

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: 21630, 21543

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

CASE NO: 21560, 21747

APPLICATION OF FLAT CREEK RESOURCES LLC
FOR A HORIZONTAL SPACING UNIT AND
COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
March 4, 2021
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, March 4, 2021, through the 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

1 For the Applicant Matador:

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3 HOLLAND & HART
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5 Santa Fe, NM 87501
6 505-954-7286

7 For Flat Creek Resources:

8 ABADIE & SCHILL, PC
9 DARIN C. SAVAGE
10 214 McKenzie Street
11 Santa Fe, NM 87501
12 970-395-4401

I N D E X

13	CASE(S) CALLED	
14	STATUS CONFERENCE	03
15	REPORTER CERTIFICATE	07

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1 HEARING EXAMINER ORTH: So let me call the first
2 three matters together as they require a contested hearing,
3 apparently we are doing a status conference this morning for
4 them, 21630, 21543 and 21560.

5 21630 is Matador Production, as is 21543. The
6 well names are Colonel R. Howard and Norris Thornton.

7 21560 is Flat Creek Resources, and the well name
8 there is Thirteen Seconds.

9 So, Mr. Feldewert, is that you from Holland &
10 Hart for Matador?

11 MR. FELDEWERT: Yes, Madam Hearing Officer. Good
12 morning, Michael Feldewert with the Santa Fe office of
13 Holland & Hart appearing on behalf of Matador Production
14 Company.

15 HEARING EXAMINER ORTH: Good morning. And Mr.
16 Savage, I believe you are here for Flat Creek Resources?

17 MR. SAVAGE: Good morning, Darin Savage here for
18 Flat Creek Resources.

19 HEARING EXAMINER ORTH: Terrific. Let me pause
20 for a moment in the event there are other appearances.

21 (No audible response.)

22 HEARING EXAMINER ORTH: No? All right. So are
23 we going to talk about a hearing date, are we going to talk
24 about pre-hearing deadlines? What are we going to talk
25 about this morning?

1 MR. FELDEWERT: Madam Hearing Officer,
2 Mr. Lamkin, we really have -- there is four cases that are
3 involved here. The case that was recently filed by Flat
4 Creek, case 21747, 21747, which involves a competing laydown
5 spacing unit in the S/2 of Section 23, 23 South, 27 East.

6 So what we have here is Matador has two
7 applications which seek standard spacing units in the
8 Wolfcamp Purple Sage Pool in Section 23, one being in the
9 S/2 and the other being in the N/2.

10 Flat Creek has now filed competing applications
11 for laydown spacing units involving the same acreage. So I
12 think last time Mr. Savage and I spoke we were anticipating
13 the hearing perhaps in May or June. I don't have a real
14 preference -- well, let me step back.

15 I guess if I have a preference it's probably June
16 3. I'm not wedded to that, but we would seek to have all
17 four cases set for hearing, a contested hearing, I guess my
18 preference would be June 3.

19 HEARING EXAMINER ORTH: All right. Thank you,
20 Mr. Feldewert. Mr. Savage?

21 MR. SAVAGE: Yes, Mr. Feldewert is correct, there
22 are four cases now, and they are competing, and I think in
23 the applications and the prehearing statement explains the
24 particular cases and the matter in which we would like to
25 approach them.

1 But I believe Flat Creek would prefer an earlier
2 date, but I don't think it's set in stone, either. The May
3 6 would be, I believe, our preference, but I will check with
4 the June 3rd and see if that will work as well.

5 HEARING EXAMINER ORTH: All right. Thank you.
6 If you would confirm that by e-mail, Mr. Savage, I would be
7 happy to prepare the prehearing order as soon as I have that
8 confirmation with the usual deadlines. Are there any other
9 deadlines that would need to be set in the prehearing order
10 besides the two usual ones?

11 MR. FELDEWERT: I don't think so. So, Madam
12 Hearing Examiner, I guess I was unaware, you are preparing
13 the prehearing orders now?

14 HEARING EXAMINER ORTH: Yeah, it just made more
15 sense. I have the template on my computer.

16 MR. FELDEWERT: Okay. Okay, understand.

17 HEARING EXAMINER ORTH: My son's cat helps me,
18 so -- all right.

19 MR. SAVAGE: One point on the proceeding. So the
20 new case, 21747, that right now is scheduled for April 8.
21 Do I need to do a motion to transfer that new date or does
22 the order pick that up?

23 HEARING EXAMINER ORTH: Let me check with Ms.
24 Salvidrez. Marlene, would you do that through the portal,
25 or do I do that through the order?

1 MS. SALVIDREZ: I can move all the cases myself,
2 but I know there is going to be exceptions in the future
3 regarding status conferences, so for now I'm moving them.

4 HEARING EXAMINER ORTH: Yeah, so just -- just a
5 heads up, generally. Thank you, Marlene. As I understand
6 it, because there's that, you know, you develop patterns as
7 we sort of make our way through these cases, there has been
8 a pattern, not in this case, but there has been a pattern of
9 cases sort of being set for a status conference hearing and
10 then all of a sudden it's another status conference and then
11 another one, and it just seemed like an elaborate way of
12 doing continuances instead of actually having the hearing.

13 So as I understand it, in the future there may be
14 an announcement that, after the first status conference and
15 the first hearing setting, they may be treated more like
16 continuances if in fact we don't go to hearing that first
17 time.

18 MR. SAVAGE: I will do it either way, so whatever
19 you guys are --

20 HEARING EXAMINER ORTH: All right. Yes, again,
21 this morning that's just a heads-up. Okay. Thank you both,
22 gentlemen. And I will wait for your e-mail confirmation,
23 Mr. Savage. Thank you, Mr. Feldewert. We will look at June
24 3.

25 (Concluded.)

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STATE OF NEW MEXICO
COUNTY OF BERNALILLO

REPORTER'S CERTIFICATE

I, IRENE DELGADO, New Mexico Certified Court Reporter, CCR 253, do hereby certify that I reported the foregoing virtual proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings to the best of my ability.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case and that I have no interest in the final disposition of this case.

I FURTHER CERTIFY that the Virtual Proceeding was of poor to good quality.

Dated this 4th day of March 2021.

/s/ Irene Delgado

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