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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:

APPLICATION OF TITUS OIL & GAS PRODUCTION LLC TO AMEND ORDER NO. R-21611 EDDY COUNTY, NEW MEXICO.

CASE NOS. 22550 & 22551

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS EXAMINER HEARING MARCH 3, 2022 SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINER DEAN McCLURE on Thursday, March 3, 2022, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253 PAUL BACA PROFESSIONAL COURT REPORTERS 500 Fourth Street, NW, Suite 105 Albuquerque, NM 87102 505-843-9241

Page 2 APPEARANCES For Titus: SHARON SHAHEEN MONTGOMERY & ANDREWS 325 Paseo de Peralta Santa Fe, NM 87501 INDEX CASE CALLED 10 SUMMARY OF CASE AND EXHIBITS TAKEN UNDER ADVISEMENT REPORTER CERTIFICATE EXHIBIT INDEX Admitted All Exhibits and Attachments

Page 3 1 HEARING EXAMINER BRANCARD: Let's look at a whole series of Titus amendments and advise us how you want to 2 group these. I have cases -- I will start with Cases Number 3 4 32, 33, Case 22550, 22551, Titus Oil & Gas. 5 MS. SHAHEEN: Thank you, Mr. Examiner. Sharon Shaheen on behalf of Titus Oil & Gas. We did submit 6 7 exhibits, combined exhibits for Case Numbers 22550 and 8 22251. I can briefly run through those exhibits for you. 9 HEARING EXAMINER BRANCARD: Well, first let me 10 bring on some other folks today. We have COG Operating LLC. MS. RYAN: Good morning, Beth Ryan on behalf of 11 12 COG Operating LLC. 13 HEARING EXAMINER BRANCARD: Do you have any 14 objection to this case going ahead by affidavit? 15 MS. RYAN: We don't. HEARING EXAMINER BRANCARD: Are there any other 16 17 interested persons for Cases 22550, 22551. 18 (No audible response.) 19 HEARING EXAMINER BRANCARD: Okay. I'm holding my tie out because we are going to discuss it, Ms. Shaheen. 20 21 MS. SHAHEEN: I have been admiring your tie every hearing, but no one ever comments, so I refrain from 22 commenting myself. Do you want to talk about your tie 23 24 first, or --25 HEARING EXAMINER BRANCARD: As you can see, it's

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Page 4 sort of a patriotic tie here with Loony Tunes characters and 1 2 red, white and blue. And I try to have things that relate 3 to holidays. Last time I had a Pepe Le Pew Valentine's Day 4 tie that nobody said anything about, I was really 5 disappointed. 6 But, you know, it was, last week, President's 7 day. We don't really celebrate that, but it's a legal 8 holiday in New Mexico, which means, for you all who were 9 doing notice by publication, that's not a business day and 10 doesn't count as one. So we will get to that discuss that in some of 11 12 these cases going forward. But with that, Ms. Shaheen, 13 please proceed. 14 MS. SHAHEEN: Thank you. In Case Number 22550, 15 we request amendment of Order Number 21611 for the Chicken Noodle 301H Well that was previously force pooled in Case 16 Number 21615. Case Number 22551, we request amendment of 17 Order 21612 for the Chicken Noodle 401H Well and Chicken 18 Noodle 402H Well. All of these wells are in the same 19 spacing unit, the W/2 of Section 2 and the NW/4 of Section 20 11, Township 26 South, Range 25 East in Eddy County, New 21 22 Mexico. We have submitted our exhibits which include the 23 24 landman exhibit of Mr. Reeve Brunett. He previously 25 testified before the Division and had his testimony accepted

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102 1 as a matter of record.

2	These the deadline to, to drill for these
3	
3	wells was February 23, 2023. We did file our
4	application sorry, the deadline was February 23, 2022,
5	and we did file our applications prior to that time, and in
6	these applications we are seeking an amendment allowing
7	Titus to an amendment extending the time to commence
8	drilling to be no later than February 23, 2023.
9	We have attached the application. We have
10	attached the previous orders, and we have attached the
11	notice letter that went out to everyone by certified mail.
12	Also attached is my affidavit of notice
13	indicating that certified mail went out to everyone with an
14	interest in these wells. And I believe in this case
15	everyone actually received the certified mailing. We did
16	publish in an abundance of caution, but in this case since
17	everyone did receive delivery by certified mail, I don't
18	believe we will have an issue with the publication in this
19	instance.
20	With that, I would ask the Division to accept the
21	exhibits into the record and take this case under advisement
22	and extend the time for drilling these wells to February 23
23	of 2023, and I am happy to answer any questions.
24	HEARING EXAMINER BRANCARD: Ms. Ryan, any
25	questions?

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1	MS. RYAN: No, and no objection.
2	HEARING EXAMINER BRANCARD: Mr. McClure?
3	TECHNICAL EXAMINER McCLURE: No questions on
4	these two cases.
5	HEARING EXAMINER BRANCARD: Thank you. And Ms.
6	Shaheen, I'll agree with you it appears there was personal
7	service on each of the interest owners that you are seeking
8	to pool, so I think you have met the notice requirements in
9	this case.
10	MS. SHAHEEN: Thank you.
11	HEARING EXAMINER BRANCARD: Are there any other
12	interested persons for Cases 22550 and 22551?
13	(No audible response.)
14	HEARING EXAMINER BRANCARD: Hearing none, Case
15	22550, 22551 will be taken under advisement and the exhibits
16	will be admitted into the record.
17	MS. SHAHEEN: Thank you.
18	(Exhibits admitted.)
19	(Taken under advisement.)
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1	STATE OF NEW MEXICO
2	COUNTY OF BERNALILLO
3	
4	REPORTER'S CERTIFICATE
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6	I, IRENE DELGADO, New Mexico Certified Court
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.
11	I FURTHER CERTIFY that I am neither employed by
12	nor related to any of the parties or attorneys in this case
13	and that I have no interest in the final disposition of this
14	case.
15	I FURTHER CERTIFY that the Virtual Proceeding was
16	of extremely poor to good quality.
17	Dated this 3rd day of March 2022.
18	/s/ Irene Delgado
19	Irene Delgado, NMCCR 253
20	License Expires: 12-31-22
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