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: 21825, 21826

APPLICATION OF COLGATE OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

APRIL 8, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINER DEAN McCLURE on Thursday, April 8, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

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Page 2 1 APPEARANCES 2 For the Applicant: 3 PADILLA LAW FIRM ERNEST PADILLA 1512 S. St. Francis Drive Santa Fe, NM 87505 5 For Apache: 6 MICHAEL FELDEWERT 7 HOLLAND & HART 110 North Guadalupe, Suite 1 Santa Fe, NM 87501 505-954-7286 9 For MRC Permian: 10 JAMES BRUCE P.O. Box 1056 11 Santa Fe, NM 87504-1056 12 505-982-2151 jamesbruce@aol.com 13 For V-F, Gahr, Fuel: 14 DANA HARDY 15 HINKLE SHANOR LLP P.O. Box 0268 16 Santa Fe, NM 87504 505-982-4554 17 INDEX 18 19 CASE CALLED 20 03 STATUS CONFERENCE 2.1 06 REPORTER CERTIFICATE 2.2 23 24 25

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1 HEARING EXAMINER BRANCARD: So with that I will

- 2 call cases 21825, 21826, and hopefully we can get the same
- 3 resolution here on that. And so Mr. Padilla, are you
- 4 representing Colgate in this matter?
- 5 MR. PADILLA: Yes, I am.
- 6 HEARING EXAMINER BRANCARD: Okay. And Apache?
- 7 MR. FELDEWERT: Mr. Examiner, Michael Feldewert
- 8 of the Santa Fe office of Holland & Hart appearing on behalf
- 9 of the Apache Corporation in these two matters.
- 10 HEARING EXAMINER BRANCARD: And so for 21825, I
- 11 have MRC Permian, Mr. Bruce.
- MR. BRUCE: Correct.
- 13 HEARING EXAMINER BRANCARD: And then I think for
- 14 21826 I have V-F, Gahr, Fuel Lodge, Hinkle Shanor.
- 15 MS. HARDY: Yes, Mr. Examiner Dana Hardy on
- 16 behalf of the V-F entities.
- 17 HEARING EXAMINER BRANCARD: Are there any other
- 18 parties to this matter?
- 19 (No audible response.)
- 20 HEARING EXAMINER BRANCARD: Hearing none, and so
- 21 with Mr. Padilla's wishes, is a July 1 hearing acceptable to
- 22 the parties?
- 23 MR. FELDEWERT: Yes, Mr. Examiner. The only
- 24 thing I would add, and this is where Mr. Padilla and I had
- 25 discussion about the May 6 docket, Apache has its competing

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- 1 pooling applications currently on the May 6 docket under
- 2 Cases 21851, 21852, 21853 and 21854. Both of these current
- 3 cases and these cases on the May 6 docket involve Sections
- 4 16 and 17 in 19 South, 28 East.
- 5 HEARING EXAMINER BRANCARD: Okay. Mr. Feldewert,
- 6 would you like to consolidate those cases?
- 7 MR. FELDEWERT: Yes, sir.
- 8 HEARING EXAMINER BRANCARD: Mr. Padilla, any
- 9 objection?
- MR. PADILLA: No objection.
- 11 HEARING EXAMINER BRANCARD: Okay. So then we
- 12 would have six cases together on July 1 in this matter; is
- 13 that correct?
- MR. PADILLA: That's right.
- 15 HEARING EXAMINER BRANCARD: Okay. Any comments
- 16 or concerns from the other parties on the date or the
- 17 consolidation? Mr. Bruce?
- 18 MR. BRUCE: No objection.
- 19 HEARING EXAMINER BRANCARD: Thank you. Ms.
- 20 Hardy?
- MS. HARDY: No objection.
- 22 HEARING EXAMINER BRANCARD: Okay. So then we
- 23 will hold a hearing on July 1 for cases 21825 and 21826 and
- 24 consolidate those with cases 21851, 21852, 21853 and 21854
- 25 that are currently scheduled for May 6. Is that correct,

Page 5 Mr. Feldewert? 2 MR. FELDEWERT: Yes, sir. 3 HEARING EXAMINER BRANCARD: I hope you're getting all of this down, Marlene. 5 MS. SALVIDREZ: I am. 6 HEARING EXAMINER BRANCARD: Thank you. 7 MR. FELDEWERT: Marlene, we file our continuances 8 in those cases for the July 1 hearing, that's the process? 9 MS. SALVIDREZ: If you can file now they will be 10 noticed. I will do the notice sometime probably today or tomorrow, and you can file them whenever you want, they just 11 12 drop off the docket. 13 MR. FELDEWERT: Okay. Okay. 14 HEARING EXAMINER BRANCARD: Okay. 15 (Status concluded.) 16 17 18 19 20 2.1 22 23 24 25

Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 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. I FURTHER CERTIFY that I am neither employed by 11 nor related to any of the parties or attorneys in this case 12 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of poor to good quality. 16 Dated this 8th day of April 2021. 17 18 /s/ Irene Delgado 19 Irene Delgado, NMCCR 253 20 License Expires: 12-31-21 2.1 22 23 2.4 25