

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: 21488

APPLICATION OF SPUR ENERGY PARTNERS LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

NOVEMBER 5, 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 EXAMINER DYLAN ROSE-COSS on
Thursday, November 5, 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:

DANA HARDY
HINKLE SHANOR LLP
P.O. Box 0268
Santa Fe, NM 87504
505-982-4554

For ConocoPhillips:

MICHAEL FELDEWERT
HOLLAND & HART
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I N D E X

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

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

	Admitted
Exhibits and All Attachments	06

1 HEARING EXAMINER ORTH: Let's move then to matter
2 21488. The applicant is Spur Energy Partners, compulsory
3 pooling application. The well name is Poseidon.

4 Ms. Hardy, are you here again for this applicant?

5 MS. HARDY: Yes, I am. Dana Hardy on behalf of
6 Spur Energy Partners.

7 HEARING EXAMINER ORTH: Thank you. I saw an
8 entry of appearance for ConocoPhillips. Who here is from
9 Holland & Hart?

10 MR. FELDEWERT: May it please the Examiner,
11 Michael Feldewert with the Santa Fe office of Holland &
12 Hart --

13 (Audio interference.)

14 HEARING EXAMINER ORTH: Mr. Feldewert? Mr.
15 Feldewert, I'm sorry to interrupt you, it says you have low
16 band width. You might want to turn off your video. We
17 really didn't hear anything you said.

18 MR. FELDEWERT: Now (inaudible) me.

19 HEARING EXAMINER ORTH: I only heard the words
20 now and me.

21 MR. FELDEWERT: Let me do some adjustment.

22 HEARING EXAMINER ORTH: We'll wait a moment.

23 MR. FELDEWERT: Okay. Can you hear me better
24 now?

25 HEARING EXAMINER ORTH: Yes. I heard all of

1 that.

2 MR. FELDEWERT: Thank you. Thank you. Sorry
3 about that. I apologize.

4 HEARING EXAMINER ORTH: That's all right. Let's
5 start over. Mr. Feldewert, are you here for ConocoPhillips?

6 MR. FELDEWERT: I am, and ConocoPhillips does not
7 object to the matter proceeding by affidavit.

8 HEARING EXAMINER ORTH: Oh, thank you very much.
9 Let me pause a moment in the event there are other
10 appearances this morning.

11 (No audible response.)

12 HEARING EXAMINER ORTH: I hear nothing. Ms.
13 Hardy, if you would, please, go ahead.

14 MS. HARDY: Thank you. In this case Spur seeks
15 an order pooling all uncommitted mineral interests in the
16 Yaso Formation in a 320 acre standard proximity tract
17 horizontal spacing unit comprised of the S/2 of Section 3,
18 Township 17 South, Range 30 East in Eddy County.

19 In support of the application we have provided
20 the self-affirmed statement of landman Morgan Landry, as
21 well as the self-affirmed statement of geologist CJ
22 Lipinski.

23 Mr. Landry's self-affirmed statement provides all
24 of the standard land exhibits. He identifies the ownership
25 interest in each tract, provides a plot of the tracts and

1 identifies the pooled party in Exhibit A-4 to his self-
2 affirmed statement. I will note that Mr. Landry has not
3 previously testified, and so we have provided his statement
4 of qualifications along with his affidavit.

5 We did provide proposed notice of the hearing
6 more than 20 days in advance by certified mail and also
7 published notice out of an abundance of caution. There are
8 no unlocatable interests. In fact, the only party that Spur
9 seeks to pool is ConocoPhillips in this case.

10 Mr. Lipinski has provided the geology exhibits
11 including a location map, the gunbarrel schematic, a
12 structure map, an isochore map and a cross section.

13 So with that, unless there are questions, I would
14 ask that the exhibits be accepted into the record and that
15 the case be taken under advisement. And I would also ask
16 Mr. Landry be qualified as an expert in petroleum land
17 matters. Thank you.

18 HEARING EXAMINER ORTH: All right. Thank you,
19 Ms. Hardy. Mr. Feldewert, do you have any questions?

20 MR. FELDEWERT: I do not, and, Madam Examiner, if
21 I may, I'm going to start my video and test it here.

22 HEARING EXAMINER ORTH: All right.

23 MR. FELDEWERT: Are you still -- can you still
24 hear with my video on?

25 HEARING EXAMINER ORTH: Your sound quality

1 immediately deteriorated. I'm sorry

2 MR. FELDEWERT: Can you hear me? Then I will
3 have to proceed without my video, but I have no objection.
4 Thank you.

5 HEARING EXAMINER ORTH: All right. Thank you.
6 Mr. Rose-Coss, do you have questions of Ms. Hardy?

7 TECHNICAL EXAMINER COSS: I do not have any
8 questions of Ms. Hardy at this time, and after scrolling
9 through Mr. Landry's resume, I also do not have any
10 objections to Mr. Landry being recognized as an expert
11 landman in these matters.

12 HEARING EXAMINER ORTH: Thank you for that. Ms.
13 Hardy, your exhibits are accepted, Mr. Landry is qualified
14 as an expert, and the matter will be taken under advisement.

15 MS. HARDY: Thank you very much.

16 (Exhibits admitted.)

17 (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 5th day of November 2020.

18

/s/ Irene Delgado

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

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