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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 Catena Resources,Operating, LLC, for CompulsoryCase No. 22073Pooling, Lea County, New Mexico.Case No. 22074

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 500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 APPEARANCES For Catena Resources Operating, LLC: Michael Rodriguez, Esq. Hinkle Shanor, LLP P.O. Box 2068 Santa Fe, NM 87504-2068 (505) 982-4544 mrodriguez@hinklelawfirm.com CONTENTS CASE NOS: 22073, 22074 PAGE CASE CALLED: LANDMAN CATO CLARK'S CREDENTIALS ACCEPTED: TAKEN UNDER ADVISEMENT:

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2	EXHIBITS:	A	OMITTED
3	A	Self-Affirmed Statement of Cato Clark, Landman	б
4	A-1	Resume of Cato Clark	б
5	A-2	Application and Proposed Notice of Hearing	б
6	A-3	C-102s	6
7 8	A-4	Plat of Tract, Tract Ownership, Pooled 6 Party, Unit Recapitulation	
9	A-5	Sample Well Proposal Letter and AFEs	б
10	А-б	Summary of Communications	б
11	A-7	Hearing Notice letter and return receipts	6
12	A-8	Affidavit of Publication	6
13	В	Self-Affirmed Statement of Brian Moore	6
14	B-1	Location Map	6
15	B-2	Structure Map	б
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(Time noted 9:25 a.m.)

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2 EXAMINER BRANCARD: Okay. We are now at Item 30 3 on our agenda. This would be Case 22073 -- I'm not sure whether it's combined with Case 22074, we will find out --4 Catena Resources Operating. Hinkle Shanor, please. 5 MR. RODRIGUEZ: Good morning. Michael Rodriguez 6 7 with Hinkle Shanor on behalf of Catena Resources Operating. And I would like to consolidate this matter 8 with Case 22074, as they are seeking to pool different 9 intervals within adjacent acreage in the same sections. 10 EXAMINER BRANCARD: Thank you, Mr. Rodriguez. 11 12 So then we are calling Cases -- and I'm 13 asking for any other interested parties in Cases 22073, 14 22074. (Note: Pause.) Hearing none, Mr. Rodriguez you 15 may proceed. 16 MR. RODRIGUEZ: Thank you. Before I start 17 presenting this case I wanted to address the landman in this matter. His name is Mr. Cato Clark; he will be 18 19 testifying in both of these matters through affidavit. And Mr. Clark has not testified before the Division so a 20 21 copy of his resume is attached as Exhibit A-1 in each 22 case. 23 And I'd like to spell Mr. Clark's first and 24 last name for the court reporter. That would be C-a-t-o, 25 C-l-a-r-k.

Page 5 1 And as such I would like to request that 2 Cato Clark's credentials be accepted into the record Mr. 3 and the Division qualify Mr. Clark as an expert in 4 petroleum land matters. 5 EXAMINER BRANCARD: Any objection? (Note: Hearing none, so accepted as an expert. б Pause.) 7 MR. RODRIGUEZ: Thank you. In Case No. 22073 Catena seeks an Order 8 pooling all uncommitted mineral interests within the Bone 9 Spring Formation underlying a 320-acre standard horizontal 10 spacing unit comprised of the west half of the west half 11 12 of Sections 29 and 32 in Township 18 South, Range 35 East, Lea County, New Mexico, and Catena seeks to dedicate this 13 unit to its Creed west half/west HALF 32-29 B1 1H well. 14 15 And in Case 22074, Catena seeks an Order 16 pooling all uncommitted mineral interests within the 17 Wolfcamp Formation underlying a 320-acre standard horizontal spacing unit comprised of the east half/west 18 half of Sections 29 and 32 within the same Township and 19 Range. Catena seeks to dedicate this unit to its Creed 20 21 east half/ west half 29-32 W1 1H well. The exhibits to the Division in these 22 matters contain the Compulsory Pooling Checklist, Exhibit 23 24 A, which is the landman's testimony and related landman 25 exhibits identified within the testimony.

Page 6 Exhibit B is the geologist's testimony and 1 2 related geology exhibits identified within the geologist's 3 testimony. And Exhibits A-7 and A-8, are a sample 4 5 Notice of Hearing letter, the green cards, and Affidavit of Publication reflecting that all Notice requirements 6 7 have been met. 8 And with that I ask that Exhibits A, A-1 through A-6, B, B-1 through B-4 for Cases 22073 and 22074 9 be admitted into the record and those cases be taken under 10 11 advisement. 12 EXAMINER BRANCARD: Thank you. Mr. Lamkin, any 13 questions? 14 Mr. Lamkin, have I lost you? Well, we will 15 take that as a no. 16 Are there any other interested persons in Cases 22073 and 22074? (Note: Pause.) Hearing none, the 17 exhibits in these cases will be admitted into the record 18 and Cases 22073 and 22074 will be taken under advisement. 19 20 Thank you. 21 MR. RODRIGUEZ: Thank you. (Time noted 9:30 a.m.) 22 23 24 25

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1	STATE OF NEW MEXICO).
2	: SS
3	COUNTY OF TAOS)
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5	REPORTER'S CERTIFICATE
6	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday, August 5,
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
22	
23	
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