

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: 21411, 21412  
21214, 21445

APPLICATION OF EOG RESOURCES, INC.,  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

OCTOBER 8, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER FELICIA ORTH and TECHNICAL EXAMINERS LEONARD LOWE and KURT SIMMONS on Thursday, October 8, 2020, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

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A P P E A R A N C E S

For the Applicant:

KAITLYN LUCK  
HOLLAND & HART  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501  
505-954-7286

I N D E X

CASE CALLED	
SUMMARY OF CASE AND EXHIBITS	03
TAKEN UNDER ADVISEMENT	06
REPORTER CERTIFICATE	07

E X H I B I T I N D E X

	Admitted
All Exhibits and Attachments	06

1 HEARING EXAMINER ORTH: Move to the next four  
2 matters, 21411, 21412, 21414 and 21445. The applicant in  
3 each case is EOG Resources. These are compulsory pooling  
4 applications related to a well named Peregrine. Who here is  
5 from Holland & Hart on behalf of the applicant?

6 MS. LUCK: Good morning again. It's Kaitlyn Luck  
7 with the Santa Fe office of Holland & Hart on behalf of EOG  
8 Resources, applicant in these four cases.

9 HEARING EXAMINER ORTH: Thank you, Ms. Luck. Let  
10 me pause a moment to see if there are any other appearances  
11 this morning.

12 (No audible response.)

13 HEARING EXAMINER ORTH: I hear nothing. Please  
14 go ahead.

15 MS. LUCK: Thank you. In these four cases EOG  
16 has asked they be consolidated for hearing. And EOG  
17 understands that there is no objection to the cases  
18 proceeding by affidavit, so on Tuesday EOG filed these  
19 standard exhibits for these four cases which include EOG  
20 Exhibits A through F, and it starts with the pooling  
21 application checklist as A and then application as Exhibit  
22 B.

23 Next is the Exhibit C, there is affidavit of Laci  
24 Stretcher who is the landman on this project. Her affidavit  
25 explains that in these four cases EOG is seeking pooling

1 orders underlying the S/2 of Section 27, all of Section 34  
2 and the N/2 of Section 3, will be dedicated to Wolfcamp and  
3 Bone Spring spacing unit divided by the E/2 and W/2.

4 And so her exhibits are put together with the W/2  
5 wells first. So Case Numbers 21411 and 21445 involve the  
6 640-acre horizontal spacing unit underlying the SW/4 of  
7 Section 27, the W/2 of 34, and the NW/4 of 3. And these two  
8 spacing units will be dedicated to the Peregrine 301, 302  
9 and 303 wells in the Bone Spring formation.

10 And then in the Wolfcamp formation there is a  
11 series of Peregrine Fed Com 700 wells, and those are listed  
12 on Ms. Stretcher's affidavit at Pages 2 and 3.

13 C-102s have been provided for all of these wells,  
14 and her affidavit reflects there are no depth severances.

15 And then in cases 21412 and 21414, EOG is seeking  
16 to pool the 640 acres underlying the E/2 of those sections  
17 that I just mentioned.

18 And in 21412 EOG seeks to pool the Bone Spring  
19 formation dedicated to the spacing unit to the Peregrine  
20 304, 305 and 306H wells.

21 And then in Case 21414, that's going to be the  
22 Wolfcamp side of things, and that's dedicated to several 700  
23 series wells.

24 Again, EOG has provided the C-102s for these  
25 wells, and the C-102s reflect that these wells are located

1 in the Bone Spring -- sorry -- the Bone Spring wells are  
2 located in the Red Hills Bone Spring East Pool, and that's  
3 97369. And the Wolfcamp wells are located in the Antelope  
4 Ridge Wolfcamp Pool, which is 2220.

5 Ms. Stretcher also provides tract and unit recaps  
6 which reflects the working interest owners that require  
7 pooling in this case -- in these four cases. She also  
8 provides copies of the well proposal letters and AFEs that  
9 reflect these costs are consistent with other horizontal  
10 wells in this area. And finally her last exhibit is her  
11 chronology of contacts with the unjoined working interest  
12 owners.

13 Moving on to EOG Exhibit B, that is the affidavit  
14 of Terra George who is the geologist on these four spacing  
15 units. She has not testified before the Division before,  
16 and so she provides her education, experience, her petroleum  
17 geology matters, as well as a copy of her resume reflecting  
18 that education and experience, and she requests that her  
19 credentials be accepted and she be admitted as an expert in  
20 petroleum geology matters.

21 Together with her affidavit, she provides the  
22 standard geology exhibits for both the Wolfcamp and the Bone  
23 Spring since these four spacing units will be producing both  
24 of those formations.

25 And finally as EOG Exhibits E and F, we provided

1 a notice affidavit as well as the notice of publication to  
2 satisfy the requirements that notice of this hearing be  
3 provided to the interest owners to be pooled.

4 So with that, I would move the admission of EOG  
5 Exhibits A through F and request that these four cases be  
6 taken under advisement.

7 HEARING EXAMINER ORTH: All right. Thank you,  
8 Ms. Luck. Let's see if the technical examiners have any  
9 questions. Mr. Simmons?

10 TECHNICAL EXAMINER SIMMONS: No, I have no  
11 questions. Thank you.

12 HEARING EXAMINER ORTH: Thank you. Mr. Lowe?

13 TECHNICAL EXAMINER LOWE: I have no questions.  
14 Thank you.

15 HEARING EXAMINER ORTH: All right. In that case,  
16 Ms. Luck, your geologist is accepted, recognized. Your  
17 exhibits are admitted, and the matters will be taken under  
18 advisement.

19 MS. LUCK: Thank you.

20 (Exhibits admitted.)

21 (Taken under advisement.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court  
7 Reporter, CCR 253, do hereby certify that I reported the  
8 foregoing virtual proceedings in stenographic shorthand and  
9 that the foregoing pages are a true and correct transcript  
10 of those proceedings to the best of my ability.

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

15 I FURTHER CERTIFY that the Virtual Proceeding was  
16 of poor to good quality.

17 Dated this 8th day of October 2020.

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/s/ Irene Delgado

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

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