

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:

CASE NOS. 21940, 21949  
21950, 21951

Application of Tap Rock Resources,  
LLC, for compulsory Pooling,  
Lea 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, Hearing  
Examiner William Brancard, Technical Examiner  
Leonard Lowe, on Thursday, June 3, 2021, via the  
Webex Virtual Conferencing 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 TAP ROCK RESOURCES, LLC: James Bruce, Esq.  
Post Office Box 1056  
Santa Fe, NM 87504  
(505) 982-2043  
jamesbruc@aol.com

C O N T E N T S

CASE Nos. 21940, 21949, 21950, 21950	PAGE
CASES CALLED:	3
INQUIRY BY EXAMINER LOWE:	5
TAKEN UNDER ADVISEMENT:	7

E X H I B I T I N D E X

APPLICANT TAP ROCK RESOURCES, LLC EXHIBITS:	PAGE
A. Applications and Proposed Notices	7
B. Landman Erica Hixson's Affidavit	7
C. Geologist Emily Lange's Affidavit	7
D. Affidavit of Notice:	7
E. Pooling Checklist	7

1 (Time noted 9:26 a.m.)

2 HEARING EXAMINER BRANCARD: With that, we call a  
3 series of cases, Tap Rock Resources, Case 21940, which I  
4 believe is combined with 21949, 21950, 21951.

5 Mr. Bruce.

6 MR. BRUCE: Yes, I'm here on behalf of Tap Rock.

7 HEARING EXAMINER BRANCARD: Are those four cases  
8 combined?

9 MR. BRUCE: Yes.

10 HEARING EXAMINER BRANCARD: Thank you.

11 Are there any other interested parties in  
12 Cases 21940, 21949, 21950, 21951? (Note: Pause.)

13 Silence. So you may proceed, Mr. Bruce.

14 MR. BRUCE: Mr. Examiner, in these cases Tap  
15 Rock seeks to force pool the east half/west half of  
16 Section 34 and 24 South, 25 East, and the east  
17 half/northwest quarter of Section 3 of 25 South, 35 East,  
18 both as to the -- what the Division has called the Middle  
19 Bone Spring, and also, uh -- the Middle Bone Spring  
20 Formation, and the separate well in the Wolf Bone  
21 Formation. This is one of the areas where the Lower Third  
22 Bone Spring has been included with the Wolfcamp.

23 In the other set of -- the other two cases,  
24 again force pooling of Bone Spring and a Wolf Bone well in  
25 the west half/west half of Section 34 and west

1 half/northwest quarter of Section 3.

2 The exhibit packages.

3 Exhibit A are the applications.

4 Exhibit B is the affidavit of Erica Hixson,  
5 landman with Tap Rock, containing all the usual C-102s,  
6 ownership information.

7 The only party being force pooled in  
8 this -- in all four cases is the New Mexico Department of  
9 Transportation. There is -- they have a right-of-way  
10 under a road. Let's see. They own a right-of-way under a  
11 portion of Highway 128, State Highway 128. It's a very  
12 small interest.

13 This happens sometimes with the highway  
14 department. Instead of being a right-of-way grant it's  
15 actually a deed conveying full title, and so they own that  
16 interest, uh, like it's fee land. This is not subject to  
17 the jurisdiction of the State Land Office.

18 That is the only party they seek to force  
19 pool.

20 They proposed the wells, never heard from  
21 the Department of Transportation, and so they are seeking  
22 pooling of this small interest.

23 Again, the land affidavit contains all the  
24 usual AFEs and all the other items, and then Exhibit C is  
25 the affidavit of Emily Lange, the geologist, and she

1 presents geologic evidence on both the Bone Spring and the  
2 Wolfbone Formation.

3 Exhibit 4 (sic) is my Affidavit of Notice,  
4 and the -- again, the only party is the Department of  
5 Transportation, and they did receive actual Notice.

6 Then Exhibit 5 (sic) contains all of the  
7 pooling checklists.

8 One thing on these, I was doing these  
9 rather late one night, and I forgot to sign the ones I  
10 originally submitted. I noticed that this morning, and so  
11 I have refiled a replacement Exhibit 5 with signed --  
12 signed with checklists. But with that, I think the  
13 application packet is complete, and I move the admission  
14 of Exhibits A through F and ask that the matters be taken  
15 under advisement.

16 HEARING EXAMINER BRANCARD: Thank you.

17 Mr. Lowe, any questions.

18 EXAMINER LOWE: Uhm, Mr. Bruce?

19 MR. BRUCE: Yes.

20 EXAMINER LOWE: I'm -- you indicated that you're  
21 missing the first page of -- not missing. The first page  
22 of Exhibit 5; is that correct?

23 MR. BRUCE: I did not sign page 3 of each  
24 pooling checklist, so this morning I filed a complete -- I  
25 didn't file just the signature page, i filed complete

1 pooling checklists.

2 So that was at about 7:30 this morning.

3 EXAMINER LOWE: Okay. I just want to understand  
4 sand which portion you intend to, I guess --

5 MR. BRUCE: I had just forgotten to sign them  
6 all.

7 EXAMINER LOWE: That's fine. I just wanted to  
8 know which one in particular, where they are located in  
9 your exhibits to find out where...

10 MR. BRUCE: Exhibit E.

11 EXAMINER LOWE: Okay. I'm looking through  
12 exhibits right now, so...

13 Okay. That's all the questions I have for  
14 that. Thank you for clarifying that, Mr. Bruce.

15 MR BRUCE: Thank you.

16 HEARING EXAMINER BRANCARD: Thank you.

17 So, Mr. Bruce, your client has had no  
18 contact with the Department of Transportation?

19 MR. BRUCE: There is a Proposal Letter to the  
20 Department of Transportation, and they have tried to  
21 contact them many times.

22 And I'm kind of familiar with this. I've  
23 force pooled the Department of Transportation many times,  
24 and they just -- they are uncertain what they are doing  
25 and so they do nothing. So they never respond.

1 HEARING EXAMINER BRANCARD: Okay. I just want  
2 to make sure that we don't end up getting grief from a  
3 sister agency here.

4 MR. BRUCE: I understand.

5 HEARING EXAMINER BRANCARD: Not that they are  
6 going to come in with a competing pooling application,  
7 but...

8 MR. BRUCE: No. No.

9 HEARING EXAMINER BRANCARD: All right. So is  
10 there anyone else interested, have comments on Cases  
11 21940, 21949, 21950, 21950? (Note: Pause.)

12 Hearing none, the exhibits are admitted  
13 into the record, I assume also including the one you  
14 submitted this morning.

15 MR. BRUCE: Yes.

16 HEARING EXAMINER BRANCARD: Cases 21950, 21949,  
17 21950, 21951 are taken under advisement. Thank you.

18 MR. BRUCE: Thank you.

19 (Time noted 9:33 a.m.)

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1 STATE OF NEW MEXICO )  
2 : SS  
3 COUNTY OF TAOS )

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  
19 \_\_\_\_\_

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

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