

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: 21738, 21739

APPLICATION OF MATADOR PRODUCTION COMPANY  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
APRIL 22, 2021  
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 DYLAN ROSE COSS on  
Thursday, April 22, 2021, 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

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A P P E A R A N C E S

For the Applicant:

KAITLYN LUCK  
HOLLAND & HART  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501  
505-954-7286

I N D E X

CASE CALLED

SUMMARY OF CASE AND EXHIBITS 03

TAKEN UNDER ADVISEMENT 07

REPORTER CERTIFICATE 08

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

Admitted

Exhibits and Attachments 06

1 HEARING EXAMINER BRANCARD: With that, we move  
2 ahead to Number 36 and 37 on the agenda. This is also  
3 Matador, but I believe this is Holland & Hart, Case Number  
4 21738, 21739. Do we have an entry for Matador in these  
5 cases?

6 MS. LUCK: (Inaudible.)

7 HEARING EXAMINER BRANCARD: Ms. Luck, I believe  
8 you are muted.

9 MS. LUCK: (Inaudible.)

10 HEARING EXAMINER BRANCARD: More technology  
11 problems.

12 MR. RANKIN: Mr. Examiner, this is Adam Rankin.  
13 There is some issue with Kaitlyn's audio, so she is going to  
14 come over and use my computer.

15 HEARING EXAMINER BRANCARD: Okay. Glad you are  
16 able to help each other out in this time. I'm sitting here  
17 alone in Porter Hall.

18 MR. RANKIN: Do you want me to pull up --

19 MS. LUCK: Good morning. Kaitlyn Luck with the  
20 Santa Fe office of Holland & Hart on behalf of applicant in  
21 this case -- in these two cases -- excuse me -- Matador  
22 Production Company.

23 HEARING EXAMINER BRANCARD: Thank you. So first  
24 let me ask if there are any other appearances in Cases 21738  
25 and 21739.

1 (No audible response.)

2 HEARING EXAMINER BRANCARD: Hearing none, Ms.  
3 Luck, you may proceed.

4 MS. LUCK: Thank you. In these two cases Matador  
5 understood there would be no opposition, and so Matador  
6 filed its exhibits on Tuesday with the Division for both of  
7 these cases.

8 In both of these cases we filed a consolidated  
9 packet of exhibits starting with Exhibit A, which is a copy  
10 of the checklist for both cases, followed by Exhibit B which  
11 are the applications for both cases, and then next would be  
12 Exhibit C, which is the affidavit of Cade LaBolt. He is  
13 Matador's landman in these two cases. He has not previously  
14 testified before the Division, but his affidavit explains  
15 that he graduated from Texas Tech in 2018 with a bachelor's  
16 degree in energy commerce, and he has been working as a  
17 landman in New Mexico, among other areas, since that time,  
18 and Matador seeks to have his credentials accepted as an  
19 expert in petroleum land matters.

20 His affidavit goes on to explain he is familiar  
21 with these applications and that Matador is seeking orders  
22 pooling all uncommitted interests in the Bone Spring  
23 formation in two standard horizontal spacing units, both of  
24 them are located in Sections 29 and 30 in Township 20 South,  
25 Range 29 East in Eddy County, New Mexico.

1           In the first case 21738 Matador is seeking to  
2 create a standard 317.32 acre standard spacing unit  
3 comprised of the the N/2 of the S/2 of Sections 29 and 30.  
4 This spacing unit will be dedicated to the Leatherneck 3029  
5 Fed Com 127H well and the 137H well.

6           In Case 21739, Matador is seeking to create a  
7 standard 317.82 acre spacing unit in the S/2 of the S/2 of  
8 Sections 29 and 30, and the spacing unit will be dedicated  
9 to the Leatherneck 3029 Fed Com 128H and 138H wells. And  
10 the C-102s for all four of these initial wells are provided  
11 with the landman's statement as Exhibit C-1. He also  
12 provides a break out of the tracts and ownership interests  
13 in both of these spacing units as Exhibits C-2, C-3 and C-4.

14           With his exhibit he also -- with his affidavit he  
15 also provides Exhibit C-5 which is a copy of the well  
16 proposal letters as well as a chronology of his contacts  
17 with the uncommitted interest owners that Matador seeks to  
18 pool in these two cases.

19           Next in the exhibit packet is the geology  
20 affidavit of James Andrew Juett, and he provides the  
21 supporting geology exhibit as required by the Division for  
22 both cases, which includes a locator map, a structure map, a  
23 cross section map and a cross section for the Bone Spring  
24 formation underlying both of these spacing units.

25           Finally Matador provided notice of this hearing

1 as required by the Division rules, both by mail and also by  
2 publication in the county where the wells are located, and  
3 those are exhibits are provided as Matador Exhibit E and F  
4 which reflect that notice has been received for this hearing  
5 for both cases.

6 So with that I would move the admission of  
7 Exhibit A through F and request that both of these cases be  
8 taken under advisement.

9 HEARING EXAMINER BRANCARD: Thank you. Mr. Rose  
10 Coss, any questions, concerns on these two matters?

11 TECHNICAL EXAMINER COSS: No, thank you,  
12 Mr. Brancard, and thank you, Ms. Luck, the compulsory  
13 pooling application checklist is very thorough and complete,  
14 besides neatness, but it's also correct. But other than  
15 that, I don't have any questions with that comment.

16 MS. LUCK: Thank you.

17 HEARING EXAMINER BRANCARD: Are there any other  
18 comments from any other parties on these two matters, 21738,  
19 21739?

20 (No audible response.)

21 HEARING EXAMINER BRANCARD: Hearing none, the  
22 exhibits will be admitted and these two cases will be taken  
23 under advisement. Thank you.

24 MS. LUCK: Thank you.

25 (Exhibits admitted.)

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(Taken under advisement.)

1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

5 I, IRENE DELGADO, New Mexico Certified Court  
6 Reporter, CCR 253, 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 22nd day of April 2021.

17

/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-21

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