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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 LEGACY RESERVES OPERATING, LP for a Horizontal Spacing Unit and Compulsory Pooling, Case No. 22230 Lea County, New Mexico Case No. 22231

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, JANUARY 6, 2022

STATUS CONFERENCE

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiners, John Garcia Technical Examiner, on Thursday, January 6, 2022, via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department

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 LEGACY RESERVES: 3 Jobediah Rittenhouse, Esq. Beatty & Wozniak, PC 4 216 16th Street, Suite 1100 Denver, CO 80202 5 (303)407-4499.jrittenhouse@bwenergylaw.com. б 7 FOR COG OPERATING: Ocean Munds-Dry, Esq. 1048 Paseo de Peralta 8 Santa Fe, NM 87501 Ocean.Munds-Dry@conocophillips.com 9 Beth.Ryan@conocophillips.com. 10 FOR PBEX and E.G.L. Resources: 11 James Bruce, Esq. Post Office Box 1056 12 Santa Fe, NM 87504 (505) 982-2043 13 jamesbruc@aol.com 14 15 CONTENTS 16 CASE NOS. 22230, 22231 PAGE 3 17 CASE CALLED: 18 CONTINUED TO APRIL 21, 2022: 5 19 20 21 22 23 24 25

Page 3 1 (Time noted 8:23 a.m.) EXAMINER BRANCARD: Item 7 and 8 on the 2 3 worksheet today is Cases 22230 and 22231, Legacy Reserves. 4 MR. RITTENHOUSE: Yes, Mr. Brancard. Thank you. This is Joby Rittenhouse of Beatty & Wozniak appearing on 5 6 behalf of applicant Legacy Reserves. 7 EXAMINER BRANCARD: Thank you. We have COG Operating. 8 MS. MUNDS-DRY: Good morning, Mr. Hearing 9 Examiner. Ocean Munds-Dry with COG Operating. 10 11 EXAMINER BRANCARD: Great. Good morning. 12 And I have an entry so PBEX, LLC and E.G.L. 13 RESOURCES. 14 MR. BRUCE: Mr. Examiner, Jim Bruce representing both entities. 15 16 EXAMINER BRANCARD: And I believe there is an 17 objection to this case going forward by affidavit. MR. BRUCE: Yes, Mr. Examiner. I filed an 18 objection. On Monday I filed, or it might have been 19 Tuesday I filed counter applications which are set for 20 21 the -- what is it, February 3rd hearing? EXAMINER BRANCARD: So do you have the numbers? 22 23 MR. BRUCE: I don't have them right in front of 24 me because I haven't gotten through the morass of emails 25 back and forth from the Division on all the filings I did.

Page 4 I will dig them up today and get those to you by email. 1 2 EXAMINER BRANCARD: Oh, I'm sorry. Marlene just 3 clogged your mailbox, huh. 4 MR. BRUCE: Well, it's my fault. 5 EXAMINER BRANCARD: All right. Well, we will try to figure out what those case numbers are. 6 7 Mr. Rittenhouse? I'm sorry. What is the name of the 8 applicant in those cases, Mr. Bruce. 9 MR. BRUCE: The official applicant is PBEX, 10 which is the operator for E.G.L. 11 12 EXAMINER BRANCARD: Okay. 13 Mr. Rittenhouse? 14 MR. RITTENHOUSE: Yes. Mr. Brancard, Mr. Bruce 15 made us aware that he would be filing those competing 16 applications, and so what we would like to do is get these 17 scheduled for a contested hearing date as soon as 18 available. 19 EXAMINER BRANCARD: All right. You would probably like to look at those applications, too. 20 MR. RITTENHOUSE: He did send those over to me 21 22 so I've got copies of those. 23 EXAMINER BRANCARD: Oh, excellent. Thank you. 24 Do you have the numbers? 25 MR. RITTENHOUSE: I do not have the numbers.

Page 5 EXAMINER BRANCARD: And I don't see Ms. 1 2 Munds-Dry raising her hand either, so... Okay. Well, it's looking like April is 3 what's the first available here. So April 20 for a 4 contested hearing. 5 MR. BRUCE: The 20th? 6 7 EXAMINER BRANCARD: Yes. MR. BRUCE: That's fine. 8 9 EXAMINER BRANCARD: I'm sorry. The 21st of 10 April. 11 MR. BRUCE: All right. Thank you. 12 EXAMINER BRANCARD: Any strong objections concerns, otherwise? 13 14 MR. RITTENHOUSE: None from the applicant. Thank you. Appreciate it. 15 16 EXAMINER BRANCARD: Thank you. Any other interested persons for Cases 22230, 22231? 17 18 Hearing none, they will be scheduled for 19 contested hearing on April 21, and I will issue a 20 Prehearing Order. Thank you. 21 (Time noted 8:27 a.m.) 22 23 24 25

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1	STATE OF NEW MEXICO )
2	: ss
3	COUNTY OF TAOS )
4	
5	REPORTER'S CERTIFICATE
6	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday,
8	January 6, 2022, 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	/s/ Mary MacFarlane
19	
20	MARY THERESE MACFARLANE, CCR NM Certified Court Reporter No. 122
21	License Expires: 12/31/2022
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