

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 No. 21918

Application of Spur Energy Partners
to pool additional interest owners under
under the terms of Order No. R-21622,
Eddy County, New Mexico

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, JUNE 3, 2021

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Hearing Examiner, Leonard Lowe,
Technical Examiner, on Thursday, June 3, 2021, via
the Webex Teleconferencing Platform.

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
PAUL BACA COURT REPORTERS
500 Fourth Street NW, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

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A P P E A R A N C E S

For COG Operating, LLC:	Kaitlyn Luck, Esq. Holland & Hart 110 North Guadalupe, Suite 1 Santa Fe, New Mexico 87501 (505) 988-4421 kaluck@hollandandhart.comfor
For Ernest L. Padilla, Esq. P.O. Box 2523 Santa Fe, NM 87504 (505) 988-7577 padillalaw@qwestoffice.net	

I N D E X

CASE NUMBER 21918	PAGE
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E X H I B I T I N D E X

APPLICANT COG OPERATING, LLC:	PAGE
A Application.	
B Affidavit of Megan Pena, Landman	
B-1 Order No. R-21622	
B-2 Additional nonparticipating Royalty Interest . Owners	
B-3 Rose South C-102s.	
C Additional Nonparticipating Royalty Interest. Owners	
D Notice of Publication	

1 (Time noted 9:11 a.m.)

2 HEARING EXAMINER BRANCARD: Okay. With that I
3 will call the next case, No. 24 on the docket, 21918, Spur
4 Energy Partners. Holland and Hart this time.

5 MS. LUCK: Good morning. Kaitlyn Luck with the
6 Santa Fe office of Holland & Hart on behalf of Spur Energy
7 Partners in this case.

8 HEARING EXAMINER BRANCARD: Thank you.

9 Are there any other interested persons for
10 Case 21918?

11 MR. PADILLA: Yes, Mr. Examiner. Ernest L.
12 Padilla for Yates Brothers General Partnership. We filed
13 an entry of appearance late yesterday.

14 I would add that the Yates brothers does
15 not have an objection to pooling, they merely have some
16 questions to the extent of their interest that's being
17 credited by Spur Energy Partners. Otherwise we have no
18 objection to presentment by affidavit.

19 HEARING EXAMINER BRANCARD: Okay. So I
20 understand, Mr. Padilla, your client has no objection to
21 this case going forward by affidavit, the amendment
22 affidavit.

23 MR. PADILLA: No. No.

24 HEARING EXAMINER BRANCARD: Thank you.

25 Ms. Luck, you may proceed.

1 MS. LUCK: Thank you.

2 Spur filed its application in this case for
3 this docket and it understood there wouldn't be any
4 opposition, so on Tuesday I filed the exhibits to this
5 case, starting off with Exhibit A, which is a copy of
6 Spur's application. It reflects that in this case Spur is
7 seeking to pool additional interest owners under the terms
8 of Order R-21622. That Order was entered on March 15,
9 2020, in Case 21605 and it created a standard 320-acre
10 spacing unit in the Yeso Formation, and pooled the
11 interest owners in the south half of Section 12, Township
12 19 South, Range 5 east in Eddy Count, New Mexico.

13 The spacing unit was dedicated to the Rose
14 South 10H, 50H, 511H and 20H wells.

15 As stated in the affidavit of Megan Pena,
16 who is Spur's landman, which is included as Spur's
17 Exhibit B, Spur is seeking to pool the Nonparticipating
18 Royalty Interest Owners in the unit who were not
19 originally pooled.

20 Spur has provided copies of the Order, as
21 well as C-102s for each of the wells, and she also
22 provides the list of the interest owners that Spur is
23 seeking to pool into this Order.

24 Finally, my office provided Notice to the
25 interest owners to be pooled, and that notice information

1 is included as Spur's Exhibits C and D.

2 So with that I would move the admission of
3 Spur's Exhibits A through D and ask that this case be
4 taken under advisement.

5 HEARING EXAMINER BRANCARD: Thank you.

6 Mr. Padilla, questions?

7 MR. PADILLA: No questions and no objections to
8 the introduction of the exhibits.

9 THE HEARING OFFICER: Thank you.

10 Mr. Lowe, any questions?

11 EXAMINER LOWE: I haven't gone through all the
12 exhibits you have here for each of the wells you indicated
13 for this case, but I just want to get an understanding.

14 All these wells that are noted in this
15 case, are they seeking the same horizontal spacing unit?

16 MS. LUCK: There's no changes to the spacing
17 unit. All other terms of the Order remain the same. We
18 are just seeking to include additional interests into that
19 order.

20 EXAMINER LOWE: They are all in the south half
21 of Section 12?

22 MS. LUCK: That's right.

23 EXAMINER LOWE: Okay. That's all I have. Thank
24 you.

25 HEARING EXAMINER BRANCARD: Thank you.

1 Once again are there any other interested
2 parties in Case 21918? (Note: Pause.) Hearing none, the
3 exhibits will be admitted into the record and Case 21918
4 will be taken under advisement.

5 Thank you

6 MS. LUCK: Thank you.

7 (Time noted 9:15 a.m.)

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1 STATE OF NEW MEXICO) .

2 : SS

3 COUNTY OF TAOS)

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5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday, June 3,
8 2021, the proceedings in the above-captioned matter were
9 taken before me; that I did report in stenographic
10 shorthand the proceedings set forth herein, and the
11 foregoing pages are a true and correct transcription to
12 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
17 disposition of this case in any court.

18

/s/ Mary Macfarlane

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MARY THERESE MACFARLANE, CCR
NM Certified Court Reporter No. 122
License Expires: 12/31/2021

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