

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: 22827-22831, 22834

APPLICATION COLGATE OPERATING, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
JULY 7, 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, July 7, 2022, through the Webex Platform.

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

A P P E A R A N C E S

DANA HARDY  
HINKLE SHANOR LLP  
P.O. Box 0268  
Santa Fe, NM 87504  
505-982-4554

JOBY RITTENHOUSE  
ConocoPhillips Company  
600 W Illinois Ave  
Midland, TX 79701-4882

I N D E X

CASE CALLED

TAKEN UNDER ADVISEMENT 07

REPORTER CERTIFICATE 08

E X H I B I T I N D E X

Admitted

Exhibits and Attachments 07

1                   HEARING EXAMINER BRANCARD: With that I believe  
2     you have five or six cases together. Is that correct, Miss  
3     Hardy, Cases 22827, 22828, 829, 830, 831 and then skipping  
4     to 22834.

5                   MS. HARDY: That's correct, Mr. Examiner.

6                   HEARING EXAMINER BRANCARD: So Colgate Operating.

7                   MS. HARDY: Yes, Dana Hardy on behalf of Colgate.

8                   HEARING EXAMINER BRANCARD: All right. COG?

9                   MR. RITTENHOUSE: Yes, Mr. Examiner, this is Joby  
10    Rittenhouse (dropped audio).

11                  HEARING EXAMINER BRANCARD: We lost you again  
12    there.

13                  MR. RITTENHOUSE: At the beginning or the end?

14                  HEARING EXAMINER BRANCARD: We lost you at  
15    Rittenhouse.

16                  MR. RITTENHOUSE: This is Joby Rittenhouse  
17    appearing on behalf of COG. Thank you.

18                  HEARING EXAMINER BRANCARD: All right. With  
19    that, Mr. Rittenhouse, do you any objection to these cases  
20    going forward by affidavit?

21                  MR. RITTENHOUSE: No, sir, I do not.

22                  HEARING EXAMINER BRANCARD: Any other interested  
23    persons in Case 22827, 828, 829, 839, 831 and 834?

24                         (No audible response.)

25                  HEARING EXAMINER BRANCARD: Hearing none, please

1 proceed, Ms. Hardy.

2 MS. HARDY: Thank you. In these cases Colgate  
3 seeks to pool uncommitted interests within Bone Spring  
4 formation in Sections 3 and 4, Township 20 South, Range 28  
5 East in Eddy County. And there is an ownership depth  
6 severance between the First and Second Bone Spring in the  
7 S/2 spacing unit.

8 In Case 22827 Colgate seeks to pool interest  
9 within the Bone Spring formation underlying a 320 acre  
10 standard horizontal spacing unit, comprised of the S/2 of  
11 the N/2 of Sections 3 and 4. That unit will be dedicated to  
12 the Dundee 4 Fed Com 112H, 122H and 132H wells.

13 In Case 22828, Colgate seeks to pool uncommitted  
14 interest in the First Bone Spring underlying a 320 acre  
15 standard horizontal unit, comprised of the S/2 of the S/2 of  
16 Sections 3 and 4. That unit will be dedicated to the Dundee  
17 4 Fed Com 114H well.

18 In Case 22829, Colgate seeks to pool uncommitted  
19 interest in the Second and Third Bone Spring in a 320 acre  
20 standard unit comprised of the S/2 of the S/2 of Section 3  
21 and 4. That unit will be dedicated to the Dundee 4 Fed Com  
22 124H and 134H well.

23 In Case 22830 Colgate seeks to pool uncommitted  
24 interest in the Second and Third Bone Spring underlying a  
25 320 acre standard unit comprised of the N/2 of the S/2 of

1 Section 3 and 4. That unit will be dedicated to the Dundee  
2 4 Fed Com 123H and 133H wells.

3 In Case 22831 Colgate seeks to pool interest in  
4 the Bone Spring underlying a 360 acre standard horizontal  
5 spacing unit, comprised of Lots 1, 2, 3 and 4 of Section 3  
6 and 4, so the N/2 N/2 equivalent. That unit will be  
7 dedicated to the Dundee 4 Fed Com 121H and 131H wells.

8 And last, but not least, in Case 22834, Colgate  
9 seeks to pool uncommitted interest in the First Bone Spring  
10 underlying a 320 acre standard horizontal unit, comprised of  
11 the N/2 of the S/2 of Sections 3 and 4, and that unit will  
12 be dedicated to the Dundee 4 Fed Com 113H well.

13 The exhibit packets submitted to the Division in  
14 these cases include Exhibit A, which is our landman's  
15 affidavit and related exhibits. He provides the standard  
16 land exhibits, and tract information and pooled parties are  
17 identified in Exhibit A-3. And Exhibit A-5 is a contact  
18 chronology that sets out the landman's efforts to reach the  
19 parties including those parties who are unlocatable.

20 Exhibit B is our geology testimony, which  
21 includes the standard geology map, a regional location map,  
22 First, Second and Third Bone Spring structure map, cross  
23 section map, structural and stratigraphic cross section, and  
24 a gun barrel development plan.

25 Exhibit C is my notice affidavit that sets out

1 the dates when we provided notice. We included a chart that  
2 identifies the date on which notice was sent and the parties  
3 to whom it was sent. We provided certified mail receipts,  
4 and we timely publish notice.

5 With that, unless there are questions, I ask that  
6 the Exhibits A, B and C and their attachments be admitted  
7 into the record and that the cases be taken under  
8 advisement. Thank you.

9 HEARING EXAMINER BRANCARD: Thank you. Mr.  
10 Rittenhouse, any questions?

11 MR. RITTENHOUSE: None from COG, thank you.

12 HEARING EXAMINER BRANCARD: Thank you. Mr.  
13 McClure?

14 TECHNICAL EXAMINER McCLURE: No, Mr. Brancard, I  
15 do not think I have any questions for any of these cases.  
16 Thank you.

17 HEARING EXAMINER BRANCARD: So you may have said  
18 this, Ms. Hardy, but as I understand this, the depth  
19 severance is only in the S/2 of the section?

20 MS. HARDY: Correct.

21 HEARING EXAMINER BRANCARD: So, Ms. Hardy, let's  
22 get to the important issue here. Colgate and your law firm  
23 really need to come up with the correct spelling of your  
24 landman's name. Okay? Hajdik with a jd, or Hadjik with a  
25 dj?

1 MS. HARDY: It's Hajdik with a jd.

2 HEARING EXAMINER BRANCARD: It's misspelled all  
3 over your documents, sometimes spelled both ways in the same  
4 document.

5 MS. HARDY: I apologize. We will make sure we  
6 get that correct. There's confusion between the  
7 pronunciation and spelling.

8 HEARING EXAMINER BRANCARD: I think that's  
9 correct, but I did note going through, having to draft an  
10 order that at a hearing he spelled it, and so I believe he  
11 spelled it with a jd.

12 MS. HARDY: He did, that's correct.

13 HEARING EXAMINER BRANCARD: Are there any other  
14 comments then on Cases 22827, 828, 829, 830, 831, 834?

15 (No audible response.)

16 HEARING EXAMINER BRANCARD: Hearing none, the  
17 exhibits will be admitted into the record and these cases  
18 will be taken under advisement.

19 MS. HARDY: Thank you.

20 (Exhibits admitted.)

21 (Taken under advisement.)

22

23

24

25

1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

5

6 I do hereby certify that I reported the  
7 foregoing virtual proceedings in stenographic shorthand and  
8 that the foregoing pages are a true and correct transcript  
9 of those proceedings to the best of my ability.

10 I FURTHER CERTIFY that I am neither employed by  
11 nor related to any of the parties or attorneys in this case  
12 and that I have no interest in the final disposition of this  
13 case.

14 I FURTHER CERTIFY that the Virtual Proceeding was  
15 of poor to good quality.

16 Dated this 7th day of July 2022.

17

/s/ Irene Delgado

18

\_\_\_\_\_  
Court Reporter  
License Expires: 12-31-22

19

20

21

22

23

24

25