

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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: 22955, 22956

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
AUGUST 4, 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 JOHN GARCIA on
Thursday, August 4, 2022, through the Webex Platform.

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

For the Applicant:
PAULA VANCE
HOLLAND & HART
110 North Guadalupe, Suite 1
Santa Fe, NM 87501
505-954-7286

I N D E X

SUMMARY OF CASE AND EXHIBITS	03
TAKEN UNDER ADVISEMENT	08
REPORTER CERTIFICATE	09

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

Exhibits and Attachments	Admitted 08
--------------------------	----------------

1 HEARING EXAMINER BRANCARD: All right. Let's
2 see, we can get two more cases in here, cases 46 and 47.
3 These are numbered 22955, 22956, Matador Production Company.

4 MS. VANCE: Good morning, Mr. Hearing Examiner.
5 Very quickly, can I take 30 seconds to correct something
6 that I stated for the Ameredev, case 22949 I apologize for
7 causing any unnecessary heartburn regarding data
8 publication, but it was not sent to, it was actually
9 published on 7-19, the notice of publication in the case.
10 So I apologize, I misspoke on that, and I just wanted to
11 correct that.

12 HEARING EXAMINER BRANCARD: Thank you.

13 MS. VANCE: So moving on, good morning, Mr.
14 Hearing Examiner, Mr. Garcia, Paula Vance with the Santa Fe
15 office of Holland & Hart on behalf of the applicant, Matador
16 Production Company.

17 HEARING EXAMINER BRANCARD: Anyone else here for
18 case 22955 22956?

19 (No audible response.)

20 HEARING EXAMINER BRANCARD: I think we have a
21 call-in user, please unmute themselves.

22 (No audible response.)

23 HEARING EXAMINER BRANCARD: Hearing none, Ms.
24 Vance, you may proceed.

25 MS. VANCE: Thank you, Mr. Hearing Examiner. In

1 case 22955 Matador seeks to pool uncommitted interest within
2 the Wolfcamp formation pool code 33813 underlying a standard
3 320 acre horizontal spacing unit comprised of the W/2 of the
4 E/2 of Sections 29 and 32, Township 24 South, Range 36 East,
5 Lea County, New Mexico. Matador seeks to dedicate the
6 spacing unit to the proposed Uncle Richard State Com 213H
7 well.

8 And then in case 22956 Matador seeks to pool
9 uncommitted interest within the Wolfcamp Formation, pool
10 code 33813, underlying a standard 320 acre horizontal
11 spacing unit comprised of the E/2 E/2 of Sections 29 and 32,
12 Township 24 South, Range 36 East, Lea County, New Mexico.
13 And Matador seeks to dedicate this spacing unit to the
14 proposed Uncle Richard State Com 214H well.

15 In this case we have provided the compulsory
16 pooling checklist as well the affidavit and testimony of
17 landman David Johns, the geologist Blake Herber. Mr. Johns
18 has previously testified before the Division, and his
19 credentials have been accepted as a matter of record.

20 However, Mr. Herber has not previously testified
21 before the Division, therefore, in his affidavit in
22 Paragraph 2 we provided a brief review of his background and
23 his qualifications as a petroleum geologist, including his
24 education, which includes his undergraduate and graduate
25 degree in geology. And his work history which he started

1 work at Matador in 2018 to the present and has primarily
2 worked within the Delaware Basin.

3 Based on his education and work experience as a
4 petroleum geologist, I would tender Mr. Herber as an expert
5 in petroleum geology and ask his credentials be accepted as
6 a matter of record before the Division.

7 HEARING EXAMINER BRANCARD: Thank you. So
8 accepted.

9 MS. VANCE: Thank you, Mr. Hearing Examiner.
10 Mr. Johns' affidavit is Exhibit C, which includes sub
11 Exhibits C-1 and C-2 -- C-2, the land tract map; C-3, a list
12 of uncommitted working interest owners; C-4, a sample well
13 proposal letter and AFEs; and, C-5, a chronology of
14 contacts.

15 This is followed by Mr. Herber's affidavit, which
16 is Exhibit D and includes Sub Exhibits D-1, a locator map;
17 D-2, a Bone Spring subsea structure map; D-3 a Bone Spring
18 structural cross section -- and I realize I have Bone Spring
19 in there, I apologize. I may have messed something up. I
20 apologize. I realize they're pooling the Wolfcamp and I
21 have Bone Spring in there, so I apologize. I need to -- I
22 will fix that, in the table of contents I put the wrong
23 thing, so I apologize for that.

24 So D-1 should be a locator map, D-2 is a subsea
25 structure map of the Wolfcamp, not Bone Spring --

1 apologies -- D-2 is a structural cross section map of the
2 Wolfcamp, and D-3 is a structural -- I'm sorry -- so D-1 is
3 the locator map, D-2 is the subsea structure map, and D-3 is
4 the structural cross section all within the Wolfcamp
5 formation, so I apologize for that.

6 Lastly is Exhibit E which is the self-affirmed
7 statement with letters that were timely filed on July 15,
8 2022. Again we received our notice of publication late
9 yesterday, however, I am looking at the notice of
10 publication and for each of the cases they were timely
11 published on July 15, and letters were timely mailed on July
12 15 as well.

13 And unless there are any questions, I would ask
14 that all exhibits and sub exhibits be admitted into the
15 record and that cases 22955 and 22956 be taken under
16 advisement by the Division at this time.

17 HEARING EXAMINER BRANCARD: Thank you.
18 Mr. Garcia, any questions?

19 TECHNICAL EXAMINER GARCIA: No questions.

20 HEARING EXAMINER BRANCARD: Thank you. So Ms.
21 Garcia -- you need to provide us with the affidavits of
22 publication?

23 MS. VANCE: This is Ms. Vance.

24 HEARING EXAMINER BRANCARD: Vance, I'm sorry.

25 MS. VANCE: That's correct. We'll provide a

1 supplemental exhibit with the affidavit of publication,
2 which again, I will pull it out from -- I'm looking at it
3 right in front of me, and it looks timely.

4 HEARING EXAMINER BRANCARD: I did notice that
5 your land person listed several people as unlocatable, but
6 then you managed to have addresses for them for notice.

7 Anyway, you published by affidavit, also --
8 published by notice the location in the newspaper, so --

9 MS. VANCE: Correct, Mr. Hearing Examiner.

10 HEARING EXAMINER BRANCARD: All right. Are there
11 any other interested persons then for cases 22955, 22956?

12 (No audible response.)

13 HEARING EXAMINER BRANCARD: Hearing none, the
14 exhibits will be admitted into the record for cases 22955
15 and 22956, and the cases will be taken under advisement. We
16 will leave the record open for the affidavit of publication.

17 If you want to also correct your index or
18 whatever, that's fine, too.

19 MS. VANCE: I would be happy to do that for you.
20 I apologize, that was an oversight on my part.

21 HEARING EXAMINER BRANCARD: Anything else, Ms.
22 Vance?

23 MS. VANCE: That's it.

24 HEARING EXAMINER BRANCARD: Thank you.

25 MS. VANCE: Thank you, Mr. Hearing Examiner.

1 Thank you, Mr. Garcia.

2 HEARING EXAMINER BRANCARD: Let me check in on
3 the court reporter here.

4 REPORTER: We're good.

5 HEARING EXAMINER BRANCARD: I know we have --
6 Mr. Baca, you can do visual and tell us whether you need a
7 break or not.

8 REPORTER: We're good. We're good.

9 HEARING EXAMINER BRANCARD: Why don't we take a
10 break until 11:10 and resume with case 22957.

11 (Exhibits admitted.)

12 (Taken under advisement.)

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

REPORTER'S CERTIFICATE

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

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

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

Dated this 4th day of August 2022.

Irene Delgado
Court Reporter
License Expires: 12-31-22

[& - county]

&	320 4:3,10	albuquerque	break 8:7,10
& 2:3 3:15	33813 4:2,10	1:24	brief 4:22
0	36 4:4,12	ameredev 3:6	c
03 2:7	4	anyway 7:7	c 2:1 5:10,11,11
08 2:8,13	4 1:17,21 5:12	apologies 6:1	5:11,11,12,13
09 2:9	46 3:2	apologize 3:6,10	call 3:21
1	47 3:2	5:19,20,21,23	called 1:5
1	4th 9:14	6:5 7:20	case 1:7 2:7 3:6
1 2:4 5:11,16,24	5	applicant 2:2	3:9,18 4:1,8,15
6:2	5 5:13	3:15	8:10 9:9,11
105 1:23	500 1:23	application 1:8	cases 3:2,2 6:10
110 2:4	505-843-9241	attachments	6:15 7:11,14,15
11:10 8:10	1:24	2:13	causing 3:7
12-31-22 9:17	505-954-7286	attorneys 9:9	certificate 2:9
15 6:7,11,12	2:5	audible 3:19,22	9:3
2	7	7:12	certify 9:4,8,12
2 4:3,4,11,11,22	7-19 3:9	august 1:17,21	check 8:2
5:11,11,17,24	8	9:14	checklist 4:16
6:1,3	87102 1:24	b	chronology 5:13
2018 5:1	87501 2:4	b 2:11	code 4:2,10
2022 1:17,21 6:8	a	baca 1:23 8:6	com 4:6,14
9:14	ability 9:7	background	company 1:9 3:3
213h 4:6	accepted 4:19	4:22	3:16
214h 4:14	5:5,8	based 5:3	comprised 4:3
22949 3:6	acre 4:3,10	basin 5:2	4:11
22955 1:7 3:3,18	addresses 7:6	behalf 3:15	compulsory 1:9
4:1 6:15 7:11,14	admitted 2:12	bernalillo 9:2	4:15
22956 1:7 3:3,18	6:14 7:14 8:11	best 9:7	conservation 1:3
4:8 6:15 7:11,15	advisement 2:8	blake 4:17	1:5,20
22957 8:10	6:16 7:15 8:12	bone 5:17,17,18	considering 1:6
24 4:4,12	afes 5:13	5:21,25	contacts 5:14
29 4:4,11	affidavit 4:16,21	brancard 1:21	contents 5:22
3	5:10,15 7:1,7,16	3:1,12,17,20,23	correct 3:5,11
3 5:11,17 6:2,3	affidavits 6:21	5:7 6:17,20,24	6:25 7:9,17 9:6
30 3:5	affirmed 6:6	7:4,10,13,21,24	county 1:9 4:5
32 4:4,11		8:2,5,9	4:12 9:2

[court - new]

<p>court 1:23 8:3 9:16 credentials 4:19 5:5 cross 5:18 6:1,4</p>	<p>exhibit 5:10,16 6:6 7:1 exhibits 2:7,13 5:11,16 6:14,14 7:14 8:11</p>	<p>3:14,17,20,23,23 3:25 5:7,9 6:17 6:20,24 7:4,9,10 7:13,13,21,24,25 8:2,5,9</p>	<p>leave 7:16 letter 5:13 letters 6:7,11 license 9:17 list 5:11 listed 7:5 location 7:8 locator 5:16,24 6:3 looking 6:9 7:2 looks 7:3</p>
<p>d</p>	<p>experience 5:3 expert 5:4 expires 9:17</p>	<p>heartburn 3:7 herber 4:17,20 5:4 herber's 5:15 history 4:25 holland 2:3 3:15 horizontal 4:3 4:10</p>	<p>m</p>
<p>d 2:6,11 5:16,16 5:17,17,24,24 6:1,2,2,3,3 data 3:7 dated 9:14 david 4:17 day 9:14 dedicate 4:5,13 degree 4:25 delaware 5:2 delgado 9:16 department 1:2 disposition 9:10 division 1:3,5,20 4:18,21 5:6 6:16</p>	<p>f</p>	<p>i</p>	<p>mailed 6:11 managed 7:6 map 5:11,16,17 5:24,25 6:1,3,3 matador 1:8 3:3 3:15 4:1,5,8,13 5:1 matter 1:5,20 4:19 5:6 messed 5:19 mexico 1:1,9,18 1:20 4:5,12 9:1 minerals 1:2 misspoke 3:10 morning 3:4,13 moving 3:13</p>
<p>e</p>	<p>fe 1:18 2:4 3:14 filed 6:7 final 9:10 fine 7:18 fix 5:22 followed 5:15 foregoing 9:5,6 formation 4:2,9 6:5 fourth 1:23 front 7:3 further 9:8,12</p>	<p>includes 4:24 5:10,16 including 4:23 index 7:17 interest 4:1,9 5:12 9:10 interested 7:11 irene 9:16</p>	<p>n</p>
<p>e 2:1,1,6,11,11 4:4,11,11 6:6 east 4:4,12 education 4:24 5:3 employed 9:8 energy 1:2 examiner 1:17 1:21 3:1,4,12,14 3:17,20,23,25 5:7,9 6:17,19,20 6:24 7:4,9,10,13 7:21,24,25 8:2,5 8:9</p>	<p>g</p>	<p>j</p>	<p>n 2:1,6,11 natural 1:2 need 5:21 6:21 8:6 neither 9:8 new 1:1,9,18,20 4:5,12 9:1</p>
<p>e 2:1,1,6,11,11 4:4,11,11 6:6 east 4:4,12 education 4:24 5:3 employed 9:8 energy 1:2 examiner 1:17 1:21 3:1,4,12,14 3:17,20,23,25 5:7,9 6:17,19,20 6:24 7:4,9,10,13 7:21,24,25 8:2,5 8:9</p>	<p>garcia 1:21 3:14 6:18,19,21 8:1 geologist 4:17,23 5:4 geology 4:25 5:5 good 3:4,13 8:4 8:8,8 9:13 graduate 4:24 guadalupe 2:4</p>	<p>john 1:21 johns 4:17,17 5:10 july 6:7,11,11</p>	<p>n</p>
<p>e 2:1,1,6,11,11 4:4,11,11 6:6 east 4:4,12 education 4:24 5:3 employed 9:8 energy 1:2 examiner 1:17 1:21 3:1,4,12,14 3:17,20,23,25 5:7,9 6:17,19,20 6:24 7:4,9,10,13 7:21,24,25 8:2,5 8:9</p>	<p>h</p>	<p>k</p>	<p>n</p>
<p>e 2:1,1,6,11,11 4:4,11,11 6:6 east 4:4,12 education 4:24 5:3 employed 9:8 energy 1:2 examiner 1:17 1:21 3:1,4,12,14 3:17,20,23,25 5:7,9 6:17,19,20 6:24 7:4,9,10,13 7:21,24,25 8:2,5 8:9</p>	<p>h</p>	<p>l</p>	<p>n</p>
<p>e 2:1,1,6,11,11 4:4,11,11 6:6 east 4:4,12 education 4:24 5:3 employed 9:8 energy 1:2 examiner 1:17 1:21 3:1,4,12,14 3:17,20,23,25 5:7,9 6:17,19,20 6:24 7:4,9,10,13 7:21,24,25 8:2,5 8:9</p>	<p>h</p>	<p>land 5:11 7:5 landman 4:17 lastly 6:6 late 6:8 lea 1:9 4:5,12</p>	<p>n</p>

[newspaper - think]

<p>newspaper 7:8 nm 1:24 2:4 north 2:4 nos 1:7 notice 3:9 6:8,9 7:4,6,8 numbered 3:3 nw 1:23</p>	<p>primarily 5:1 proceed 3:24 proceeding 9:12 proceedings 1:16 9:5,7 production 1:8 3:3,16 professional 1:23 proposal 5:13 proposed 4:6,14 provide 6:21,25 provided 4:15 4:22 publication 3:8 3:9 6:8,10,22 7:1,16 published 3:9 6:11 7:7,8 pull 7:2 purpose 1:6 put 5:22</p>	<p>regarding 3:7 related 9:9 reported 1:23 9:4 reporter 2:9 8:3 8:4,8 9:16 reporter's 1:16 9:3 reporters 1:23 resources 1:2 response 3:19,22 7:12 resume 8:10 review 4:22 richard 4:6,14 right 3:1 7:3,10</p>	<p>standard 4:2,10 started 4:25 state 1:1 4:6,14 9:1 stated 3:6 statement 6:7 stenographic 9:5 street 1:23 structural 5:18 6:1,2,4 structure 5:17 5:25 6:3 sub 5:10,16 6:14 subsea 5:17,24 6:3 suite 1:23 2:4 summary 2:7 supplemental 7:1</p>
<p>o</p>	<p>publication 3:8 3:9 6:8,10,22 7:1,16 published 3:9 6:11 7:7,8 pull 7:2 purpose 1:6 put 5:22</p>	<p>s</p>	<p>t</p>
<p>office 3:15 officer 1:20 oil 1:3,5,20 open 7:16 oversight 7:20 owners 5:12</p>	<p>q</p>	<p>s 2:1 sample 5:12 santa 1:18 2:4 3:14 seconds 3:5 section 5:18 6:1 6:4 sections 4:4,11 see 3:2 seeks 4:1,5,8,13 self 6:6 sent 3:8 shorthand 9:5 sorry 6:2,24 south 4:4,12 spacing 4:3,6,11 4:13 spring 5:17,17 5:18,21,25</p>	<p>table 5:22 take 3:5 8:9 taken 2:8 6:15 7:15 8:12 technical 1:21 6:19 tell 8:6 tender 5:4 testified 4:18,20 testimony 4:16 thank 3:12,25 5:7,9 6:17,20 7:24,25 8:1 thing 5:23 think 3:20</p>
<p>p</p>	<p>r</p>	<p>s</p>	<p>t</p>
<p>p 2:1,1 pages 9:6 paragraph 4:22 part 7:20 parties 9:9 paul 1:23 paula 2:3 3:14 people 7:5 person 7:5 persons 7:11 petroleum 4:23 5:4,5 platform 1:21 please 3:21 pool 4:1,2,8,9 pooling 1:9 4:16 5:20 poor 9:13 present 5:1 previously 4:18 4:20</p>	<p>r 2:1 range 4:4,12 realize 5:18,20 received 6:8 record 4:19 5:6 6:15 7:14,16</p>	<p>s 2:1 sample 5:12 santa 1:18 2:4 3:14 seconds 3:5 section 5:18 6:1 6:4 sections 4:4,11 see 3:2 seeks 4:1,5,8,13 self 6:6 sent 3:8 shorthand 9:5 sorry 6:2,24 south 4:4,12 spacing 4:3,6,11 4:13 spring 5:17,17 5:18,21,25</p>	<p>t 2:11 table 5:22 take 3:5 8:9 taken 2:8 6:15 7:15 8:12 technical 1:21 6:19 tell 8:6 tender 5:4 testified 4:18,20 testimony 4:16 thank 3:12,25 5:7,9 6:17,20 7:24,25 8:1 thing 5:23 think 3:20</p>

[thursday - yesterday]

<p>thursday 1:21 time 6:16 timely 6:7,10,11 7:3 township 4:4,12 tract 5:11 transcript 1:16 9:6 true 9:6 two 3:2</p>	<p>william 1:21 wolfcamp 4:2,9 5:20,25 6:2,4 work 4:25 5:1,3 worked 5:2 working 5:12 wrong 5:22</p>
	x
	x 2:6,11,11
u	y
<p>uncle 4:6,14 uncommitted 4:1,9 5:12 undergraduate 4:24 underlying 4:2 4:10 unit 4:3,6,11,13 unlocatable 7:5 unmute 3:21 unnecessary 3:7 user 3:21</p>	<p>yesterday 6:9</p>
v	
<p>vance 2:3 3:4,13 3:14,24,25 5:9 6:23,23,24,25 7:9,19,22,23,25 virtual 1:16,20 9:5,12 visual 8:6</p>	
w	
<p>w 4:3 want 7:17 wanted 3:10 webex 1:21</p>	