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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: 21894

APPLICATION OF MANZANO 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 A P P E A R A N C E S 2 For Manzano LLC: 3 JAMES BRUCE P.O. Box 1056 Santa Fe, NM 87504-1056 4 505.982.2151 jamesbruce@aol.com 5 б 7 INDEX 8 9 CASE CALLED 10 03 11 SUMMARY OF CASE AND EXHIBITS 04 12 13 TAKEN UNDER ADVISEMENT 14 05 15 REPORTER CERTIFICATE 16 06 17 18 EXHIBIT INDEX 19 Admitted 20 Exhibits and Attachments 21 05 22 23 24 25

Page 3 1 HEARING EXAMINER BRANCARD: Okay. With that 2 we've hit the one hour mark here. I'll let Mr. Bruce 3 catch his breath for a second. And we'll pause, and I'll check in and see how the court reporter is doing. 4 THE REPORTER: Court reporter is still alive 5 6 and reporting, sir. 7 HEARING EXAMINER BRANCARD: Great. Okay. 8 You're doing okay, Mr. Simmons? 9 TECHNICAL EXAMINER SIMMONS: I'm good. Thank 10 you. 11 HEARING EXAMINER BRANCARD: All right. Mr. Bruce, we have a few more cases from you, I think. 12 13 JAMES BRUCE: Yes. 14 HEARING EXAMINER BRANCARD: The next case is 21894, Manzano LLC. 15 ATTORNEY LEFT: Yes. I'm entering my 16 17 appearances for them. 18 HEARING EXAMINER BRANCARD: Thank you. 19 Are there any other interested in cases in 20 Case 21894? 21 Hearing none, you may proceed, Mr. Bruce. 22 JAMES BRUCE: Mr. Examiner, in this case, 23 Manzano seeks to force pool the west half Section 23 and west half of Section 14 in 12 South, 38 East for 24 25 purposes of drilling a San Andres oil well.

Page 4 This is a proximity tract facing unit. 1 2 The land man's affidavit contains all the 3 usual information, good land plats attached. The only two parties being pooled are EOG 4 Resources, Inc., and Oxy Y-1 Company, which contained 5 a -- who owned the working interest in northeast 6 quarter, northwest quarter of Section 23. 7 8 There's a good listing of interest owners on Attachment 3 to the land man's affidavit. Together EOG 9 and Oxy own a combined six and a quarter percent in the 10 proposed well unit. 11 12 The proposal letters, AFEs, et cetera, are in 13 there. And there's the affidavit from the geologist 14 attached as Exhibit B. And one interesting thing is there are several 15 offset San Andres wells immediately to the west of this 16 proposed well by Manzano. So they probably have a good 17 handle on pulling out here in this acreage. 18 19 The notice affidavit shows that the parties did receive actual notice, so there is no publication 20 21 notice. 22 And then I'd attach the pooling checklist, as 23 required. 24 So I think the exhibit package is complete. 25 I'd move the admission of Exhibits A through B

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1	and ask that the matter be taken under advisement.
2	HEARING EXAMINER BRANCARD: Thank you.
3	Mr. Simmons, any questions?
4	TECHNICAL EXAMINER SIMMONS: No. No
5	questions. Thank you.
6	HEARING EXAMINER BRANCARD: Thank you. We'll
7	call for any other parties interested in Case 21894.
8	Last chance.
9	And hearing none, the exhibits will be
10	admitted in Case 21894, and the case will be taken
11	under advisement.
12	(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	TICEUSE EVALUES: IZ-21-21
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