

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. 21571, 21594
21595 21596

Application of Marathon Oil to
amend Orders R-21125, R-21075,
R-20175, R-21122

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, JANUARY 7, 2020

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Hearing Examiner, Dylan Rose-Coss,
Technical Examiner, Dean McClure, 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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C O N T E N T S

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CASE NOS. 21571, 21594, 21595 21596	PAGE
8 CASE CALLED:	3
9 STATEMENT BY MS. BENNETT:	3
10 INQUIRY BY EXAMINER ROSE-COSS:	6
11 TAKEN UNDER ADVISEMENT:	7

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

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MARATHON PERMIAN LLC EXHIBITS	ADMITTED
15 1-A Application Case No. 21571	7
16 1-B Application Case No. 21594	7
17 1-C Application Case No. 21595	7
18 1-D Application Case No. 21596	7
19 2 OCD April 9, 2020 letter	7
20 3 Notice affidavit	7

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1 (Time noted 8:31 a.m.)

2 HEARING EXAMINER BRANCARD: Let's turn to Case
3 21571.

4 EXAMINER ROSE-COSS: Yes.

5 EXAMINER McCLURE: Yes, sir.

6 HEARING EXAMINER BRANCARD: And I'm not sure if
7 you want to combine this with some other later cases.

8 MS. BENNETT: Good morning. Yes, this is Deana
9 Bennett.

10 HEARING EXAMINER BRANCARD: So, Ms. Bennett, are
11 you entering an appearance on behalf of Marathon Oil
12 Permian, LLC?

13 MS. BENNETT: That's correct. I'm entering my
14 appearance on behalf of Marathon Oil Permian, LLC, in Case
15 No 21571. And I would like to consolidate this with Case
16 Nos. 21594, 21595 And 21596, which are Nos. 5, 14, 15 and
17 16 on the Excel spreadsheet.

18 HEARING EXAMINER BRANCARD: I see you're seeking
19 to amend a Division Order.

20 MS. BENNETT: Yes, that's right. I don't
21 believe there are any other parties who have entered their
22 appearance in these cases, and I intend to put them on by
23 affidavit.

24 I have prepared a single exhibit packet for
25 all four cases, which I did not submit through the portal,

1 because when I tried to access the portal it said that my
2 user number had expired. So I need to work with Marathon
3 to get a new password before I can start submitting things
4 through the portal.

5 So I'll be working getting that done before
6 the next set of hearings.

7 So I just did submit all my exhibits, the
8 "old-fashioned" way, via email. The new old-fashioned way
9 or the interim old-fashioned way. Anyway, I submitted
10 them.

11 So what you have in front of you --

12 HEARING EXAMINER BRANCARD: Let me just first
13 see if there are any other appearances in this matter, any
14 other parties.

15 Hearing none, you may proceed.

16 MS. BENNETT: Thank you. So these four cases
17 were previously heard before the Division, and the four
18 Orders were issued; these are part of Marathon's Mead Well
19 Group. And in the Orders the Division named Marathon the
20 operator of the units under these four Orders, and due to
21 the downturn in the oil and gas industry based on --
22 because of Covid and other circumstances, Marathon needs
23 an extension of time to actually drill the wells.

24 So that's what these four applications are
25 for, is seeking an extension of time to drill the wells,

1 as well as conforming these Orders to the new form of
2 Order.

3 So those four Orders, along with the other
4 cases I'll be discussing today, were issued under what I
5 call the Interim Form of Order, and, as Mr. Rodriguez
6 mentioned earlier, the Division issued a new Form of Order
7 and parties can seek to, or operators can seek to have
8 their Orders conform to that new Form of Order.

9 So there's two requests here: One, an
10 extension of time; and two, to conform the Orders to the
11 new Form of Orders.

12 And I've attached as Tab A Jeff Broussart's
13 Self-Affirmed Statement. And in Tab A of his
14 self-affirmed statement he does discuss the reasons for
15 the need for the extension of time.

16 I have also attached for the benefit of the
17 Division the applications that we filed in each of these
18 cases.

19 Exhibit 2 is the OCD's April 9, 2020 letter
20 which set out the new Form of Order.

21 And Exhibit 3 is my Notice Affidavit where
22 I included Proof of Notice, including the letters that we
23 sent out, and the status of the mailing. And there was
24 only one party entitled to Notice and that party received
25 its letter.

1 So there's no Affidavit of Publication for
2 these cases.

3 With that I would ask that the exhibits --
4 Tab A and the exhibits behind Tab A be admitted into case
5 Nos. 21571, 21594, 21595 and 21596, and that these cases
6 be taken under advisement, but of course I'm ready to
7 stand for questions if anyone has any questions for me.

8 HEARING EXAMINER BRANCARD: Thank you.

9 Are there any questions from the examiners?

10 EXAMINER McCLURE: I have no questions for this
11 case -- cases, plural, I guess.

12 EXAMINER ROSE-COSS: Good morning, Ms. Bennett.
13 How are you today?

14 When were the exhibits submitted, because
15 I'm just not seeing them in my folder where they are
16 housed.

17 MS. BENNETT: I emailed these to the Division on
18 Tuesday.

19 EXAMINER ROSE-COSS: Okay.

20 MS. BENNETT: I would say sometime between 1:00
21 and 5:00. I can pull up the email precisely when I
22 submitted them.

23 EXAMINER ROSE-COSS: I'm sure they're there and
24 I'm just not seeing them. Should, upon review, anything
25 comes up, we'll reach out, but I do not have any questions

1 at this time.

2 MS. BENNETT: Thank you.

3 HEARING EXAMINER BRANCARD: Are there any other
4 parties with comments today on these four cases right now,
5 21571, 21594, 21595 and 21596.

6 Hearing none, we will admit these exhibits
7 and take these cases under advisement, with the proviso
8 that if we can't find them we'll reach out to you and
9 learn how to do the new portal correctly.

10 MS. BENNETT: Thank you.

11 (Time noted 8:37 a.m.)

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1 STATE OF NEW MEXICO)

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3 COUNTY OF TAOS)

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REPORTER'S CERTIFICATE

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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

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January 7, 2021, the proceedings in the above-captioned

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matter were taken before me; that I did report in

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stenographic shorthand the proceedings set forth herein,

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and the foregoing pages are a true and correct

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transcription to 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

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disposition of this case in any court.

18

/s/ Mary Macfarlane

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Mary Therese Macfarlane, CCR

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