

STATE OF NEW MEXICO.

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

Application of Matador Production
Company for compulsory pooling,
Eddy County, New Mexico

Case Nos. 22052/22053

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

AUGUST 5, 2021

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, Baylen Lamkin, Technical Examiner, on August 5, 2021 through the Webex Virtual Conferencing Platform hosted by the New Mexico Department of Energy, Minerals and Natural Resources.

Reported by: Mary Therese Macfarlane
New Mexico CCR #122
PAUL BACA COURT REPORTERS
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A P P E A R A N C E S

FOR MATADOR PRODUCTION COMPANY, INC:

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C O N T E N T S

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TAKEN UNDER ADVISEMENT:	7

1	E X H I B I T I N D E X		
2	EXHIBITS:		ADMITTED
3	A	Compulsory Pooling Application Checklist	7
4	B	Applications	7
5	C	Affidavit of Robert Helbing, Landman	7
6	C-1	C-102	7
7	C-2	Land Tract Map	7
8	C-3	Working Interest Owners	7
9	C-4	Overriding Royalty Interest Owners	7
10	C-5	Sample Well Proposal Letters	7
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12	D	Affidavit of Daniel Brugioni	7
13	D-1	Project Locator Map	7
14	D-2	Structure & Cross-Section Map	7
15	D-3	Stratigraphic Cross-Section	7
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1 (Time noted 9:04 a.m.)

2 EXAMINER BRANCARD: With that, I'm calling Cases
3 22052, 22053, Items 24, 25. This would be Matador
4 Production Company.

5 MS. LUCK: Kaitlyn Luck again with the Santa Fe
6 officeHolland & Hart for the Applicant in these cases,
7 Matador Production Company.

8 EXAMINER BRANCARD: I have an entry of
9 appearance for Marathon Oil Permian, LLC.

10 MS. BENNETT: Good morning, Mr. Hearing
11 Examiner. Deana Bennett on behalf of Marathon Oil
12 Permian, LLC.

13 EXAMINER BRANCARD: Ms. Bennett do you have any
14 objections to these cases going forward by affidavit?

15 MS. BENNETT: I do not. We are simply
16 preserving our rights in the event we need to seek de
17 novo review.

18 EXAMINER BRANCARD: Thank you. Are there any
19 other interested persons in Cases 22052 and 22053? (Note:
20 Pause.) Hearing none, you may proceed, Ms. Luck.

21 MS. LUCK: Thank you. In these case Matador
22 understood there would be no objection so the standard
23 exhibits were, again, filed on Tuesday. These cases have
24 also been consolidated because they relate to the same
25 acreage.

1 Just to review, the exhibit packet starts
2 off with the Application Checklist as Exhibit A, followed
3 by copies of the Applications as Exhibit B.

4 Matador's Exhibit C is the Affidavit Of
5 Robert Helbing, who is Matador's landman for these two
6 cases. He explains that Matador is seeking Pooling Orders
7 in the Bone Spring Formation underlying two separate
8 320-acre standard horizontal spacing units, and both of
9 these units will be in Sections 14 and 15 of Township 24
10 South, Range 28 East, in Eddy County, New Mexico.

11 So the first case, 22052, relates to the
12 north half/north half acreage in Section 14 and 15, and
13 Matador is seeking to dedicate that unit to the Bubba
14 Burton Com 111H and 121H wells.

15 And then in Case 22053, this case relates
16 to the south half/north half of Sections 14 and 15, and
17 again this is a 320-acre spacing unit that Matador seeks
18 to dedicate to the Ken Wilson Com. 112 and 122H wells.

19 The details of each of the wells, including
20 their API numbers and the surface and
21 bottomhole locations, are provided in Matador's Exhibit
22 C-1, which are the C-102s for each of the wells.

23 Matador's Exhibit C-2 is a general location
24 map which outlines the spacing unit and reflects that this
25 is only fee acreage that Matador is pooling.

1 In Matador Exhibit C-3 Matador provides a
2 recap of the working interests that Matador is seeking to
3 pool, as well as the interests in the unit that each of
4 those working interests hold.

5 Matador Exhibit C-4 are the overriding
6 royalty interest owners that Matador is seeking to pool,
7 and Matador C-5 are copies of the Well Proposal Letters.

8 Finally, Matador's Exhibit C-6 is a
9 chronology of Matador's contacts with each of the
10 uncommitted working interest owners in both of these units
11 that Matador is seeking to pool.

12 Next in the packet is Matador's Exhibit D,
13 which is the affidavit of Matador's geologist for both of
14 these cases.

15 Matador provides the standard geology
16 exhibits, including a structure map, a cross-section map
17 and a cross section for the Bone Spring target intervals
18 for each of these four wells.

19 Then finally in Matador's exhibit packet
20 are Matador's Exhibits E and F, which are the Notice
21 information reflecting that our office timely provided
22 Notice of these hearings to the interest owners to be
23 pooled, both by mail and by publication in the newspaper
24 in the county where the wells are located.

25 So with that I would move the admission of

1 Matador's Exhibits A through F, and I would request these
2 two cases both be taken under advisement.

3 EXAMINER BRANCARD: Thank you.

4 Any questions, Ms. Bennett?

5 MS. BENNETT: No questions.

6 EXAMINER BRANCARD: Mr. Lamkin, any questions?

7 EXAMINER LAMKIN: I don't have any questions
8 either, thanks.

9 EXAMINER BRANCARD: Okay. So in that case the
10 exhibits are admitted in Cases 22054, 22055 (sic).

11 And are there any other interested persons
12 for these cases? (Note: Pause.) Hearing none, Cases
13 22054, 22055 -- sorry, 22052, 22053 will be taken under
14 advisement.

15 MS. LUCK: Thank you.

16 EXAMINER BRANCARD: Thank you.

17 (Time noted 9:07 a.m.)

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1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)

4 REPORTER'S CERTIFICATE

5 I, MARY THERESE MACFARLANE, New Mexico Reporter
6 CCR No. 122, DO HEREBY CERTIFY that on Thursday, August 5,
7 2021, the proceedings in the above-captioned matter were
8 taken before me; that I did report in stenographic
9 shorthand the proceedings set forth herein, and the
10 foregoing pages are a true and correct transcription to
11 the best of my ability and control.

12 I FURTHER CERTIFY that I am neither employed by
13 nor related to nor contracted with (unless excepted by the
14 rules) any of the parties or attorneys in this case, and
15 that I have no interest whatsoever in the final
16 disposition of this case in any court.

17 /s/ Mary Macfarlane
18 _____

19 MARY THERESE MACFARLANE, CCR
20 NM Certified Court Reporter No. 122
License Expires: 12/31/2021

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