

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 MATADOR PRODUCTION	CASE NOS. 16451,
COMPANY FOR COMPULSORY POOLING, EDDY	16452,
COUNTY, NEW MEXICO.	16453,
	16454

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

January 11, 2019

Santa Fe, New Mexico

BEFORE: WILLIAM V. JONES, CHIEF EXAMINER
TERRY WARNELL, 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, Terry Warnell, Technical Examiner, and David K. Brooks, Legal Examiner, on Friday, January 11, 2019, 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 MATADOR PRODUCTION COMPANY:

JAMES G. BRUCE, ESQ.
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043
jamesbruc@aol.com

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1 (2:57 p.m.)

2 MR. BRUCE: And then we have to go to the
3 top of the red list and start off with those Matador
4 cases, and if you could just consolidate those for
5 hearing.

6 EXAMINER JONES: Let's call Cases 16451,
7 16452, 16453 and 16454, consolidated for hearing.

8 Call for appearances.

9 MR. BRUCE: Mr. Examiner, Jim Bruce of
10 Santa Fe representing the Applicant.

11 This case was originally -- it was heard, I
12 believe, in November. Unfortunately, due to a
13 miscommunication between the landman and me, I filed for
14 one-mile laterals. The wells are actually two-mile
15 laterals. The wells combined cover -- they're Bone
16 Spring wells. They cover the Bone Spring Formation in
17 the west half-west half, east half-west half, west
18 half-east half and the east half-east half. Evidence
19 was put on for the two-mile laterals. The applications
20 were amended and new notice was given.

21 EXAMINER JONES: So it's supposed to be a
22 one-mile?

23 MR. BRUCE: They told me it was a one-mile,
24 and so I filed that way. And then the day before the
25 hearing, I go, "Whoops."

1 EXAMINER JONES: Oh. So you put on the
2 evidence for two miles? It's just that the notice had
3 to be --

4 MR. BRUCE: Yes. We put on evidence for
5 the two miles. And we gave new notice so that everyone
6 would have a chance to object.

7 EXAMINER BROOKS: Which no one did?

8 MR. BRUCE: No one objected the first time,
9 and no one has objected this time.

10 EXAMINER BROOKS: That's what usually
11 happens.

12 MR. BRUCE: And I'll start off with these
13 affidavits -- or these exhibits, and then I'll make it
14 easier from there.

15 So in the first Case, 16451, which is the
16 west half-west half, I gave new notice. Exhibit A is
17 the Affidavit of Notice.

18 And Exhibit B, there were -- there was --
19 these are returned mail or no green cards, so Affidavit
20 of Notice was published, and so notice is complete.

21 And I ask that 16451 be taken under
22 advisement.

23 EXAMINER JONES: So Exhibit A and Exhibit B
24 for Case 16451 are admitted, and the case is taken under
25 advisement.

1 (Matador Production Company Exhibit Letters
2 A and B are offered and admitted into
3 evidence.)

4 MR. BRUCE: And then the same thing for
5 16452. It was renotified. No one objected. So Exhibit
6 A is the Affidavit of Notice. There were one or two
7 returns, but I published notice in the Carlsbad
8 newspaper. That's Exhibit B.

9 And so notice is complete, and I'd ask that
10 these two exhibits be admitted and that the case be
11 taken under advisement.

12 EXAMINER JONES: Did you pick up new
13 parties?

14 MR. BRUCE: No. No.

15 EXAMINER JONES: The same parties?

16 MR. BRUCE: Matador, or MRC Permian to be
17 particular, owned all of one section. And all of the
18 parties being pooled in both the first go-around and the
19 second go-around were in a different section.

20 EXAMINER JONES: Oh, okay.

21 MR. BRUCE: So there were no additional
22 parties.

23 EXAMINER JONES: Okay. Exhibits A and B of
24 Case 16452 are admitted, and the case is taken under
25 advisement.

1 (Matador Production Company Exhibit Letters
2 A and B are offered and admitted into
3 evidence.)

4 MR. BRUCE: And Case 16453, same situation.
5 And Exhibit A is my Affidavit of Notice. There was one
6 party that I did not receive a green card back from, so
7 notice was published. The affidavit of mailing is
8 Exhibit A.

9 Exhibit B is the Affidavit of Publication,
10 and everyone received actual or constructive notice.

11 So I'd move the admission of Exhibits A and
12 B and ask that the case be taken under advisement.

13 EXAMINER JONES: Exhibits A and B are
14 admitted, and Case Number 16453 is taken under
15 advisement.

16 (Matador Production Company Exhibit Letters
17 A and B are offered and admitted into
18 evidence.)

19 MR. BRUCE: And finally Case 16454, same
20 story. Notice was re-sent with the amended application
21 showing a two-mile lateral.

22 And Exhibit A is my affidavit of mailing.
23 A couple of green cards did not come back.

24 Exhibit B is the Affidavit of Publication
25 in the Carlsbad newspaper. Everyone received actual

1 notice or constructive notice.

2 I'd move the admission of Exhibits A and B
3 in 16454 and ask that that case also be taken under
4 advisement.

5 EXAMINER JONES: Exhibits A and B are
6 admitted, and Case 16454 will be taken under advisement.

7 (Matador Production Company Exhibit Letters
8 A and B are offered and admitted into
9 evidence.)

10 (Case Numbers 16451, 16452, 16453 and 16454
11 conclude, 3:03 p.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 29th day of January 2019.
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22
23 MARY C. HANKINS, CCR, RPR
24 Certified Court Reporter
25 New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
Paul Baca Professional Court Reporters