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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	of CENTEI	NNIAL RESOURCES	Case	No.	22251
PRODUCTION, 1	LLC, for	Compulsory	Case	No.	22265
Pooling, Lea	County,	New Mexico	Case	No.	22266

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, NOVEMBER 4, 2021

STATUS CONFERENCE

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, Dean McClure Technical Examiner, on Thursday, November 4, 2021, via 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 1 APPEARANCES 2 FOR CENTENNIAL RESOURCES: Kaitlyn A. Luck, Esq. Holland & Hart 3 110 North Guadalupe, Suite 1 Santa Fe, New Mexico 87501 4 (505) 988-4421 kaluck@hollandhart.com 5 6 FOR V-F PETROLEUM: Dana S. Hardy, Esq. Hinkle Shanor, LLP 7 P.O. Box 2068 Santa Fe, NM 87504-2068 8 (505) 982-4544 dhardy@hinklelawfirm.com 9 CONTENTS 10 11 CASE NOS. 22251, 22265, 22266 PAGE 3 12 CASE CALLED: 13 SET FOR CONTESTED HEARING ON 1-20-2022 5 14 15 16 17 18 19 20 21 22 23 24 25

Page 3 1 (Time noted 8:18 a.m.) 2 EXAMINER BRANCARD: I'm now going to call Case 3 1, 2 and 3. These would be Cases 22251, 22265, 22266, 4 Centennial Resources. 5 MS. LUCK: Good morning, Mr. Examiner. Kaitlyn Luck with the Santa Fe office of Holland & Hart on behalf б 7 of Centennial Resources. EXAMINER BRANCARD: Thank you. We have an entry 8 by V-F Petroleum? 9 MS. HARDY: Yes. Good morning, Mr. Examiner. 10 Dana Hardy with the Santa Fe office of Hinkle Shanor on 11 behalf of V-F Petroleum. 12 EXAMINER BRANCARD: Any other interested persons 13 for cases 22251, -65, and -66? 14 15 Hearing none, Ms. Luck did you ask for this 16 status conference? 17 MS. LUCK: Yeah. It's our understanding that V-F Petroleum was opposed to these cases proceeding by 18 affidavit at the hearing today, so Centennial was just 19 wanting to get these set for a contested hearing as soon 20 21 as possible. If December 16th is available that would be 22 Centennial's preference, but if there is other dates the Division has available, I can circle back with Centennial 23 24 about a contested hearing. 25 EXAMINER BRANCARD: Just fair warning:

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102 Contested cases are going to have to be scheduled into the
new year from today.

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3 So Ms. Hardy, V-F Petroleum's position? 4 MS. HARDY: Yes, Mr. Examiner. V-F is still evaluating whether it may file competing applications, 5 because that depends on some outstanding issues for them. б 7 So it's possible that V-F's concerns could be resolved and in this case could be set for a status conference on 8 December 16th, but V-F is also amenable to setting a 9 contested hearing date in January if that is Centennial's 10 11 preference. 12 EXAMINER BRANCARD: All right. I will throw out 13 a contested hearing date of January 6th. 14 Do you need to check with your clients, Ms. 15 Luck? 16 MS. LUCK: I think that we should go ahead and 17 set it for that date since that's the soonest possible, and then if it's not available or if they are not 18 19 available I can let you know. But for now I would prefer it to be set then. 20 21 MS. HARDY: Mr. Examiner, I have a conflict that 22 date and would prefer the January 20th docket, if that is possible. It's something I have had scheduled that I 23 24 really can't change, unfortunately. 25 EXAMINER BRANCARD: Ms. Salvidrez, is January

Page 5 1 20th already booked up? 2 MR. SALVIDREZ: It is, but if you want to 3 squeeze in two more cases... 4 EXAMINER BRANCARD: All right. Why don't we squeeze. January 20th it is. 5 And again, when parties file contested б 7 cases to a pre-existing -- file new cases that could appear in a pre-existing contested hearing, as V-F may 8 here, you need to again file a piece of paper with us 9 indicating you want the Prehearing Order changed to 10 include these cases. Okay? 11 12 MS. HARDY: Yes. Thank you. 13 EXAMINER BRANCARD: That would be helpful to us. 14 MS. HARDY: We will do that if we file competing 15 cases. Thank you. 16 EXAMINER BRANCARD: Thank you. 17 All right. So any other interested persons in Cases 22251, -65, -66? (Note: Pause.) 18 19 Hearing none, they will be set for a contested hearing on January 20th, and I will issue a 20 21 Prehearing Order. 22 MS. LUCK: Thank you. MS. HARDY: Thank you. 23 24 (Time noted 8:23 a.m) 25

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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,
8	November 4, 2021, the proceedings in the above-captioned
9	matter were taken before me; that I did report in
10	stenographic shorthand the proceedings set forth herein,
11	and the foregoing pages are a true and correct
12	transcription to 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	
19	/s/Mary Macfarlane
20	MARY THERESE MACFARLANE, CCR
21	NM Certified Court Reporter No. 122 License Expires: 12/31/2021
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