

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:

APPLICATION OF XTO ENERGY,  
INCORPORATED TO REVISE THE  
WELL NAME AND TO DEDICATE  
TWO ADDITIONAL INITIAL WELLS  
TO THE NONSTANDARD SPACING  
AND PRORATION UNIT UNDER THE  
TERMS OF ORDER R-14478, EDDY  
COUNTY, NEW MEXICO.

CASE NO. 15806  
(Re-opened)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

January 11, 2018

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER  
WILLIAM V. JONES, TECHNICAL EXAMINER  
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Michael McMillan,  
Chief Examiner, William V. Jones, Technical Examiner,  
and David K. Brooks, Legal Examiner, on Thursday,  
January 11, 2018, at the New Mexico Energy, Minerals and  
Natural Resources Department, Wendell Chino Building,  
1220 South St. Francis Drive, Porter Hall, Room 102,  
Santa Fe, New Mexico.

REPORTED BY: Mary C. Hankins, CCR, RPR  
New Mexico CCR #20  
Paul Baca Professional Court Reporters  
500 4th Street, Northwest, Suite 105  
Albuquerque, New Mexico 87102  
(505) 843-9241

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# APPEARANCES

FOR APPLICANT XTO ENERGY, INCORPORATED:

JORDAN L. KESSLER, ESQ.  
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# EXHIBITS OFFERED AND ADMITTED

XTO Energy, Inc. Exhibit Number 11	4
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1 (8:24 a.m.)

2 EXAMINER McMILLAN: With that in mind, the  
3 first case I'd like to call is Number 15806, application  
4 of XTO Energy, Incorporated to revise the well name and  
5 to dedicate two additional wells to the nonstandard  
6 spacing and proration unit under the terms of Order  
7 R-14478.

8 Call for appearances.

9 MS. KESSLER: Good morning, Mr. Examiners.  
10 Jordan Kessler, from the Santa Fe office of Holland &  
11 Hart, on behalf of the Applicant.

12 EXAMINER McMILLAN: Any other appearances?  
13 Please proceed.

14 MS. KESSLER: Thank you.

15 Mr. Examiner, this case was originally  
16 re-opened to pool additional initial wells in the  
17 spacing unit. It was presented by affidavit on November  
18 30th. At that time the Division requested that due to  
19 the request for a nonstandard spacing unit in the Purple  
20 Sage Pool, 160 acres in the Purple Sage as opposed to  
21 320 acres in the Purple Sage, that we provide notice to  
22 the mineral estate in the spacing units that were  
23 excluded, what otherwise would be a standard spacing  
24 unit. So we have provided notice to the mineral estate.

25 In front of you is an affidavit by Angie

1 Repka. This affidavit is stating that she identified  
2 the -- reviewed the ownership in the mineral estate in  
3 the affected areas and made a diligent effort to obtain  
4 addresses for the parties.

5 Also attached as Exhibit A is an affidavit  
6 from my office with some letters providing notice to the  
7 overrides and the royalty owners and the mineral estate  
8 in the areas excluded from the otherwise standard  
9 spacing unit.

10 You'll see, also, the very last page of the  
11 exhibit in front of you is a proof of Notice of  
12 Publication directed to the overriding royalty interest  
13 owners. Some of those overriding royalty owners, the  
14 letters came back returned, so we published notice.

15 We are asking the Division continue this  
16 case for two weeks in order for our publication to  
17 the -- that would be to January 25th.

18 And, Mr. Examiners, I move admission of  
19 Exhibit 11, which is the affidavit from Ms. Repka and  
20 attachments and ask that this case be continued to the  
21 25th.

22 (XTO Energy, Inc. Exhibit Number 11 was  
23 offered into evidence.)

24 EXAMINER JONES: Was this case heard  
25 originally November 30th?

1 MS. KESSLER: That's correct.

2 EXAMINER McMILLAN: Case Number 15086 shall  
3 be continued until January the 25th.

4 (Case Number 15806 concludes, 8:27 a.m.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO  
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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
7 and Registered Professional Reporter, do hereby certify  
8 that I reported the foregoing proceedings in  
9 stenographic shorthand and that the foregoing pages are  
10 a true and correct transcript of those proceedings that  
11 were reduced to printed form by me to the best of my  
12 ability.

13 I FURTHER CERTIFY that the Reporter's  
14 Record of the proceedings truly and accurately reflects  
15 the exhibits, if any, offered by the respective parties.

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

20 DATED THIS 26th day of January 2018.

21  
22 MARY C. HANKINS, CCR, RPR  
23 Certified Court Reporter  
24 New Mexico CCR No. 20  
25 Date of CCR Expiration: 12/31/2018  
Paul Baca Professional Court Reporters

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