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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 Catena Resources Operating, LLC, for compulsory pooling, Lea County, New Mexico

Case No. 22631

TRANSCRIPT OF PROCEEDINGS

May 5, 2022

EXAMINER HEARING

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq., Hearing Examiner, Dean McClure, Technical Examiner, on May 5th, 2022 via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department

REPORTED BY: SHANON R. MYERS, CCR, RPR, CRR, RMR, CRC CCR No. 275 PAUL BACA COURT REPORTERS 500 Fourth Street, NW, Suite 105 Albuquerque, NM 87102 (505) 843-9241

Page 2 1 A P P E A R A N C E S 2 For Catena Resources Operating, LLC: 3 HINKLE SHANOR, LLP P.O. Box 2068 4 Santa Fe, NM 87504-2068 (505) 982-4554 5 jmclean@hinklelawfirm.com б BY: JACLYN McLEAN 7 For COG Operating, LLC: 8 CONOCO PHILLIPS 600 W Illinois Avenue 9 Midland, TX 79701-4882 (432) 685-4391 10 beth.ryan@conocophillips.com 11 BY: ELIZABETH A. RYAN 12 13 INDEX 14 Case called 3:1 Summary of case and exhibits 3:15 15 Taken under advisement 5:6 16 Court Reporter's Certificate 6:1 17 18 19 20 21 22 23 24 25

Page 3 1 (Time noted as 9:18 a.m.) 2 EXAMINER BRANCARD: With that, I call Case 22631, 3 Catena Resources Operating. MS. McLEAN: That is me as well, Mr. Examiner, 4 Jackie McLean, of Hinkle Shanor, on behalf of Catena 5 6 Resources. EXAMINER BRANCARD: Thank you. COG Operating? 7 8 MS. RYAN: Yes, Beth Ryan again for COG Operating. 9 EXAMINER BRANCARD: Ms. Ryan, do you have any 10 objection to this case going forward by affidavit? MS. RYAN: No, sir. 11 12 EXAMINER BRANCARD: Thank you. Any other interested persons in Case 22631? Hearing none, please 13 14 proceed, Ms. McLean. 15 MS. McLEAN: Thank you. In Case Number 22631, we seek to pool all uncommitted interests in Wolfcamp formation 16 17 underlying a 320-acre standard horizontal spacing unit comprised of the E/2 W/2 of Sections 5 and 8, Township 19 18 South, Range 35 East, in Lea County, New Mexico. 19 The spacing unit will be dedicated to the Rocky E2W2 05 08 W1 1H 20 well, which will be horizontally drilled from a surface 21 location in SE/4 SW/4 Unit N of Section 32, to a bottom hole 22 location in the SE/4 SW/4 of Unit N of Section 8. 23 24 And the exhibit packets that were submitted to the 25 Division contain Exhibit A, which is the land professional's

testimony and related land exhibits, which include the plot 1 2 of tracts, ownership interest, pooled parties, a well proposal letter, and a summary of communications. 3 4 Exhibit B, which is a self-affirmed statement of the 5 geologist Catherine Henry, and Ms. Henry was just admitted 6 previously to testify before the OCD, but, you know, we 7 didn't know which order these cases were going to be taken, 8 so we've also included her resume as Exhibit B1 in this packet, and we've also included a location map, structure 9 10 map, gun barrel schematic and a cross-section of the intervals and interest, and then geology exhibits. Then 11 12 finally, Exhibit C is a notice affidavit, which sets out 13 when the notice letter of this hearing and application were 14 sent to COG, and we went a little overboard and also 15 published in the Carlsbad paper on March 13th, and a copy of the affidavit of publication is attached as Exhibit C3. 16 17 And with that, I'd ask that Exhibits A, B and C be admitted into the record in Case Number 22631, and that Case 18 Number 22631 be taken under advisement. 19 20 EXAMINER BRANCARD: Thank you. Ms. Ryan, any questions? 21 22 MS. RYAN: No, sir. Thank you. 23 EXAMINER BRANCARD: All right. 24 Mr. McClure? 25 TECHNICAL EXAMINER McCLURE: And, Mr. Brancard, I

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Page 5 have no questions here either. 1 2 EXAMINER BRANCARD: Thank you. All right. So, Ms. McLean, it looks like COG is the only party to be pooled 3 in this case? 4 5 MS. McLEAN: That's correct. б EXAMINER BRANCARD: Thank you. All right. I have 7 no further questions. Are there any other interested 8 persons, then, for Case 22631? Hearing none, the exhibits 9 will be admitted into the record and Case 22631 will be taken under advisement. 10 11 MS. McLEAN: Thank you, Mr. Examiner. 12 (Proceedings concluded at 9:22 a.m.) 13 14 15 16 17 18 19 20 21 22 23 24 25

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1	STATE OF NEW MEXICO
2	COUNTY OF BERNALILLO
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б	REPORTER'S CERTIFICATE
7	I, SHANON R. MYERS, New Mexico Certified Court
8	Reporter, CCR $\#275$, do hereby certify that I reported the
9	foregoing virtual proceedings in stenographic shorthand and
10	that the foregoing pages are a true and correct transcript
11	of those proceedings to the best of my ability.
12	I FURTHER CERTIFY that I am neither employed by
13	nor related to any of the parties or attorneys in this case
14	and that I have no interest in the final disposition of this
15	case.
16	I FURTHER CERTIFY that the virtual proceeding was
17	of extremely poor to good quality.
18	Dated this 2nd day of June 2022.
19	
20	/s/ Shanon R. Myers
21	SHANON R. MYERS, CCR, RPR, CRR, RMR, CRC
22	License Expires: 12/31/22
23	
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