

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: 21461

APPLICATION OF CATENA RESOURCES OPERATING LLC  
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

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|------------------------------|----|
| CASE CALLED                  |    |
| SUMMARY OF CASE AND EXHIBITS | 03 |
| TAKEN UNDER ADVISEMENT       | 05 |
| REPORTER CERTIFICATE         | 06 |

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

|                              |          |
|------------------------------|----------|
|                              | Admitted |
| All Exhibits and Attachments | 05       |

1 HEARING EXAMINER ORTH: Let's move then to 21461,  
2 Catena Resources, another compulsory pooling application.  
3 The well name is Rambo.

4 Ms. Luck, are you counsel for the applicant?

5 MS. LUCK: That's correct. I will be presenting  
6 these affidavits.

7 HEARING EXAMINER ORTH: All right. Thank you. I  
8 didn't see any other appearances. Let me pause for a moment  
9 to see if there are any appearances this morning.

10 (No audible response.)

11 HEARING EXAMINER ORTH: No.? I did see a  
12 prehearing statement by the applicant, so if you would,  
13 please, go ahead.

14 MS. LUCK: Thank you. The next case, Catena  
15 understood that there would be no opposition to the case  
16 proceeding by affidavit, and so Catena's exhibits were again  
17 filed on Tuesday.

18 The exhibits include the standard compulsory  
19 pooling application checklist, and a copy of the filed  
20 application.

21 And then Catena's Exhibit A is the landman  
22 affidavit, and he testifies that in this case Catena is  
23 seeking an order pooling all uncommitted interest in the  
24 Wolfcamp formation underlying a standard 640-acre spacing  
25 unit in the W/2 of Sections 8 and 17, and this is in

1 Township 19 South, Range 35 East, Lea County, New Mexico.

2 This is, again, a single-well spacing unit at  
3 this point and will be dedicated to the Rambo 193517 3H  
4 well. And this well is again a proximity tract well, which  
5 will remain within 330 feet of the W/2 of the E/2 of  
6 Sections 8 and 17 to create a larger horizontal spacing  
7 unit, and that's because this well is located in the Scharb  
8 Wolfcamp Pool, Pool Code 55640, which is that 40-acre oil  
9 pool.

10 Catena also provides the standard land exhibits,  
11 including a C-102, a location map, tract and unit recap  
12 reflecting the owners to be pooled into this spacing unit.

13 Catena's landman testifies there is no depth  
14 severance underlying the acreage, and he also provides  
15 copies of the well proposal letters, AFE, and a record of  
16 his contact with uncommitted interest owners.

17 Next Catena Exhibit B is the geology affidavit  
18 for this development, and again, Mr. Smith has testified  
19 before the Division, and he provides the standard Wolfcamp  
20 structure map, cross section map and cross section. And he  
21 testifies that the development of this spacing unit by a  
22 horizontal well is in the best interest of conservation, the  
23 prevention of waste and the protection of correlative  
24 rights.

25 Finally, as Catena Exhibits C and D, we provided

1 the notice affidavit and notice of publication which  
2 reflects that notice of this pooling hearing was timely  
3 provided to interest owners to be pooled in this case.

4 So with that, I would move the admission of  
5 Catena Exhibits A through D and request that this case be  
6 taken under advisement.

7 HEARING EXAMINER ORTH: Thank you, Ms. Luck. Mr.  
8 Simmons, do you have any questions?

9 TECHNICAL EXAMINER SIMMONS: No. Everything  
10 appears to be in order. Thank you.

11 HEARING EXAMINER ORTH: Thank you. Your exhibits  
12 are admitted and Matter 21461 will be taken under  
13 advisement.

14 MS. LUCK: Thank you.

15 (Exhibits A-D admitted.)

16 (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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