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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 IMPETRO OPERATING, CASE NOs. 15923 and LLC FOR A NONSTANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

15924

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

January 25, 2018

Santa Fe, New Mexico

WILLIAM V. JONES, CHIEF EXAMINER BEFORE: LEONARD LOWE, TECHNICAL EXAMINER DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, William V. Jones, Chief Examiner, Leonard Lowe, Technical Examiner, and David K. Brooks, Legal Examiner, on Thursday, January 25, 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 IMPETRO OPERATING, LLC:	
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7	FOR INTERESTED PARTY ONE ENERGY:	
8	JORDAN L. KESSLER, ESQ.	
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10	Santa Fe, New Mexico 87501 (505) 988-4421	
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- 1 (11:22 a.m.)
- 2 EXAMINER JONES: Call Case Numbers 15923
- 3 and 15924, application of Impetro Operating, LLC for a
- 4 nonstandard oil spacing and proration unit and
- 5 compulsory pooling, Lea County, New Mexico.
- 6 Call for appearances.
- 7 MR. McMILLAN: Seth McMillan, Montgomery &
- 8 Andrews, on behalf of the Applicant.
- 9 MS. KESSLER: And, Mr. Examiner, Jordan
- 10 Kessler, from Holland & Hart, on behalf of OneEnergy.
- 11 EXAMINER JONES: Okay. Go ahead.
- MR. McMILLAN: All right. This is just --
- 13 this matter -- these matters were consolidated, 15923
- 14 and 15924. They were heard, I guess, two weeks ago. We
- 15 have some supplemental exhibits to put into the record.
- 16 Our Exhibit Number 11 is my supplemental
- 17 Affidavit of Notice. Again, this is -- well, not again.
- 18 But this is us chasing down our overrides. I have
- 19 attached to my supplemental affidavit the green cards
- 20 received to date from those folks.
- 21 And for those that we didn't receive a
- 22 green card back from, that we received a
- 23 return-to-sender, we published notice, and that is
- 24 Exhibit 12.
- 25 Between the green cards and the

Page 4 publication, we have served notice upon all of the 1 working interest owners, offset operators and now 2 overriding royalty interest owners listed in Exhibit A 3 to our Exhibit 11, if that makes sense. That was a lot. 4 5 I would move the admission at this time of Exhibits 11 and 12 and ask that the case be taken under 6 7 advisement. 8 EXAMINER JONES: Any objection from 9 OneEnergy? MS. KESSLER: No objections. 10 11 EXAMINER JONES: Exhibits 11 and 12 are 12 admitted, and these two cases, Cases 15923 and 15924, 13 are taken under advisement. 14 (Impetro Operating, LLC Exhibit Numbers 11 and 12 are offered and admitted into 15 16 evidence.) MR. McMILLAN: Fantastic. Thank you. 17 18 (Case Numbers 15923 and 15924 conclude, 19 11:25 a.m.) 20 21 22 23 24 25

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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.
- 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 13th day of February 2018.

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MARY C. HANKINS, CCR, RPR Certified Court Reporter

New Mexico CCR No. 20

Date of CCR Expiration: 12/31/2018
Paul Baca Professional Court Reporters

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