

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 NO. 20767

Application of Matador Production Company
for Compulsory Pooling, Eddy County,
New Mexico

REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING
8:29 A.M.
THURSDAY, OCTOBER 31st, 2019
SANTA FE, NEW MEXICO

This matter came on for hearing before the
New Mexico Oil Conservation Division, Kathleen Murphy,
Examiner, Phillip Goetze, Examiner, Eric Ames, Legal
Examiner on Thursday, October 31, 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: Robin E. Johnson
New Mexico CCR 105, RPR, CA CSR
PAUL BACA COURT REPORTERS
500 Fourth Street Northwest, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

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A P P E A R A N C E S

FOR THE APPLICANT:

Kaitlyn L. Luck, Esquire
Holland & Hart
110 North Guadalupe, Suite 1
Santa Fe, New Mexico 87501
(505) 954-7286
kaluck@hollandhart.com

I N D E X

APPLICANT WITNESSES: PAGE

Chris Carleton
(By affidavit)
Clark Collier
(By affidavit)
Kaitlyn A. Luck
(By affidavit)

TAKEN UNDER ADVISEMENT 5

E X H I B I T S

NUMBER	DESCRIPTION	ADMITTED
	Application Packet Including:	5
	A-1 through A-4	
	B-1 through B-4	

1 EXAMINER MURPHY: So, the first case we
2 will call is 20767, and it is the application of
3 Matador Production Company for compulsory pooling,
4 Eddy County, New Mexico.

5 Call for appearances.

6 MS. LUCK: Kaitlyn Luck for the Santa Fe
7 office of Holland & Hart on behalf of the applicant.

8 MS. MURRAY: Are there any other
9 appearances?

10 Proceed.

11 MS. LUCK: Thank you.

12 In this case, Matador will present this
13 case by affidavit. So, today, we will be presenting
14 three affidavits.

15 The first affidavit is the affidavit of
16 Matador's landman, Chris Carleton. That is Exhibit A.
17 And he notes in his affidavit that Matador is seeking
18 an order pooling a standard horizontal spacing unit in
19 the Wolfcamp formation underlying a standard 320-acre
20 horizontal spacing unit comprised of the S/2 of
21 Section 18, Township 24 South, Range 29 East, NMPM,
22 Eddy County.

23 This spacing unit will be dedicated to
24 the Dr. Lana White Com #203H Well, the #217H and the
25 #223H.

1 Together with his affidavit, our first
2 Exhibit A1, which are the C-102's for the three wells;
3 Exhibit A2, which is a tract map reflecting the
4 spacing unit and the proposed well bores; Exhibit A3,
5 which is an ownership breakdown, which reflects the
6 parties that Matador seeks to pool in this case; and
7 then Exhibit A4, which are the well proposal letters,
8 together with the AFE's for all three of the wells in
9 the spacing unit.

10 Finally, Mr. Carleton notes in his
11 affidavit that Matador is requesting overhead and
12 administrative costs of 8,000 per month while drilling
13 and 800 per month while producing.

14 Exhibit B is the affidavit of
15 Clark Collier, who is the geologist on this case, who
16 works for Matador Production Company.

17 Together with his affidavit are
18 Exhibit B1, which is a locator map reflecting the
19 spacing unit.

20 Exhibit B2 is a subsea structure map
21 for the top of the Wolfcamp formation.

22 His Exhibit B3 is a cross-section map.

23 And then, finally, he Exhibit B4 is a
24 cross-section for the three wells noted on the
25 cross-section.

1 And in his opinion, the structure is
2 consistent and the target interval is consistent in
3 thickness across the entirety of the proposed spacing
4 unit. That concludes his affidavit and exhibits.

5 And then, finally, Exhibit C is an
6 affidavit prepared by me noting that our office
7 provided notice of this hearing to the interested
8 parties.

9 And out of an abundance of caution, we
10 also published notice of this case in the Carlsbad
11 newspaper, which is also included with Exhibit C.

12 So, with that, I would move the
13 admission of Exhibits A, B and C with our
14 corresponding attachments.

15 EXAMINER MURPHY: The exhibits are
16 accepted.

17 MS. LUCK: And then I would also request
18 that the case be taken under advisement.

19 EXAMINER MURPHY: Do you have any
20 questions?

21 COUNSEL AMES: No.

22 EXAMINER MURPHY: I don't have any
23 questions.

24 We'll take case 20767 under advisement.

25 (The hearing concluded at 8:33 a.m.)

REPORTER'S CERTIFICATE

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I, ROBIN E. JOHNSON, RPR; CA CSR; New Mexico
Certified Shorthand Reporter, certify:

That the foregoing proceedings were taken
before me at the time and place therein set forth;

That the questions propounded and all
objections and statements made at the time of the
hearing were recorded stenographically by me and were
thereafter transcribed;

That the foregoing is a true and correct
transcript of my shorthand notes so taken.

I further certify that I am not a relative or
employee of any of the parties, nor financially
interested in the action.

I declare under penalty of perjury, under the
laws of New Mexico, that the foregoing is true and
correct, dated this 14th day of November 2019.

ROBIN E. JOHNSON, RPR, CA CSR
New Mexico CCR No. 105