

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: 21063 - 21065

APPLICATION OF MATADOR PRODUCTION COMPANY  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NOS: 20988, 20989

APPLICATION OF OSTRICH OIL AND GAS LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

FEBRUARY 4, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER FELICIA ORTH and TECHNICAL EXAMINER KURT SIMMONS on Thursday, February 4, 2021, via Webex virtual platform as hosted by the New Mexico Energy, Minerals, and Natural Resources Department, Santa Fe, New Mexico.

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 Matador:

JAMES BRUCE  
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For the Applicant Ostrich Oil:

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For ConocoPhillips:

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Santa Fe, NM 87501  
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I N D E X

CASE CALLED

STATUS CONFERENCE 03

REPORTER CERTIFICATE 07

1 HEARING EXAMINER ORTH: The next set of matters,  
2 21063, 21064, 21065, and then 20988 and 20989. Matador  
3 Production is the applicant in 21063 through 65. Ostrich  
4 Oil is the applicant in the competing applications, 20988  
5 and 89. They are all compulsory pooling applications. The  
6 Matador well is named Nina Cortell. The Ostrich Oil well is  
7 Frizzle Freedom.

8 Mr. Bruce, you are here for Matador?

9 MR. BRUCE: Yes, I am.

10 HEARING EXAMINER ORTH: And Mr. Padilla, you are  
11 here for Ostrich? Let's see here. You're unmuted.

12 MR. PADILLA: Yes, I'm appearing for Ostrich in  
13 all five cases.

14 HEARING EXAMINER ORTH: All right. Then we have  
15 ConocoPhillips having entered an appearance. Holland &  
16 Hart?

17 MS. LUCK: Kaitlyn Luck, again, with the Santa Fe  
18 office of Holland & Hart.

19 HEARING EXAMINER ORTH: All right, thank you.  
20 And, let's see, are there any other entries of appearance  
21 this morning?

22 (No response.)

23 HEARING EXAMINER ORTH: No? So we have a status  
24 conference this morning, and I note that I signed a  
25 prehearing order on December 4 for a hearing this morning on

1 February 4, and then additional time if needed.

2 So this is one of two cases that -- two sets of  
3 cases, I guess, in which I should mention that because  
4 issuing a prehearing order, and then issuing another  
5 prehearing order a couple of months later seems like an  
6 elaborate method of seeking a continuance, frankly,  
7 sometimes.

8 The Division has asked that going forward the  
9 resetting of continued cases be done through the fee portal.  
10 But let me ask, is there any problem with setting this on  
11 April 22?

12 MR. PADILLA: Ms. Examiner, we filed a motion for  
13 continuance, and the motion to vacate the prehearing order  
14 states that if we don't reach a settlement -- my  
15 understanding is that the parties are getting together  
16 tomorrow at 3 to try to resolve this thing. But nonetheless  
17 we asked for a continuance and went through the fee portal.

18 I think Jim and I both agreed that we should file  
19 continuance motions to March 18. I don't know whether the  
20 March 18 will work or is proper, but we will leave that to  
21 you as far as going forward if no agreement is reached.

22 HEARING EXAMINER ORTH: All right. Thank you for  
23 that, Mr. Padilla. I understand from Marlene that the dates  
24 in March are completely booked with several contested  
25 hearings set on each of those dates and that the next date I

1 can offer is April 22.

2 MR. PADILLA: That's fine. That's fine. We just  
3 put it to the next continuance hearing in March and not  
4 knowing that wouldn't be acceptable.

5 HEARING EXAMINER ORTH: All right.

6 MR. BRUCE: And we did -- continuance motions  
7 were filed on all five cases, so we --

8 MR. PADILLA: We paid our fee.

9 HEARING EXAMINER ORTH: All right. Thank you.

10 MS. SALVIDREZ: This is Marlene. I have a  
11 question. If I do approve these for March 18, are they  
12 going to be a special hearing?

13 MR. BRUCE: I have been informed by Matador that  
14 they are extremely close to settling and they really only  
15 wanted a continuance just to take care of the matter, and I  
16 would be -- if we could get it on March 18, with the  
17 understanding that if it is a fight, it would probably have  
18 to go on some other docket, that would be fine. But they  
19 probably don't even need two months or six weeks to settle  
20 the matter because they are so close.

21 MS. SALVIDREZ: You already did submit them and  
22 we talked about this, so I will approve them for the March  
23 18 hearing.

24 HEARING EXAMINER ORTH: All right. Thank you,  
25 Marlene.

1 MR. BRUCE: Thank you.

2 HEARING EXAMINER ORTH: All right. Anything  
3 further on this set of cases?

4 (No audible response.)

5 MR. PADILLA: No, ma'am, not from me.

6 HEARING EXAMINER ORTH: All right. Thank you.

7 (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 reasonable quality.

17 Dated this 4th day of February 2021.

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/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-21

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