had suggested
13 that we have a -- maybe we set a hearing date for a
14 prehearing to address the objections in advance of the
15 hearing, I think that might be useful. Given that the
16 parties have already submitted their exhibits, I think any
17 time that the parties are available would work to address
18 any objections. We would just need a date a week in advance
19 of the hearing to file objections.

20 HEARING EXAMINER ORTH: All right. How about
21 this: When you send your e-mail confirming your
22 availability of your witnesses' availability for one of the
23 May dates, propose a good date to get together for the
24 objections, to file those objections, and then we can get
25 together on a teleconference or on an earlier virtual

1 session to address them if you would like.

2 MR. DEBRINE: Yeah, that works fine.

3 HEARING EXAMINER ORTH: No problem with
4 flexibility there.

5 MS. HARDY: Madam Examiner, I wanted to raise one
6 issue briefly. I know the parties have submitted a
7 statement about disputed facts, and I'm not sure yet, I
8 believe that I may need to correct an error in the
9 statement, but I'm trying to confirm that with Mewbourne,
10 and I haven't been able to reach them because of the power
11 outage situation. So I just wanted to point that out so
12 that no one is surprised later, but I may need to make a
13 correction in it and it involves Mewbourne's interest in
14 Apache's spacing units.

15 HEARING EXAMINER ORTH: Well, thank you for
16 raising that. Is there another topic we should talk about
17 before you confer with your client on dates?

18 MR. DEBRINE: None for Apache.

19 HEARING EXAMINER ORTH: No?

20 MS. HARDY: No, Madam Examiner.

21 HEARING EXAMINER ORTH: All right. Thank you all
22 very much then. I will look for your e-mails and we'll get
23 a prehearing order out as soon as I hear from you.

24 MR. DEBRINE: Thank you.

25 MS. HARDY: Thank you.

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HEARING EXAMINER ORTH: Thank you.
(Status conference concluded.)

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court
7 Reporter, CCR 253, do hereby certify that I reported the
8 foregoing virtual proceedings in stenographic shorthand and
9 that the foregoing pages are a true and correct transcript
10 of those proceedings to the best of my ability.

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

15 I FURTHER CERTIFY that the Virtual Proceeding was
16 of poor to good quality.

17 Dated this 18th day of February 2021.

18

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-21

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