

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: 21801, 21802

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
APRIL 8, 2021  
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before  
the New Mexico Oil Conservation Division, HEARING OFFICER  
WILLIAM BRANCARD and TECHNICAL EXAMINER DEAN McCLURE on  
Thursday, April 8, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

A P P E A R A N C E S

For the Applicant:

MICHAEL FELDEWERT  
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 05

1 HEARING EXAMINER BRANCARD: With that, Item 33 on  
2 our agenda is 21801, Devon Energy, Holland & Hart.

3 MR. FELDEWERT: May it please the Examiner,  
4 Michael Feldewert of the Santa Fe office of Holland & Hart  
5 on behalf of the applicant. We ask that this case be  
6 consolidated with the next case, 21802.

7 HEARING EXAMINER BRANCARD: Thank you. Are there  
8 any other entries of appearance? Interested parties in case  
9 21801, 21802?

10 (No audible response.)

11 HEARING EXAMINER BRANCARD: Hearing none, Mr.  
12 Feldewert, you may proceed.

13 HEARING EXAMINER BRANCARD: Thank you, Mr.  
14 Examiner. In these consolidated cases, Devon seeks to pool  
15 two standard 160 acre spacing units in the Bone Spring  
16 formation in the E/2 of Section 30, 23 South, 32 East. The  
17 W/2 of the E/2 is to be dedicated to the Magic Cat 211H  
18 well. And then the E/2 of the E/2 is to be dedicated  
19 initially to the Magic Cat 212H well.

20 Our hearing package filed with the Division  
21 contains the compulsory pooling application checklist for  
22 each matter, as well as the filed applications.

23 The PDF that we sent in, on Page 15 is marked as  
24 Devon Exhibit A and is the affidavit of Katie Adams, who is  
25 a landman with Devon. She has previously testified before

1 this Division. And with her affidavit she not only  
2 describes the spacing units, but provides as Exhibit A-1 the  
3 C-102s in numeric order for the proposed wells. She has the  
4 general location map as Exhibit A-2 that involves federal  
5 land.

6 And Exhibit 3 identifies the tracts of land  
7 comprising each spacing unit. The ownership is essentially  
8 the same whether you are dealing with the W/2 E/2 spacing  
9 unit or the E/2 E/2 spacing unit.

10 There is also a group of overriding royalty  
11 interest owners on Exhibit A-3 that Devon likewise seeks to  
12 pool. She has provided the well proposal letters in Exhibit  
13 A-4. And Exhibit A-5 contains the chronology of contacts  
14 with the working interest owners that they seek to pool.

15 We then offer as Devon Exhibit B the affidavit of  
16 Derek Ohl. He is a geologist with the company. He has  
17 likewise previously testified before this Division. And  
18 with his affidavit he provides the, the structure map  
19 showing the spacing units.

20 B-1, B-2 contains the same map showing the  
21 spacing units, the cross section line that he utilizes to  
22 create Exhibit B-3 which is a structural cross section for  
23 the targeted zone which is identified on Exhibit A-3 in  
24 green, which is, I believe, the Second -- yeah, Second Bone  
25 Spring Sand.

1           We then have provided as Devon Exhibit C an  
2 affidavit of notice for each -- both of these cases, and you  
3 will note from the attachment that all of the parties  
4 including the overriding royalty interest owners that they  
5 seek to pool did receive certified mail notice of the  
6 hearing, and therefore there is no affidavit of publication.

7           So with that we would move the admission of Devon  
8 Exhibits A, B and C and ask that the pooling applications in  
9 these two cases be taken under advisement.

10           HEARING EXAMINER BRANCARD: Thank you. Mr.  
11 McClure, any questions?

12           TECHNICAL EXAMINER McCLURE: I have no questions  
13 for either of these cases.

14           HEARING EXAMINER BRANCARD: Once again any  
15 interested parties in either of these cases, 21801, 21802?

16           (No audible response.)

17           HEARING EXAMINER BRANCARD: Hearing none, the  
18 exhibits will be admitted into the record and Cases 21801,  
19 21802 two will be taken under advisement. Thank you.

20           (Exhibits admitted.)

21           (Taken under advisement.)

22

23

24

25

1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

5

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 8th day of April 2021.

18

/s/ Irene Delgado

19

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

20

21

22

23

24

25