

STATE OF NEW MEXICO

ENERGY, MINERAL, 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. 21376

APPLICATION OF WPX ENERGY PERMIAN, LLC,
TO RESCIND DIVISION APPROVAL OF
APPLICATIONS FOR PERMITS TO DRILL FILED
BY TAP ROCK RESOURCES, LLC,
EDDY COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, AUGUST 20, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the
New Mexico Oil Conservation Division, FELICIA ORTH Hearing
Examiner, and Technical Examiners SCOTT COX and DEAN
McCLURE on Thursday, August 20, 2020, via Webex Video
Conferencing.

REPORTED BY: Mary Therese Macfarlane
New Mexico CCR 122
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1 A P P E A R A N C E S .

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15 I N D E X

16 CASE NUMBER 21376 CALLED	PAGE
17 ARGUMENT BY MR. FELDEWERT:	3, 5
18 ARGUMENT BY MR. BRUCE:	4

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

20 (Note: No exhibits marked.)
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1 (Time noted 10:06 a.m.)

2 HEARING EXAMINER ORTH: All right. Then let's
3 move to Case 21376. This is WPX Energy Permian. It's an
4 Application for Rescission. The well name is WTG Federal.

5 Is that you, Mr. Feldewert, from Holland
6 and Hart?

7 MR. FELDEWERT: Yes, Madam Examiner, on behalf
8 of the Applicant here, WPX Energy Permian.

9 HEARING EXAMINER ORTH: All right. And it
10 appears that Tap Rock. Mr. Bruce, you entered an
11 appearance for Tap Rock?

12 MR. BRUCE: Yes, that is correct.

13 HEARING EXAMINER ORTH: Okay. Let me see if
14 there are any other appearances this morning. (Note:
15 Pause.)

16 Hearing none, what are we are doing here
17 this morning, Gentlemen?

18 Mr. Feldewert?

19 MR. FELDEWERT: Madam Examiner, I was worried
20 for a minute that I was going to be your poster child for
21 the Continuance Notice, because I did not see it in the
22 Division's file, but I quickly contacted my secretary and
23 she did file on Tuesday at, according to the receipt,
24 before 4:00 o'clock, a Joint Notice of Continuance of this
25 matter to the September 24th docket. So Mr. Bruce and I

1 had both anticipated that this -- that the argument on
2 this matter would be continued until September 24th,
3 principally because the parties are in discussions.

4 HEARING EXAMINER ORTH: Okay. Do I
5 misunderstand -- not again to be unnaturally picky, but I
6 had thought that the continuance deadline was around 8:00
7 in the morning on Tuesday, not 4:00 in the afternoon.

8 MR. FELDEWERT: Let me see when she filed it.
9 The 18th. She filed it in the afternoon.

10 HEARING EXAMINER ORTH: Right. I think that's
11 the --

12 MR. FELDEWERT: That's the issue.

13 HEARING EXAMINER ORTH: That's the problem, for
14 sure.

15 MR. FELDEWERT: Okay. Well, we got two options.
16 We can -- I mean, I guess we could argue the motion.

17 MR. BRUCE: Madam Chair, yeah, the motions
18 involved, there are a number of federal APEs that were
19 assigned API numbers by the OCD, and I think Mr. Feldman
20 on behalf of WPX wants to rescind the API numbers for the
21 wells.

22 Tap Rock has filed -- the pooling order it
23 originally had on this subject acreage expired, and on
24 behalf of Tap Rock I filed a Pooling Application against
25 WPX which is set for the September 10th docket. Of

1 course, if that's -- the parties are in settlement
2 discussions, and if those do not come to fruition we would
3 have to continue the matter anyway, at least to the 24th.

4 That's what I had told Mr. Feldewert I
5 would do, and so if we could -- I think with
6 Mr. Feldewert's concurrence, if we could, either on
7 September 10th or September 24th, have a status
8 conference, and, who knows, maybe the matters will have
9 settled by then.

10 HEARING EXAMINER ORTH: Okay. So let me just
11 offer that this is a, what, a final warning, I suppose.
12 I've given them the last couple of meetings, but I think
13 this time I'm supposed to mean it.

14 Please get continuances in before 8:00 a.m.
15 on the Tuesday before the Thursday hearing session.
16 Knowing about its relation to your other matter on
17 September 10th, Mr. Feldewert or Mr. Bruce, what do you
18 think is preferable, that you continue it to the 10th or
19 the 24th for a status conference?

20 MR. BRUCE: Mike, I would say the earlier the
21 better. Don't you?

22 MR. FELDEWERT: Yeah, if we could move it to
23 September 10th, that would be fine.

24 HEARING EXAMINER ORTH: For a status conference.

25 MR. FELDEWERT: For a status conference, right.

1 I mean so we're dealing with a case that's
2 been on file, and then just I guess pooling applications
3 are on the docket for September 10th. It would seem to me
4 the most efficient way to proceed would be to consolidate
5 the cases for a status conference on the 10th, if we can
6 do that.

7 HEARING EXAMINER ORTH: All right. If you would
8 please pursue that through the fee portal, and I will hope
9 to have a status conference with you on September 10th,
10 then.

11 MR. BRUCE: Thank you.

12 MR. FELDEWERT: That would be great. Thank you.

13 HEARING EXAMINER ORTH: All right. Thank you.

14 (Time noted 10:12 a.m.)

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1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)

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5 REPORTER'S CERTIFICATE

6 I, Mary Therese Macfarlane, a duly licensed
7 Certified Court Reporter for the State of New Mexico, do
8 hereby certify that on Thursday, August 20, 2020, the
9 proceedings in the above-captioned matter were taken
10 before me; that I did report in stenographic shorthand the
11 proceedings set forth herein, and the foregoing pages are
12 a true and correct transcription to the best of my ability
13 and control.

14 I further certify that I am neither employed by
15 nor related to nor contracted with (unless excepted by the
16 rules) any of the parties or attorneys in this case, and
17 that I have no interest whatsoever in the final
18 disposition of this case in any court.

19 /s/ Mary Macfarlane
20 _____

21 Mary Therese Macfarlane, CCR
22 NM Certified court Reporter No. 122
License Expires: 12/31/2020
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