

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: 21501 - 21504

APPLICATION OF ASCENT ENERGY LLC
FOR COMPULSORY POOLING,
LEA 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 EXAMINERS DYLAN ROSE-COSS on Thursday, November 5, 2020, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

For the Applicant:

JAMES BRUCE
P.O. Box 1056
Santa Fe, NM 87504-1056
505-982-2151
jamesbruce@aol.com

For ConocoPhillips:

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

03

TAKEN UNDER ADVISEMENT

REPORTER CERTIFICATE

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

Admitted

Exhibits and All Attachments

1 HEARING EXAMINER ORTH: Let's move then to the
2 next set of matters. These are 21501, 21502, 21503, 21504.
3 Ascent Energy is the applicant. These are compulsory
4 pooling applications. The well name is Pony Express.

5 Mr. Bruce, you are here for Ascent?

6 MR. BRUCE: Yes.

7 HEARING EXAMINER ORTH: Thank you. I saw an
8 entry of appearance on behalf of ConocoPhillips by Holland &
9 Hart?

10 MS. LUCK: That's correct, Madam Examiner.
11 Kaitlyn Luck with the Santa Fe office of Holland & Hart on
12 behalf of ConocoPhillips.

13 HEARING EXAMINER ORTH: All right, thank you.
14 And that was for all four matters. Then in two of the
15 matters I saw an entry of appearance on behalf of EOG.

16 MS. LUCK: That's correct. So Kaitlyn Luck again
17 with the Santa Fe office of Holland & Hart on behalf of EOG
18 Resources, and this entry is specific to Cases 21503 and
19 21504.

20 HEARING EXAMINER ORTH: Thank you very much. Let
21 me pause for a moment to ask if there are any other
22 appearances this morning?

23 (No audible response.)

24 HEARING EXAMINER ORTH: I hear none. Ms. Luck,
25 do ConocoPhillips or EOG object to the matter proceeding by

1 affidavit?

2 MS. LUCK: No objection from either party. Thank
3 you.

4 HEARING EXAMINER ORTH: Thank you. Mr. Bruce, go
5 ahead.

6 MR. BRUCE: Yes, in this -- I'm first presenting
7 together 21501 and 21502, those are for certain Pony Express
8 Bone Spring and Wolfcamp wells. The land involved in each
9 of the two applications is the W/2 W/2 of Section 16 and the
10 W/2 W/2 of Section 24, 20 South, 33 East, and because of
11 land ownership, that's the reason for grouping together the,
12 the two applications.

13 The landman is Lee Zink, who has previously
14 testified before the the Division and been qualified as an
15 expert. His affidavit marked Exhibit 2 contains all the
16 usual information regarding land issues.

17 The land -- I must apologize somewhat to the
18 Division for the land and the geology exhibits because the
19 geology exhibits, they are identical for all of the six
20 cases that Ascent is presenting today. And so rather than
21 trying to ferret out what was necessary for each individual
22 case, I marked the exhibits pursuant -- at least the
23 geologic exhibits -- for those that covered the Bone Spring
24 formation and those that covered the Wolfcamp formation.

25 Anyway, 3-A is the exhibit for the Bone Spring

1 wells. 3-B is the geologic exhibit for the Wolfcamp wells.
2 Again it contains the normal information, the structure
3 maps, cross sections. The C-102s in this case are submitted
4 by the geologist and not the landman.

5 The data does show that in this area the stand-up
6 well units are preferred. Virtually everyone is drilling
7 stand-up wells both in the Wolfcamp and Bone Spring in this
8 area. If Mr. -- some of these exhibits, specially the cross
9 section, it looks better in color, and if Mr. Rose-Coss
10 would like a set of color exhibits, I can e-mail those to
11 him.

12 Notice was given by certified mail to everyone.
13 All interest owners or three parties being pooled did
14 receive actual notice, so notice was not published in the
15 newspaper.

16 The pooling checklists are marked Exhibits 5 and
17 6. And when I sat down late yesterday afternoon to go
18 through everything again, I did notice a couple of typos on
19 each of Exhibits 5 and 6. I will e-mail to the Division
20 replacement exhibits just correcting those typos so that
21 they are proper.

22 There was a mistake in one of the well names or
23 the number I put in for one of the wells, I should say.
24 These wells are all 501 or 502 or 601 or 602, and I typed in
25 the wrong thing in one place. So I will get those to the

1 Division in these matters to clear that up.

2 But I believe all the necessary exhibits have
3 been submitted, and I would ask that the matters be taken
4 under advisement.

5 HEARING EXAMINER ORTH: All right. Thank you,
6 Mr. Bruce. Ms. Luck, do you have questions?

7 MS. LUCK: No questions from ConocoPhillips, and
8 no objections to the exhibits being admitted.

9 HEARING EXAMINER ORTH: Thank you. Mr.
10 Rose-Coss, do you have questions or any comment on the
11 exhibits being submitted in color?

12 TECHNICAL EXAMINER COSS: Yeah, it would be nice
13 to see some of the exhibits in color.

14 MR. BRUCE: I will get that to you.

15 TECHNICAL EXAMINER COSS: Thank you, Mr. Bruce.

16 HEARING EXAMINER ORTH: Thank you. So, Mr.
17 Bruce, your exhibits are admitted, and the matters 21501 and
18 21502 will be taken under advisement. Please go ahead.

19 (Exhibits admitted.)

20 (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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