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STATE OF NEW MEXICO.

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

Application of Matador Production Case Nos. 21906, 21907 Company to anded Pooling Orders, Lea County, New Mexico.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, JUNE 3, 2021

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard Hearing Examiner, Leonard Lowe Technical Examiner, on Thursday, June 3, 2021, via theWebex Virtual Conferencing Platform.

Reported by: Mary Therese Macfarlane New Mexico CCR No. 122 PAUL BACA COURT REPORTERS 500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 1 A P P E A R A N C E S 2 For Matador Production Company: 3 James Bruce, Esq. Post Office Box 1056 4 Santa Fe, NM 87504 (505) 982-2043 5 jamesbruc@aol.com 6 7 CONTENT CASE NOS. 21906, 21907 PAGE 8 CASE CALLED: 3 9 Presentation by Mr Bruce: 10 4 Inquiry by Examiner Lowe: 5 11 12 Taken Under Advisement: 7 13 14 EXHIBIT INDEX 15 MATADOR PRODUCTION COMPANY EXHIBITS: PAGE 7 16 Application and Proposed Notices 1 17 Original Pooling Orders 7 2 18 Landman's Affidavit 7 3 Affidavit of Notice (Left open) 7 19 4 7 20 5 Publication Notice 21 2.2 23 24 25

Page 3 1 (Time noted 8:45 a.m.) 2 HEARING EXAMINER BRANCARD: So with that I call 3 21906, 21907, Matador Production. 4 Mr. Bruce? (Note: No response.) 5 Mr. Bruce, if you are here we can't hear б you. 7 Marlene, do we have any call-in people? MS. SALVIDREZ: No. Let me check. 8 Ernest, can you hear us? 9 MR. PADILLA: Yes, I can hear you. 10 MS. SALVIDREZ: Bill just called a couple of 11 12 your cases. 13 MR. PADILLA: I think you need to call Jim Bruce 14 at 982-2043. 15 MS. SALVIDREZ: Jim, are you on the line? We 16 have a call-in User 2 and 4. 17 MR. BRUCE: I am on the line. I don't know 18 what's wrong. 19 HEARING EXAMINER BRANCARD: Okay. Now we can hear you loud and clear. 20 21 MR. BRUCE: Okay. I've been hitting unmute 22 about six times, so I don't know what the deal was. 23 HEARING EXAMINER BRANCARD: Okay. Mr. Bruce, 24 you're up on Case 21906, 21907. Let me just ask if there 25 are any other interested parties in those two cases.

1 (Note: No response.)

2 Hearing none, Mr. Bruce you may proceed. 3 MR. BRUCE: Mr. Examiner, again these are cases 4 to extend the well commencement deadline under two pooling 5 Orders, R-21272 and R-21273. These are companion cases to a couple of cases heard two weeks ago. These applications 6 7 were timely filed. The Pooling Orders' actual date was in April 30 but we are requesting a one-year extension from 8 April 30 to drill these wells. 9 The application packet contains the 10 Applications and Proposed Notices, the original Pooling 11 12 Order. An affidavit from Sam Pryor, landman at Matador. Again, as usual, it's the market conditions and the 13 14 pandemic that has slowed things down, and that's the 15 reason for the request. 16 This is the third set of these -- the names 17 of these wells Michael K&B. This is the third set of Notices I have sent out for eight different wells. 18 And Exhibit 4 four is my Affidavit of 19 There are about 100 people notified, so I've had 20 Notice. 21 to do that three times. I request permission to file -- I'm still 22 compiling the Certified Return Receipts and those that 23 24 were dismissed or returned as undeliverable, and request 25 permission to late file an Amended Exhibit 4. But.

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Page 5 everybody was given Notice by Publication. 1 2 You can see from Exhibit 5 there are a lot 3 of people on this Notice list. 4 With that, everybody was sent written Notice or received Publication Notice. 5 I ask that Exhibits 1 through 5 be admitted 6 7 into evidence and that the cases be taken under 8 advisement. 9 HEARING EXAMINER BRANCARD: Thank you. Mr. Lowe, questions? 10 EXAMINER LOWE: Good morning, Mr. Jim Bruce. 11 Ι 12 have one question 13 You mentioned an April 30 date in your testimony just a while ago. What was that date referring 14 15 to? April 3rd. The original Orders are dated April 16 Α. 17 30th. The applications themselves were filed before that date. The hearing applications. 18 19 EXAMINER LOWE: Okay. MR. BRUCE: Those are the dates that --20 21 EXAMINER LOWE: The Order date is April 30th and 22 you're requesting a one-year extension for April 30, '22? 23 MR. BRUCE: Correct. 24 EXAMINER LOWE: Okay. Thank you. 25 HEARING EXAMINER BRANCARD: Okay. So Mr.

Page 6 Bruce -- I'm sorry, Mr. Lowe do you have any other 1 2 questions? 3 EXAMINER LOWE: Sorry. No, I do not. Thank 4 you. 5 HEARING EXAMINER BRANCARD: Mr. Bruce, let's -can you clarify for us what you need no submit in addition б 7 to what you have submitted. 8 MR. BRUCE: Just the certified green cards and those that were returned. 9 I've got a bunch of old ones returned, you 10 know, Unable to Forward or Unlocatable Parties. More have 11 12 been coming in this past week, I picked up about five or six yesterday late, and I just want to compile them all 13 together and then I'll submit -- I'm going to be out of 14 15 town tomorrow but I'll submit them early next week. 16 HEARING EXAMINER BRANCARD: Okay. So you think 17 you can get this done in a week? 18 MR. BRUCE: Yeah. 19 HEARING EXAMINER BRANCARD: Okay. So in Cases 21906 and 21907, we will leave the record open for you to 20 21 submit additional Notice information next week. Those cases will be taken under advisement. 22 23 MR. BRUCE: Thank you. 24 HEARING EXAMINER BRANCARD: Just to be clear on 25 what has been going on with these amendment cases, you can

Page 7 see that this is a case where the one-year period has already passed but we've been lenient and have been accepting applications that are filed before the one-year in allowing those cases to go forward. We did have a case last month where somebody had filed well after the one-year period, and that case was dismissed and and they б will be required to start all over again. So be aware that deadline is real, but we are basing it on when you file your application for the amendment. (Time noted 8:52 a.m.)

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1	STATE OF NEW MEXICO)
2	: SS
3	COUNTY OF TAOS)
4	
5	REPORTER'S CERTIFICATE
б	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday, June 3,
8	2021, the proceedings in the above-captioned matter were
9	taken before me; that I did report in stenographic
10	shorthand the proceedings set forth herein, and the
11	foregoing pages are a true and correct transcription to
12	the best of my ability and control.
13	I FURTHER CERTIFY that I am neither employed by
14	nor related to nor contracted with (unless excepted by the
15	rules) any of the parties or attorneys in this case, and
16	that I have no interest whatsoever in the final
17	disposition of this case in any court.
18	/s/ Mary Macfarlane
19	
20	MARY THERESE MACFARLANE, CCR NM Certified Court Reporter No. 122
21	License Expires: 12/31/2021
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