

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: 21534

APPLICATION OF DEVON ENERGY PRODUCTION
COMPANY LP FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

DECEMBER 3, 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 BAYLEN LAMKIN on
Thursday, December 3, 2020, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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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

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

Exhibits and Attachments 06

1 HEARING EXAMINER ORTH: Let's go to Case 21534.
2 The applicant is Devon Energy Production LP. These are
3 compulsory pooling applications. The well name is Blondie.
4 Who is here from Holland & Hart on behalf of the applicant?

5 MS. LUCK: Hi, again. Kaitlyn Luck with the
6 Santa Fe office of Holland & Hart on behalf of the applicant
7 in this case which is Devon Energy Production Company LP.

8 HEARING EXAMINER ORTH: Thank you. I saw no
9 other entries of appearance in the file. Let me pause for a
10 moment and ask if there are any entries.

11 (No audible response.)

12 HEARING EXAMINER ORTH: Hearing nothing, if you
13 would proceed, Ms. Luck.

14 MS. LUCK: Thank you, in this case there was an
15 understanding there was no objection to the case proceeding
16 by affidavit, so on Tuesday Devon filed its exhibits with
17 the Division.

18 The exhibit package includes the standard
19 exhibits required by the Division for a pooling hearing,
20 starting off with Exhibit A which is the compulsory pooling
21 application checklist, and then Exhibit B which is a copy of
22 the application filed by Devon in this case for pooling in
23 Lea County, New Mexico.

24 Next is Devon's Exhibit C which is the affidavit
25 of Tim Prout who is the landman in this case. He testified

1 that Devon is seeking approval of a standard 480 acre
2 spacing unit in the Wolfcamp Formation. The pool code here
3 is 98105, and the spacing unit is located in the W/2 of
4 Section 10 and the NW/4 of Section 15, in Township 26 South,
5 Range 34 East in Lea County, New Mexico.

6 The spacing unit is going to be dedicated to the
7 Blondie 15-10 Fed Com wells, and the details of each of
8 those wells are provided in both the checklist and the
9 landman's affidavit which includes the C-102s as
10 attachments.

11 I also want to note that in the next case Devon
12 has noted that either the 2H well or the 5H well will be the
13 proximity well that pools the proximity tracts in this case
14 which are -- excuse me -- these two wells are located
15 within 330 feet of the E/2 -- excuse me -- of the E/2 W/2
16 from the W/2 W/2 of Section 10 and the E/2 of the NW/4 from
17 the N/2 of the NW/4 of Section 15.

18 Moving on to the other exhibits that are attached
19 with the landman's affidavit, he includes the standard tract
20 and unit recap, as well as a well proposal letter attaching
21 a copy of the AFEs for each of the wells. He also provides
22 a chronology of his contacts of the uncommitted interest
23 owners.

24 Next Devon's Exhibit E is the affidavit of Russel
25 Goodin who is the geologist on this case, and he testifies

1 that the proposed spacing unit is appropriate for horizontal
2 wells in this case.

3 And then finally Devon provides Exhibit E and F
4 which show that notice of this hearing was provided to each
5 of the interest owners that Devon seeks to pool in this case
6 both by mail and through a notice of publication in the
7 newspaper where the wells are located.

8 So with that, I would move the admission of
9 Devon's Exhibits A through F and request that this case be
10 taken under advisement.

11 HEARING EXAMINER ORTH: Thank you, Ms. Luck. Mr.
12 Lamkin, do you have any questions of Ms. Luck?

13 TECHNICAL EXAMINER LAMKIN: No, ma'am, I do not.

14 HEARING EXAMINER ORTH: Thank you. Ms. Luck,
15 Exhibits A through F are admitted, and 21534 is taken under
16 advisement.

17 MS. LUCK: Thank you.

18 (Exhibits admitted.)

19 (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 3rd day of December 2020.

18

/s/ Irene Delgado

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

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