

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

	Case Nos.	21284, 21285,
Application of Devon Energy		21286, 21287,
Production Company for Compulsory		21288, 21289,
Pooling, Lea County, New Mexico		21290, 21291

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

THURSDAY, OCTOBER 22, 2020

This matter came on for hearing before the
New Mexico Oil Conservation Division, FELICIA ORTH,
Hearing Examiner, LEONARD LOWE, Technical Examiner,
via Cisco Webex Virtual Meeting Platform

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
PAUL BACA PROFESSIONAL COURT REPORTERS
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1 A P P E A R A N C E S.

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11 C O N T E N T S

12 CASES NOS. 21284, 21285, 21286, 21287 PAGE

13 Cases Called:

14 Request to Dismiss Cases 21284, 21285,
21286, 21287, 21290, 21291

15 Opening Statement by Ms. Luck for
16 Cases 21288, 21289:

17 Cases 21284, 21285 21286, 21287,
21290, 21291 Dismissed:

18 Case Nos. 21288, 21289 taken under advisement:
19

20 DEVON ENERGY WITNESSES (BY AFFIDAVIT)

21 Katie Dean (Landman):

22 Derek Ohl, (Geologist):
23
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INDEX OF EXHIBITS		
	DEVON ENERGY EXHIBITS:	PAGE
1		
2		
3	A Compulsory Pooling Application Checklist	
4	B Application	
5	C Affidavit of Katie Dean	
6	C-1 General Location Map	
7	C-2 Case No. 21288 C-102s	
8	C-3 Case No. 21289 C-102s	
9	C-4 Land Plat/Unit Recap	
10	C-5 Well Proposal/AFE	
11	C-6 Chronology of Contact with Nonjoined Working Interests.	
12		
13	D Affidavit of Derek Ohl	
14	D-1 Bone Spring Structure Map	
15	D-2 Wolfcamp Structure Map	
16	D-3 Cross Section Map	
17	D-4 Cross Section	
18	E Notice Affidavit	
19	F Notice of Publication	
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22		
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1 (Time noted 9:09 a.m.)

2 HEARING EXAMINER ORTH: Let's move to the next
3 several matters, 21284, 21285, 21286, 21287. These
4 matters the applicant is Devon Energy, compulsory pooling
5 applications. The well is Bigger Cat. Holland and Hart
6 represents the applicant, and I do have it down as the
7 applicant requesting dismissal.

8 Let's get the appearances onto the record.

9 MS. LUCK: Good Morning, Madam Examiner.
10 Kaitlyn Luck with the Santa Fe office of Holland and Hart
11 on behalf of the Applicant Devon Energy.

12 HEARING EXAMINER ORTH: Thank you. And then we
13 have Cimarex who filed an entry here.

14 MR. HOUGH: Good morning, Madam Examiner. Lance
15 Hough from Modrall Sperling on behalf of Cimarex Energy
16 Company.

17 HEARING EXAMINER ORTH: Terrific. Thank you,
18 Mr. Hough.

19 So is there anything to say other than the
20 matter is to be dismissed as requested?

21 MS. LUCK: Just for clarification, this -- these
22 cases were previously contested together with Cimarex's
23 Case Nos. 21236 and 21237. Devon had requested to dismiss
24 only a portion of the cases, so that would be 21284
25 through 21287, as well as 21290 and 21291, but Devon would

1 like to proceed with presenting 21288 and 21289 by
2 affidavit this morning.

3 HEARING EXAMINER ORTH: Okay. And I think
4 that's what I show on the worksheet is that 21288 and
5 21289 will be presented by affidavit.

6 I trust there isn't, Mr. Hough, an
7 objection there.

8 MR. HOUGH: That is correct. No objection.

9 HEARING EXAMINER ORTH: Thank you. If you would
10 then, please, Ms. Luck

11 MS. LUCK: Thank you.

12 So in these two cases, Cases Nos. 21288 and
13 21289, Devon is seeking Orders pooling the uncommitted
14 interests in the Bone Spring and the Wolfcamp Formations,
15 underlying standard 400-acre spacing units comprised of
16 the west half of the east half of Sections 4 and 9 and the
17 west half of the northeast quarter of Section 16 in
18 Township 23 South, Range 32 East, in Lea County, New
19 Mexico.

20 On Tuesday Devon filed with the Division a
21 packet with the standard exhibits, starting with the
22 Compulsory Pooling Application Checklist as Exhibit A, and
23 then copies of the Application as Devon Exhibit B.

24 Devon Exhibit C is the affidavit of Devon
25 landman Katie Dean. With her affidavit she provides the

1 standard land exhibits, including the general location
2 map, the C-102s for both of the cases. As C-4 she
3 includes a land plot and a unit recap, and then her C-5
4 is a copy of the Well Proposal Letter and the AFEs for
5 each of the wells.

6 Then finally C-6 is a chronology of the
7 contact with the nonjoined working interest owners.

8 Just to review the wells involved in these
9 cases, in Case 21288, is the Bone Spring unit, and Devon
10 seeks to include the Bigger Cat 16-4 State Fed Com 513H
11 and 523H wells, and then in Case 21289 Devon is pooling
12 the Wolfcamp unit, and this is also a 40-acre oil pool and
13 Devon seeks to dedicate the unit to The Bigger Cat 16-4 --
14 excuse me, State Fed Com 623H and 713H wells.

15 And then moving on to the geology affidavit
16 that's attached as Devon Exhibit D., the geologist
17 provides the standard exhibits, starting with the Bone
18 Spring structure map, followed by a Wolfcamp structure
19 map, and then a cross section map, and then finally a
20 cross section reflecting the target intervals for each of
21 the wells.

22 7 provides us Exhibits E and F, the Notice
23 Affidavit and Notice of Publication reflecting that Notice
24 was timely provided to the parties to be pooled in both of
25 these cases.

1 And with that I would move the admission of
2 Devon Exhibits A through F and request that these two
3 cases be taken under advisement.

4 HEARING EXAMINER ORTH: Thank you, Ms. Luck.

5 Mr. Hough, do you have any questions.

6 MR. HOUGH: No questions, no objections.

7 HEARING EXAMINER ORTH: Thank you. And
8 Mr. Lowe.

9 TECHNICAL EXAMINER LOWE: Good morning. No
10 questions at this time. Thank you.

11 HEARING EXAMINER ORTH: All right. Thank you.

12 Thank you, Ms. Luck. Your exhibits are
13 accepted and the matters will be taken under advisement.
14 That is to say 21288 and 21289 will be taken under
15 advisement and the others will be dismissed.

16 MS. LUCK: Thank you for that.

17 (Time noted 9:20 a.m.)

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1 STATE OF NEW MEXICO)

2 : SS

3 COUNTY OF TAOS)

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REPORTER'S CERTIFICATE

6

I, MARY THERESE MACFARLANE, New Mexico Reporter

7

CCR No. 122, DO HEREBY CERTIFY that on Thursday, October

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22, 2020, the proceedings in the above-captioned matter

9

were taken before me; that I did report in stenographic

10

shorthand the proceedings set forth herein, and the

11

foregoing pages are a true and correct transcription to

12

the best of my ability and control.

13

I FURTHER CERTIFY that I am neither employed by

14

nor related to nor contracted with (unless excepted by the

15

rules) any of the parties or attorneys in this case, and

16

that I have no interest whatsoever in the final

17

disposition of this case in any court.

18

/s/ Mary MacFarlane

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20

MARY THERESE MACFARLANE, CCR

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NM Certified Court Reporter No. 122

License Expires: 12/31/2020

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