

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 NOS: 21353

APPLICATION OF CATENA RESOURCES  
OPERATING LLC FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

AUGUST 6, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, DEAN McCLURE, JOHN GARCIA and KATHLEEN MURPHY on Thursday, August 6, 2020, hosted by the New Mexico Energy, Minerals, and Natural Resources Department, through Cisco Webex electronic platform.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
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505-843-9241

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A P P E A R A N C E S

For the Applicant:

MICHAEL FELDEWERT  
HOLLAND & HART  
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For Marathon:

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1 HEARING EXAMINER ORTH: Let's move to matter  
2 21353. This is Catena Resource, compulsory pooling  
3 application. The well is Alpha. I trust we have the same  
4 counsel in this one as well. Mr. Feldewert?

5 MR. FELDEWERT: Yes, Madam Examiner. Michael  
6 Feldewert of the Santa Fe office of Holland & Hart appearing  
7 on behalf of applicant, Catena Resources Operating LLC.

8 HEARING EXAMINER ORTH: All right, thank you.  
9 And, Ms. Bennett, are you still here for Marathon?

10 MS. BENNETT: Yes, I am. Thank you very much,  
11 Madam Examiner.

12 HEARING EXAMINER ORTH: And Ms. Bennett, do you  
13 have any objection to Mr. Feldewert proceeding by affidavit?

14 MS. BENNETT: No, Marathon does not object to Mr.  
15 Feldewert proceeding by affidavit. Marathon entered its  
16 appearance in this case to preserve it's right to appeal if  
17 necessary.

18 HEARING EXAMINER ORTH: All right. Thank you.  
19 Let me pause a moment to see if there are any other  
20 appearances this morning?

21 (No response.)

22 HEARING EXAMINER ORTH: Hearing none, if you  
23 would, please, Mr. Feldewert.

24 MR. FELDEWERT: Thank you, Madam Examiner. We  
25 provided a package to the Division and the dates of this

1 hearing which contains the application and compulsory  
2 pooling checklist.

3           And we also provided as Exhibit A the affidavit  
4 of Robert Swan who is the landman for Catena, and he notes  
5 in there that what we seek here is to pool a 480-acre  
6 standard horizontal spacing unit comprised of the SW/4 of  
7 Section 33, in 18 South, 35 East, and in the W/2 of Section  
8 4, which is in Township 19 South, 35 East.

9           And this standard spacing unit will initially be  
10 dedicated to the Alpha 1H Well, which is going to be drilled  
11 at a location (inaudible) that it's completed interval is  
12 within 330 feet of the E/2 of the SW/4 and the E/2 of the  
13 W/2 of Section 4 to allow inclusion of this acreage into a  
14 standard horizontal spacing unit.

15           Mr. Swan provides with his affidavit the C-102  
16 for the well, its general location (inaudible) plat  
17 showing the -- plat ownership showing ownership in the  
18 spacing unit (inaudible) and it breaks it down by the well  
19 proposal letters and the chronology of contact. The only  
20 party I believe they seek to pool here is Marathon.

21           Now, we have also provided the affidavit of  
22 Smith, the geologist, who provides a structure map, cross  
23 section (inaudible) the map showing the orientation of the  
24 wells that have been drilled in the area.

25           Exhibit C is the notice of affidavit which is --

1    which contains -- which was sent to the working interest  
2    owners.  I do note here, and I apologize, that we did have  
3    some additional parties which we sought to pool that may or  
4    may not be locatable, so there is an Exhibit D, which is the  
5    affidavit of publication for this hearing.

6                    So with that, I would move the admission of  
7    Catena Exhibits A, B, C and D and ask that the matter be  
8    taken under advisement.

9                    HEARING EXAMINER ORTH:  All right.  Thank you,  
10   Mr. Feldewert.  Exhibits A through D are admitted.

11                   (Exhibits A through D admitted.)

12                   HEARING EXAMINER ORTH:  May I ask Mr. McClure if  
13   you have any questions of Mr. Feldewert.

14                   EXAMINER McCLURE:  (No response.)

15                   HEARING EXAMINER ORTH:  Mr. McClure?

16                   EXAMINER McCLURE:  (No response.)

17                   HEARING EXAMINER ORTH:  No?  All right.

18   Mr. Garcia, do you have any questions?

19                   EXAMINER GARCIA:  No, ma'am.

20                   HEARING EXAMINER ORTH:  Okay.  Thank you.

21                   HEARING EXAMINER ORTH:  The matter will be taken  
22   under advisement then, Mr. Feldewert, and thank you.

23                   MR. FELDEWERT:  Thank you.

24                   (Taken under advisement.)

25                   (Adjourned.)

1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court  
7 Reporter, do hereby certify that I reported the foregoing  
8 proceedings in stenographic shorthand and that the foregoing  
9 pages are a true and correct transcript of those proceedings  
10 that were reduced to printed form by me to the best of my  
11 ability.

12 I FURTHER CERTIFY that I am neither employed by  
13 nor related to any of the parties of attorneys in this case  
14 and that I have no interest in the final disposition of this  
15 case.

16 I FURTHER CERTIFY that the Virtual Proceeding was  
17 of poor quality.

18 Dated this 6th day of August 2020.

19

/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-20

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