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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: 22226 - 22229

APPLICATION OF LEGACY RESERVES OPERATING LP FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

DECEMBER 2, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINERS DEAN McCLURE and DYLAN ROSE-COSS on Thursday, December 2, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

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- 1 HEARING EXAMINER BRANCARD: With that, I will
- 2 call cases on our docket 18 through 21, Case Numbers 22226,
- 3 27, 28, 29, Legacy Reserves.
- 4 MR. RITTENHOUSE: Thank you, Mr. Examiner. This
- 5 is Joby Rittenhouse from Beatty and Wozniak appearing on
- 6 behalf of the applicant, Legacy Reserves.
- 7 HEARING EXAMINER BRANCARD: We have an entry from
- 8 COG Operating.
- 9 MS. MUNDS-DRY: Good morning, Mr. Examiner, Ocean
- 10 Munds-Dry with COG Operating LLC.
- 11 HEARING EXAMINER BRANCARD: Jalapeno Corporation?
- 12 (No audible response.)
- 13 HEARING EXAMINER BRANCARD: MRC Permian?
- MR. RANKIN: Good morning, Mr. Examiner, Adam
- 15 Rankin with the office of Holland & Hart appearing on behalf
- 16 of MRC in this cases -- all these cases.
- 17 HEARING EXAMINER BRANCARD: Are there any other
- 18 interested persons in Cases 22226, 27, 28, 29?
- 19 (No audible response.)
- 20 HEARING EXAMINER BRANCARD: Hearing none,
- 21 Mr. Rittenhouse, where are we on these cases?
- MR. RITTENHOUSE: Well, I will defer to counsel
- 23 for MRC Permian to lay out I think the intentions of that
- 24 client.
- Nonetheless, I think the long and short of it is

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- 1 we are here to discuss a potential setting and a hearing
- 2 date. I hope that February 17 hearing date is not full, but
- 3 that would be the request of Legacy for a hearing date in
- 4 February.
- 5 HEARING EXAMINER BRANCARD: Mr. Rankin, I have a
- 6 note that Matador is looking at filing competing
- 7 applications?
- 8 MR. RANKIN: Good morning, Mr. Examiner, yes,
- 9 Matador has prepared and will be filing competing
- 10 applications that will match the acreage and spacing units
- 11 that have been -- in the Legacy cases, and we will be filing
- 12 those here shortly, and we will ask that these cases be set
- 13 for a contested hearing.
- 14 And it sounds like if February is full, then
- 15 March could work from our perspective, but we would ask that
- 16 these cases be set for contested hearing under a prehearing
- 17 order, and we will get you the case numbers as soon as they
- 18 are filed and have those numbers available.
- 19 HEARING EXAMINER BRANCARD: Ms. Munds-Dry, any
- 20 comments?
- MS. MUNDS-DRY: No, sir.
- 22 HEARING EXAMINER BRANCARD: Okay. Again,
- 23 Jalapeno Corporation, Gallegos Law Firm here?
- 24 (No audible response.)
- 25 HEARING EXAMINER BRANCARD: Hearing none, why

Page 5 don't we set this for March 3. Again, Mr. Rankin, please let us know when Matador MRC has filed more cases. MR. RANKIN: We will do that. HEARING EXAMINER BRANCARD: Any further comments on Case 22226, 27, 28, 29? MR. RITTENHOUSE: No, sir, none from the applicant. Thank you. HEARING EXAMINER BRANCARD: Hearing none, we will move on then. (Concluded.)

Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 7 Reporter, CCR 253, do hereby certify that I reported the 8 foregoing virtual proceedings in stenographic shorthand and 9 that the foregoing pages are a true and correct transcript 10 of those proceedings to the best of my ability. I FURTHER CERTIFY that I am neither employed by 11 nor related to any of the parties or attorneys in this case 12 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of reasonable quality. 16 Dated this 2nd day of December 2021. 17 18 /s/ Irene Delgado 19 Irene Delgado, NMCCR 253 20 License Expires: 12-31-21 2.1 22 23 2.4 25