

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: 21879

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY LP FOR COMPULSORY POOLING,
NON-STANDARD SPACING AND PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
MAY 6, 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 LEONARD LOWE on
Thursday, MAY 6, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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Albuquerque, NM 87102
505-843-9241

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A P P E A R A N C E S

For the Applicant:
PADILLA LAW FIRM
ERNEST PADILLA
1512 S. St. Francis Drive
Santa Fe, NM 87505

I N D E X

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|------------------------------|----|
| CASE CALLED | |
| SUMMARY OF CASE AND EXHIBITS | |
| TAKEN UNDER ADVISEMENT | 05 |
| REPORTER CERTIFICATE | 06 |

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

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|--------------------------|----------|
| | Admitted |
| Exhibits and Attachments | 05 |

1 HEARING EXAMINER BRANCARD: Next item is Number
2 30, Case Number 21879, Devon Energy.

3 MR. PADILLA: Mr. Examiner, Ernest L. Padilla for
4 Devon Energy Production Company LP.

5 HEARING EXAMINER BRANCARD: Thank you. Are there
6 any other appearances in Case 21879?

7 (No audible response.)

8 HEARING EXAMINER BRANCARD: Hearing none, Mr.
9 Padilla, you may proceed.

10 MR. PADILLA: Mr. Examiner, we submitted an
11 exhibit packet that includes a copy of the application,
12 Exhibit A, the affidavit of Katie Adams, landman; Exhibit B,
13 affidavit of Miranda Childress, geologist; Exhibit C is my
14 affidavit of service, and finally, a compulsory pooling
15 checklist.

16 As explained in the e-mail, Devon seeks to drill
17 four wells called the Magic Cat wells in the E/2 of Sections
18 19 and 30, Township 23 South, Range 32 East in Lea County.

19 I won't go through the whole exhibit packet item
20 by item, but I think the ownership breakdown at Pages 34 and
21 36 are -- are pertinent in the case. And that's 34 and 36
22 or through 36 of the affidavit, and also 34 shows the
23 tract -- the various tracts.

24 Page 35 shows the working interest owners by
25 tract and the ownership there. On Page 36 (unclear) Limited

1 Partnership is the only interested party that Devon seeks to
2 pool. Also Oxy Y-1 has a small interest in there as well.
3 And Page 36 also shows the list of the overriding royalty
4 interest in these proposed spacing units.

5 Exhibit C, which is my affidavit, shows that
6 everyone received -- we got a green card from everyone, so
7 it was not necessary for us to publish in Lea County.

8 Exhibit B has a number of geological exhibits
9 that Ms. Childress provided. She concludes at Paragraph 12
10 of Exhibit B that each tract is going to contribute to the
11 well more or less equally.

12 So that's pretty much what the conclusion is in
13 terms of pooling in this case. With that, we would offer
14 Exhibits A, B, C, and of course the compulsory pooling
15 checklist which is the last item in the packet.

16 Unless you have any questions, we tender these
17 exhibits into evidence. Thank you.

18 HEARING EXAMINER BRANCARD: Okay. Mr. Lowe, any
19 questions?

20 TECHNICAL EXAMINER LOWE: I'm looking -- there
21 it is, okay, I got it. No, I have no questions, thank you.

22 HEARING EXAMINER BRANCARD: Thank you. Once
23 again, are there any other persons here for Case 21879?

24 (No audible response.)

25 HEARING EXAMINER BRANCARD: Hearing no interest,

1 the exhibits in this case are admitted into the record and
2 case 21879 is taken under advisement.

3 MR. PADILLA: Thank you, Mr. Examiner.

4 (Exhibits admitted.)

5 (Taken under advisement.)

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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 6th day of May 2021.

17

/s/ Irene Delgado

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

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