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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, CASE NOS. 15832, 15833, INCORPORATED TO RE-OPEN CASE 15834, 15835 NUMBERS 15832, 15833, 15834 AND 15835 TO PROVIDE SUPPLEMENTAL NOTICE, EDDY COUNTY, NEW MEXICO.

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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1	APPEARANCES	
2	FOR APPLICANT XTO ENERGY, INCORPORATED:	
3	JORDAN L. KESSLER, ESQ.	
4	HOLLAND & HART, LLP 110 North Guadalupe, Suite 1	
5	Santa Fe, New Mexico 87501 (505) 988-4421	
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7	FOR DEVON ENERGY COMPANY, L.P.:	
8	JAMES G. BRUCE, ESQ. Post Office Box 1056	
9	Santa Fe, New Mexico 87504 (505) 982-2043	
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- 1 (8:27 a.m.)
- 2 EXAMINER McMILLAN: The next cases we're
- 3 going to hear are 15832 through 35. I would like to
- 4 call Case Numbers 15832, 15833, 15834, 15835, re-opened,
- 5 application of XTO Energy, Incorporated to re-open Case
- 6 Numbers 15832, 15833, 15834 and 15835 to provide
- 7 supplemental notice, Eddy County, New Mexico.
- 8 Call for appearances.
- 9 MS. KESSLER: Mr. Examiners, Jordan
- 10 Kessler, from Holland & Hart, on behalf of the
- 11 Applicant.
- 12 EXAMINER McMILLAN: Any other appearances?
- MR. BRUCE: Mr. Examiner, Jim Bruce
- 14 entering an appearance for Devon Energy Company, L.P. I
- 15 have no witnesses.
- 16 EXAMINER McMILLAN: Please proceed.
- 17 MS. KESSLER: Mr. Examiner, these cases
- 18 were heard in October on a special docket and taken
- 19 under advisement at that time. Again, following the
- 20 cases being taken under advisement, the Division
- 21 requested we notify the mineral estate in the areas
- 22 excluded by otherwise standard spacing unit in the
- 23 Purple Sage Pool.
- 24 Attached and in front of you is an
- 25 affidavit from Angie Repka. She identified the

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- 1 overrides and royalty interest owners, the working
- 2 interest owners in the nonstandard spacing units in the
- 3 areas excluded by the nonstandard spacing units that had
- 4 previously been identified. She reviewed the ownership
- 5 in the mineral estate and made a diligent effort to
- 6 identify all of those folks. Attached to her exhibit as
- 7 Attachment A is an affidavit from my office providing
- 8 notice to all of those parties of the re-opened case.
- 9 And finally, the last page is an Affidavit
- 10 of Publication from December 22nd providing notice to
- 11 all of those parties.
- So, Mr. Examiners, I would ask that Exhibit
- 13 7 in front of you be admitted as part of the record and
- 14 that this case -- these re-opened cases be taken under
- 15 advisement.
- 16 (XTO Energy, Inc. Exhibit Number 7 is
- offered into evidence.)
- 18 EXAMINER JONES: You said it was heard on a
- 19 special docket?
- 20 MS. KESSLER: It was heard on a special
- 21 docket.
- 22 EXAMINER JONES: Do you remember what date?
- 23 Do you guys remember what date?
- 24 MS. KESSLER: I can send that by email. It
- 25 was in October.

Page 5 MR. BRUCE: I have no objection. 1 EXAMINER McMILLAN: Okay. The question 2 there I've got is: Was there unlocatables, because I 3 saw an Affidavit of Publication? 4 5 MS. KESSLER: There is an Affidavit of 6 Publication. We had good addresses for everybody, but not everybody's green card came back. 8 EXAMINER McMILLAN: Okay. Thank you. Okay. With that in mind, Case Numbers 9 15832, 15833, 15834 and 15835 shall be taken under 10 11 advisement. 12 (Case Numbers 15832, 15833, 15834 and 15835 13 conclude, 8:30 a.m.) 14 15 16 17 18 19 20 21 22 23 24 25

Page 6 1 2 3 STATE OF NEW MEXICO COUNTY OF BERNALILLO 4 5 CERTIFICATE OF COURT REPORTER 6 7 I, MARY C. HANKINS, Certified Court 8 Reporter, New Mexico Certified Court Reporter No. 20, 9 and Registered Professional Reporter, do hereby certify that I reported the foregoing proceedings in 10 11 stenographic shorthand and that the foregoing pages are 12 a true and correct transcript of those proceedings that were reduced to printed form by me to the best of my 13 ability. 14 I FURTHER CERTIFY that the Reporter's 15 16 Record of the proceedings truly and accurately reflects the exhibits, if any, offered by the respective parties. 17 18 I FURTHER CERTIFY that I am neither 19 employed by nor related to any of the parties or 20 attorneys in this case and that I have no interest in the final disposition of this case. 21 22 DATED THIS 26th day of January 2018. 23 MARY C. HANKINS, CCR, RPR 24 Certified Court Reporter New Mexico CCR No. 20 25 Date of CCR Expiration: 12/31/2018

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