

STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

Applications of Marathon Oil	Case Nos. 20132
Permian, Llc for Compulsory Pooling	20132
Lea County, New Mexico	20134

Applications of OXY USA for	Case Nos. 20630
Compulsory Pooling	20631
Lea County, New Mexico	20632
	20633

REPORTER'S TRANSCRIPT OF PROCEEDINGS

STATUS CONFERENCE

THURSDAY, SEPTEMBER 23, 2021

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, Leonard Lowe, Technical Examiner, on September 23,, 2021, via Webex Virtual Conferencing Platform hosted by New Mexico Department of Energy, Minerals and Natural Resources

Reported by: Mary Therese Macfarlane  
New Mexico CCR #122  
PAUL BACA COURT REPORTERS  
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A P P E A R A N C E S

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FOR MARATHON PERMIAN, LLC

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C O N T E N T S

CASE NOS. 22132, 22133, 22134, 20630, 20631, 20632, 20633	PAGE
CASES CALLED:	3
CONTINUED FOR STATUS CONFERENCE TO JANUARY 20, 2022:	6

1 (Time noted 8:22 a.m.)

2 EXAMINER BRANCARD: We are going to start with  
3 cases, the first ten cases are status conferences. And  
4 I'm going to call the first seven cases, some oldies. And  
5 that's case 20132, 20133, -134, 20630, 20631, 20632,  
6 20633.

7 So let's start with Marathon Oil Permian, LLC.  
8 Who is here today?

9 MS. BENNETT: Good morning, Mr. Examiner. This  
10 is Deana Bennett on behalf of Marathon Oil Permian, LLC.

11 EXAMINER BRANCARD: OXY USA.

12 MS. LUCK: Good morning. Kaitlyn Luck for OXY  
13 USA.

14 EXAMINER BRANCARD: I think we have an entry  
15 from EOG Resources.

16 Calling Beatty & Wozniak.

17 MR. RITTENHOUSE: Mr. Brancard, this is Joby  
18 Rittenhouse on behalf of Beatty & Wozniak. We have  
19 entered appearances in the Party Trap OXY Pooling.

20 EXAMINER BRANCARD: Thank you.

21 Are there any other entries of appearances  
22 on these seven cases, that's 21132, 21133, -134, 20630,  
23 20631, 20632, 20633?

24 Hearing none, let me thank you for the  
25 status report. That's helpful for these cases that have

1     been around for a while.

2                     We are coming up on a three-year  
3     anniversary of your filing, Ms. Bennett, so what are the  
4     prognoses for the future here?

5                     MS. BENNETT: Thank you, Mr. Examiner. As we  
6     mentioned in the status report the parties are continuing  
7     to negotiate, and the parties are hopeful that they will  
8     reach resolution without having to go to a contested  
9     hearing.

10                    And we actually asked for the January, 2022  
11    docket to allow the parties time to work through their  
12    trade discussions and hopefully not take up the Division's  
13    time with a hearing like this in another month or two.  
14    And so that's why we've asked for a continuance through  
15    January, 2022.

16                    As you may recall, we did have a status  
17    conference on these cases in July of this year and at that  
18    time we also mentioned the ongoing trade discussions as  
19    well as the sort of I guess I'll call it the backdrop of  
20    what caused these case to be continued so long, which is  
21    Covid 19 and some changes in personnel, as well as the  
22    parties are working on some title curative issues. So all  
23    that has been going on in the background while these cases  
24    have been moving forward or remaining on the docket.

25                    But the parties would like to keep the

1 cases on the docket for the January, 2022 docket with the  
2 hope that the parties will reach resolution by then.

3 EXAMINER BRANCARD: Thank you.

4 Ms. Luck. I assume you're on board.

5 MS. LUCK: That's correct. I don't have really  
6 anything else to add, but OXY is generally in agreement  
7 with Marathon's position that Ms. Bennett represented.

8 EXAMINER BRANCARD: Thank you.

9 Mr. Rittenhouse, anything to add?

10 MR. RITTENHOUSE: No, sir. EOG does not have  
11 anything to add.

12 EXAMINER BRANCARD: One question, Ms. Bennett  
13 and Ms. Luck. The January 20th setting, do you want that  
14 to be set as a hearing or as a status conference?

15 MS. BENNETT: I think a status conference would  
16 be ideal from Marathon's perspective. I will -- obviously  
17 I'm interested in hearing what Ms. Luck has to say about  
18 that.

19 MS. LUCK: I agree. I think a status conference  
20 is sufficient.

21 EXAMINER BRANCARD: All right. There it is. I  
22 will probably issue a Scheduling Order, and I really,  
23 really hope we can get this done by next January, because  
24 then we are approaching three and a half years.

25 MS. BENNETT: Yes. Actually I was thinking

1 about these cases today, and I remember that Ms. Luck and  
2 I had a conversation about these cases when I was in  
3 Oregon in 2019, and I remember sitting at the beach  
4 talking to Ms. Luck about these cases. So they have a  
5 fond place in my heart.

6 EXAMINER BRANCARD: Well, thank you for  
7 mentioning Oregon. My wife and son are there. He's being  
8 dropped off in Eugene for his freshman year right now.

9 MS. BENNETT: Congratulations.

10 EXAMINER BRANCARD: With that, if there's  
11 nothing more on these seven cases? (Note: Pause.)

12 Hearing none, Cases 20132, -133, -134,  
13 20630, -631, -632, -633 are continued to January 20th,  
14 2022 for a status conference. Thank you.

15 MS. LUCK: Thank you.

16 (Note: Time noted 8:26 a.m.)

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1 STATE OF NEW MEXICO )

2 : ss

3 COUNTY OF TAOS )

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REPORTER'S CERTIFICATE

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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CCR No. 122, DO HEREBY CERTIFY that on Thursday,

8

September 23, 2021, the proceedings in the above-captioned

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matter were taken before me; that I did report in

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stenographic shorthand the proceedings set forth herein,

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and the foregoing pages are a true and correct

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transcription to the best of my ability and control.

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I FURTHER CERTIFY that I am neither employed by

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nor related to nor contracted with (unless excepted by the

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rules) any of the parties or attorneys in this case, and

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that I have no interest whatsoever in the final

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disposition of this case in any court.

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/s/ Mary Macfarlane

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MARY THERESE MACFARLANE, CCR

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License Expires: 12/31/2021

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