

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: 21072, 21074  
21075, 21092

APPLICATION OF COLGATE OPERATING LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

CASE NOS: 21325 - 21328

APPLICATION OF MEWBOURNE OIL COMPANY,  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

NOVEMBER 19, 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 JOHN GARCIA and DYLAN  
COSS on Thursday, November 19, 2020, via 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:

LANCE HOUGH  
MODRALL SPERLING ROEHL HARRIS & SISK PA  
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For Mewbourne:

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For EOG:

MICHAEL FELDEWERT  
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I N D E X

CASE CALLED	
STATUS CONFERENCE	03
REPORTER CERTIFICATE	07

1 HEARING EXAMINER ORTH: Okay. Let's move then to  
2 the next set of cases. And again, this is another set of  
3 cases that we will be having a collective discussion and  
4 status conference, 21072, 21074, 21075 and 21092. The  
5 applicant in each of these cases is Colgate Operating,  
6 compulsory pooling applications, related to a well named Red  
7 Bandan, like red bandana.

8 Mr. Hough, are you here for the applicant?

9 MR. HOUGH: That's correct, Madam Examiner.

10 HEARING EXAMINER ORTH: We also have appearances  
11 for Mewbourne by Mr. Bruce. Mr. Bruce, are you still with  
12 us?

13 MR. BRUCE: Yes.

14 HEARING EXAMINER ORTH: And EOG, is that you, Mr.  
15 Feldewert, for EOG?

16 MR. FELDEWERT: Yes, Madam Examiner, Michael  
17 Feldewert with the Santa Fe office of Holland & Hart for EOG  
18 Resources Inc. And then I think also entered an appearance  
19 in the Mewbourne cases that you are about ready to discuss.

20 HEARING EXAMINER ORTH: Yes, thank you. Good  
21 morning. So then the other cases, like the other set of  
22 cases I just called, 21325, 21326, 21327 and 21328,  
23 Mewbourne Oil is the applicant, compulsory pooling  
24 application, related to a well named Hemingway. Mr. Bruce,  
25 you are here for the applicant?

1 MR. BRUCE: Yes, I am.

2 HEARING EXAMINER ORTH: And then we have Colgate  
3 having entered an appearance. Mr. Hough, are you here for  
4 Colgate.

5 MR. HOUGH: That's correct, Madam Examiner.

6 HEARING EXAMINER ORTH: All right. And Mr.  
7 Feldewert, you are here for EOG?

8 MR. FELDEWERT: Yes, ma'am.

9 HEARING EXAMINER ORTH: Okay. Are there any  
10 other appearances in any of these cases this morning?

11 (No audible response.)

12 HEARING EXAMINER ORTH: I don't hear anything.  
13 Who is going to kick off the discussion with the status  
14 conference.

15 MR. HOUGH: Madam Examiner, this is Lance Hough,  
16 I will just kick it off with respect to, I guess, the  
17 positioning of who is the applicant in the current cases. I  
18 know we had submitted a request to vacate a prehearing order  
19 with a statement referencing there may be a change in the  
20 applicant in these cases.

21 I just wanted to clarify, there have been some  
22 discussions with EOG as well, but for purposes of moving  
23 forward, Colgate is going to remain the applicant in these  
24 cases. So Colgate's understanding is that we are here  
25 essentially in the same respect to the last cases to set it

1 up for a subsequent contested hearing docket.

2 HEARING EXAMINER ORTH: All right, thank you.

3 Mr. Bruce, anything to add?

4 MR. BRUCE: No, but I think Mr. Feldewert could  
5 probably add what he needs to. We just need to kick the can  
6 down the road on this one a little bit.

7 HEARING EXAMINER ORTH: All right. Mr.  
8 Feldewert?

9 MR. FELDEWERT: Yeah, I think there's, you know,  
10 EOG has appeared in these matters because there has been  
11 some I would say very productive discussions between the  
12 parties to try to reach resolution. The nature of that  
13 resolution is being formulated.

14 At this point we are hopeful that we don't -- we  
15 are not going to necessarily need a hearing or at least need  
16 a contested hearing, but we are not sure yet. So for that  
17 reason I hate to see the Division set a special hearing  
18 date.

19 I concur with your suggestion, Ms. Orth, that  
20 perhaps we set these matters for a hearing on one of the  
21 Thursdays to see where we are at in terms of these  
22 potentially going to be consolidated cases.

23 Thinking about it, it seems to me, I think the  
24 hearing in the second docket in January, which is the 21st  
25 probably makes the most sense. So my suggestion is to set

1 these cases for hearing on January 21.

2 HEARING EXAMINER ORTH: Okay. Mr. Hough, any  
3 objection?

4 MR. HOUGH: No objection to that. That's  
5 completely fine from Colgate's standpoint.

6 HEARING EXAMINER ORTH: All right. Mr. Bruce?

7 MR. BRUCE: I'm agreeable with that, also.

8 HEARING EXAMINER ORTH: All right. Thank you.  
9 Mr. Garcia, do you have any questions about the matter?

10 TECHNICAL EXAMINER GARCIA: I do not.

11 HEARING EXAMINER ORTH: Okay, thank you. In that  
12 case we will put it on the Thursday session docket for  
13 January 21, 2021. Thank you all, gentlemen.

14 MR. FELDEWERT: Thank you.

15 MR. BRUCE: Thank you. Have a good Thanksgiving.

16 MR. FELDEWERT: Good and safe Thanksgiving.

17 HEARING EXAMINER ORTH: Yes, all of you as well.

18 And, Mr. Feldewert, I just want to say that we  
19 have taken your request around the 5 p.m. deadline versus  
20 the midnight deadline, the lawyers have (inaudible) to the  
21 right people for decision making and input, but we don't  
22 quite have an answer yet, but we are still working on it.

23 MR. FELDEWERT: I thought perhaps that was the  
24 public notice going on the website here shortly, I guess.

25 HEARING EXAMINER ORTH: Yeah. No, actually the

1 public notice, I don't understand it entirely myself yet. I  
2 understand the public notice has more to do with how things  
3 will be uploaded when they are filed. I believe that's the  
4 nature of the --

5 TECHNICAL EXAMINER COSS: Dylan Coss here. I can  
6 say a few more words on that, Mr. Feldewert. The public  
7 notice that's coming out is going to be in regards to the  
8 Division's new paperless initiative project, affectionately  
9 referred to in the Division as the PIP initiative.

10 So it's going to be a new way for, you know,  
11 to -- we introduced the fee system, the fee portal last July  
12 or so, and similar to that, continuing with that initiative  
13 it's going to be a method for everything to be submitted on  
14 line through the E permitting system as opposed to -- it  
15 will eventually change the way that all the documents are  
16 submitted to the Division, but no more e-mails or hearing  
17 e-mails in the near future, but the public (inaudible).

18 MR. FELDEWERT: Is there going to be a fee for  
19 filing exhibits.

20 TECHNICAL EXAMINER COSS: No, it's a way we can  
21 submit through the online system without a fee.

22 MR. FELDEWERT: Got it, a work-around. Great,  
23 great, great.

24 TECHNICAL EXAMINER COSS: It's going to be a  
25 great boom for the district for us to have, and the

1 operators because there will be more ways for an operator to  
2 track what they submitted after it's been submitted.

3 MR. FELDEWERT: Okay.

4 TECHNICAL EXAMINER COSS: Yeah, potentially some  
5 time next week to test it and work with IT on that, but the  
6 public notice will display all that.

7 MR. FELDEWERT: Super. Super.

8 HEARING EXAMINER ORTH: Thank you very much  
9 Mr. Rose Coss. Mr. Feldewert, who amongst the three of you  
10 who have the handful of cases will be submitting another  
11 prehearing order.

12 MR. HOUGH: Madam Examiner, this is Lance Hough  
13 I'm happy to do it as well and circulate it to the other  
14 parties.

15 HEARING EXAMINER ORTH: Perfect, thank you  
16 Mr. Hough.

17 All right. Is there anything else that we can  
18 talk about before we adjourn for the holidays.

19 MR. BRUCE: That's it.

20 HEARING EXAMINER ORTH: Well, thank you very  
21 much, all of you, and we will see you in a couple OF weeks.

22 MR. FELDEWERT: Take care.

23 HEARING EXAMINER ORTH: Thank you.

24 (Status conference concluded.)

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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 19TH day of November 2020.

18 /s/ Irene Delgado

19 \_\_\_\_\_  
20 Irene Delgado, NMCCR 253  
21 License Expires: 12-31-20

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