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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: 21766, 21767

APPLICATION OF RIDGE RUNNER RESOURCES OPERATING LLC FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO

> REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS EXAMINER HEARING MAY 20, 2021 SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER WILLIAM BRANCARD and TECHNICAL EXAMINER KURT SIMMONS, on Thursday, May 20, 2021, through the Webex Virtual Platform.

REPORTED BY: Carrie Hewerdine, RDR, NMCCR #512 PAUL BACA COURT REPORTERS 500 4th Street, Suite 105 Albuquerque, New Mexico 87102

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1 APPEARANCES 2 For Ridge Runner Resources Operating LLC: DANA HARDY 3 Hinkle Shanor 218 Montezuma Avenue 4 Santa Fe, NM 87501 5 505.982.4554 6 For Centennial Resource Production Company: 7 KAITLYN A. LUCK Holland & Hart 8 110 N. Guadalupe Street, Suite 1 9 Santa Fe, NM 87501 505.954.7286 10 For ConocoPhillips Company: 11 12 BETH RYAN 605 West Country Club Road 13 Roswell, NM 88201 575.624.2000 14 15 INDEX 16 17 CASE CALLED 18 03 19 SUMMARY OF CASE AND EXHIBITS 20 04 21 TAKEN UNDER ADVISEMENT 22 06 23 REPORTER CERTIFICATE 24 25 EXHIBIT INDEX

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Page 4 HEARING EXAMINER BRANCARD: Okay. With that, 1 2 I believe the next item is 48 and 49. This is 3 Cases 21766, 21767, Ridge Runner Resources. Hinkle Shanor? 4 DANA HARDY: Dana Hardy with the Santa Fe 5 office of Hinkle Shanor on behalf of Ridge Runner 6 Resources Operating LLC. 7 8 HEARING EXAMINER BRANCARD: Thank you. 9 And I believe we have entries from Centennial. 10 KAITLYN LUCK: Good morning. Kaitlyn Luck with the Santa Fe office of Holland & Hart on behalf of 11 Centennial Resource Production Company. 12 13 HEARING EXAMINER BRANCARD: And 14 ConocoPhillips? BETH RYAN: Yes, sir. Beth Ryan here on 15 behalf of ConocoPhillips Company. 16 17 HEARING EXAMINER BRANCARD: All right. Are there any other entries for Cases 21766, 18 19 21767? 20 Hearing none, let me first ask Ms. Luck: Do 21 you have objections to this case moving forward by 22 affidavit? 23 KAITLYN LUCK: No objection. 24 HEARING EXAMINER BRANCARD: Ms. Ryan? 25 BETH RYAN: No objection.

Page 5 HEARING EXAMINER BRANCARD: 1 Thank you. 2 So I believe, Ms. Hardy, you may proceed. 3 DANA HARDY: Thank you. In Case Number 21766, Ridge Runner seeks an 4 order pooling all uncommitted mineral interests in the 5 Bone Spring formation in a 240-acre, more or less, 6 standard, horizontal spacing unit, comprised of the 7 west half of the west half of Section 36 and the west 8 9 half of the southwest quarter of Section 25, Township 10 20 South, Range 35 East in Lea County. 11 And in Case 21767, Ridge Runner seeks an order pooling all uncommitted mineral interests in the Bone 12 13 Spring formation in a 240-acre, standard, horizontal 14 spacing unit, comprised of the east half of the west half of Section 36, and the east half of the southwest 15 quarter of Section 25, Township 20 South, Range 35 East 16 17 in Lea County. 18 We've provided, in support of the application, the affidavits in both cases of land man Bob Shelton 19 and geologist Michael Burk. And the witnesses have 20 21 provided all of the standard exhibits. 22 The land ownership information is included in Exhibit A3 to Mr. Shelton's affidavit in both cases. 23 And the notice information is included in 24 25 Exhibits A6 and A7 to Mr. Shelton's affidavit, again,

Page 6 in both cases. And there were no unlocateable 1 2 interests. 3 We did notify all of the parties by certified mail, and they received notice. 4 We did also publish notice out of an abundance 5 6 of caution and have provided the affidavits of publication. 7 8 Unless there are questions, I would ask that the exhibits be accepted into the record and that the 9 cases be taken under advisement. 10 11 HEARING EXAMINER BRANCARD: Thank you. 12 Centennial, any questions or comments? 13 BETH RYAN: Nothing from Centennial. 14 Thanks for checking. HEARING EXAMINER BRANCARD: And 15 16 ConocoPhillips? 17 KAITYLN LUCK: Nothing from Conoco. 18 Thank you. 19 HEARING EXAMINER BRANCARD: Thank you. 20 Mr. Simmons? 21 TECHNICAL EXAMINER SIMMONS: No. Everything 22 appears to be in order. Thank you. HEARING EXAMINER BRANCARD: That was easy. 23 24 All right. With that, the exhibits in 25 cases -- well, let me just first ask: Is there anyone

Page 7 else out there for Cases 21766 or 21767? Hearing none, with that, the exhibits in these cases will be admitted, and Cases 21766 and 21767 will be taken under advisement. DANA HARDY: Thank you very much. HEARING EXAMINER BRANCARD: Thank you. (Hearing concluded)

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1	STATE OF NEW MEXICO
2	COUNTY OF BERNALILLO
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4	REPORTER'S CERTIFICATE
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6	I, CARRIE HEWERDINE, RDR, New Mexico Certified
7	Court Reporter, CCR 521, do hereby certify that I
8	reported the foregoing virtual proceedings in
9	stenographic shorthand and that the foregoing pages are
10	a true and correct transcript of those proceedings to
11	the best of my ability.
12	I FURTHER CERTIFY that I am neither employed
13	by nor related to any of the parties or attorneys in
14	this case and that I have no interest in the final
15	disposition of the case.
16	I FURTHER CERTIFY that the Virtual Proceeding
17	was of poor to good quality.
18	Dated this 24th day of May, 2021.
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20	
21	/s/ Carrie Hewerdine
22	Carrie Hewerdine, RDR, NMCCR 521 License Expires: 12-31-21
23	LICENSE Expires. 12-31-21
24	
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