

STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

Application of CHEVRON USA, Inc. for Case No. 21920  
Compulsory Pooling,  
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 June 3, 2021 via the Webex Videoconferencing 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 CHEVRON USA, INC.: Adam G. Rankin, Esq.  
Holland & Hart  
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C O N T E N T S

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1 (Time noted 9:59 a.m.)

2 HEARING EXAMINER BRANCARD: With that I call  
3 Case 21920, Chevron USA. Holland and Hart.

4 MR. RANKIN: Good morning, Mr. Hearing Examiner.  
5 Adam Rankin here on behalf of the Applicant Chevron USA,  
6 Incorporated in this case.

7 HEARING EXAMINER BRANCARD: Any other parties  
8 for Case 21920? (Note: Pause.)

9 Hearing none, Mr. Rankin you may proceed.

10 MR. RANKIN: Thank you very much, Mr.

11 In this case Applicant Chevron is seeking  
12 to create a standard 640-acre horizontal spacing unit  
13 comprise of the west half of Sections 14 and 23 in  
14 Township 23 South, Range 28 East in Eddy County, New  
15 Mexico.

16 In this case they are seeking to dedicate  
17 that proposed spacing unit to CB Mothma, the 23 14 Fee 10  
18 No. 41H Well and the 2H well.

19 The pool is the Purple Sage Wolfcamp Pool.

20 The wells will be at standard locations.

21 And in the exhibit packet we filed on  
22 Tuesday are Exhibits A through F.

23 Exhibit the A is the application that was  
24 filed.

25 B is the Compulsory Pooling Application

1 Checklist.

2 C is the affidavit of the Chevron land  
3 person. And within her affidavit is attached exhibits.

4 C-1 are the draft C-102s for the proposed  
5 wells. That would be the initial wells dedicated in the  
6 spacing unit

7 C-2 is a land plat identifying the tracts  
8 that comprise the proposed spacing unit.

9 C-3 is the ownership breakdown of working  
10 interests within each of the tracts and then has a spacing  
11 unit overall.

12 C-4 is a copy of the Sample Well Proposal  
13 Letters and the AFE that were sent for each of the wells.

14 C-5 is the Chronology of Contacts that were  
15 sent to each of the interest owners that are subject to  
16 the pooling in this case.

17 Chevron's Exhibit D is a copy of the  
18 affidavit of Chevron's geologist.

19 Attached are Exhibits D-1, which is a  
20 project location map identifying the spacing unit within  
21 the area.

22 D-2 is a subsea structure map showing that  
23 the structure is continuous across the spacing unit.

24 D-3 is a stratigraphic cross-section map  
25 identifying the location of the wells used to construct

1 the stratigraphic cross-section

2 D-4 is the cross-section itself identifying  
3 the target interval within the Wolfcamp. Mr. Bloor's  
4 affidavit confirms that the targeted well's consistence  
5 and porosity target the (inaudible) spacing unit here.

6 Exhibit E is a copy of the Notice Affidavit  
7 that was sent giving Notice of the application for this  
8 hearing.

9 Exhibit F is a copy of the Affidavit of  
10 Publication identifying each of the parties that was given  
11 Notice by name in a publication that was timely published.

12 So unless there's any questions on the  
13 applications, Mr. Examiner, I would move the admission of  
14 Exhibits A through F and ask that the case be taken under  
15 advisement.

16 HEARING EXAMINER BRANCARD: Thank you.

17 Mr. Lowe, any questions?

18 EXAMINER LOWE: I don't have any questions.  
19 Thank you.

20 HEARING EXAMINER BRANCARD: Once more, any  
21 interested parties or persons or anyone in Case 21920?  
22 (Note: Pause.) Hearing none, the exhibits are admitted  
23 into the record and Case 21920 will be taken under  
24 advisement. Thank you.

25 (Time noted 10:02 a.m.)

1 STATE OF NEW MEXICO )

2 : SS

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, June 3,

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2021, the proceedings in the above-captioned matter were

9

taken before me that I did report in stenographic

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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

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disposition of this case in any court.

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/s/ Mary Macfarlane

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MARY THERESE MACFARLANE, CCR

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NM Certified Court Reporter No. 122

License Expires: 12/31/2021

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