

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: 21611, 21612

APPLICATION OF TAP ROCK RESOURCES LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
JULY 15, 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, July 15, 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

For EOG:

MICHAEL FELDEWERT
HOLLAND & HART
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Santa Fe, NM 87501
505-954-7286

For Tap Rock:

JAMES BRUCE
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For Cimarex:

EARL DEBRINE
MODRALL SPERLING ROEHL HARRIS & SISK PA
500 4th Street, NW, Suite 1000
Albuquerque, NM 87102
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I N D E X

CASE CALLED	03
SUMMARY OF CASE AND EXHIBITS	04
TAKEN UNDER ADVISEMENT (Pending)	
EXHIBITS (Pending)	
REPORTER CERTIFICATE	08

1 HEARING EXAMINER BRANCARD: With that I believe
2 we are on Item 38 on today's agenda, and we may have
3 actually moved beyond status conferences to actual hearings.

4 I will call cases 21611, 21612, Tap Rock
5 Resources. Entry of appearance?

6 MR. BRUCE: This is Jim Bruce representing Tap
7 Rock.

8 HEARING EXAMINER BRANCARD: Thank you. I have a
9 listing here for Cimarex Energy.

10 MR. DEBRINE: Earl Debrine with the Modrall
11 Sperling firm on behalf of Cimarex Energy Company.

12 HEARING EXAMINER BRANCARD: Mr. Debrine, do you
13 have any opposition to the cases going forward by affidavit?

14 MR. DEBRINE: Cimarex does not.

15 HEARING EXAMINER BRANCARD: Thank you. EOG
16 Resources?

17 MR. FELDEWERT: May it please the Examiner,
18 Michael Feldewert of the Santa Fe office of Holland & Hart
19 appearing on behalf of EOG. I have not yet confirmed this
20 with Mr. Bruce, but it's my understanding that EOG may be
21 dismissed from these cases.

22 MR. BRUCE: That is correct.

23 HEARING EXAMINER BRANCARD: Does EOG have any
24 objection to these cases going forward by affidavit?

25 MR. FELDEWERT: In light of the representation

1 they are dismissed from the pooling cases, we do not.

2 HEARING EXAMINER BRANCARD: Thank you. Are there
3 any other interested persons in Cases 21611, 21612?

4 (No response.)

5 HEARING EXAMINER BRANCARD: Hearing none, you may
6 proceed Mr. Bruce.

7 MR. BRUCE: Mr. Examiner, in the 611 case, Tap
8 Rock seeks forced pooling of Wolfcamp formation in the W/2
9 of Section 9 and the W/2 of Section 16, 25 South, 26 East,
10 for the purpose of drilling a couple of Wolfcamp wells known
11 as the Schlitz Fed Com Wells.

12 In Case 612, they seek pooling of the E/2 of
13 Sections 9 and 6 in the same township and range for the
14 purposes of drilling another two Wolfcamp wells. I have
15 handed you -- there are two sets of exhibits.

16 First, they are similar. Exhibit A is
17 application and proposed notice.

18 Exhibit B is the landman's affidavit, contains
19 all the usual information, including C-102s, statement of
20 interest, listing of the tracts, and a statement of interest
21 being pooled, et cetera.

22 Exhibit C is the geologist affidavit, and it
23 contains the usual structure, isopach, cross section, and I
24 believe that's all of the information that is provided,
25 usual information is provided in those two affidavits.

1 Exhibit D is my affidavit of written notice, and
2 then Exhibit E is an affidavit of publication from the
3 Carlsbad Newspaper. So one way or another all the parties
4 being pooled did get actual or constructive notice.

5 Same thing in Case 612, it's all pretty similar,
6 so I won't run through it.

7 The pooling checklist, one thing on those is I
8 originally -- when I drafted them I intended to insert a
9 special provision applicable to Cimarex Energy. I have
10 corrected that this morning and resubmit pooling checklists
11 for each cases because it specifies an election provision
12 for the benefit of Cimarex, and that language was agreed to
13 by Mr. Debrine and myself.

14 But I believe all of the information is complete
15 other than the pooling checklist which was adding that
16 election language that Cimarex desires, and I will submit
17 those today. So I would ask that Exhibits A through F in
18 each case be admitted and the cases be taken under
19 advisement.

20 HEARING EXAMINER BRANCARD: Thank you. Did you
21 need to make any changes to the checklist to deal with EOG?

22 MR. BRUCE: No, not since they are being
23 dismissed, no.

24 HEARING EXAMINER BRANCARD: Okay. Mr. Debrine,
25 any questions or concerns.

1 MR. DEBRINE: No, Mr. Bruce sent me a copy of the
2 amended checklist with respect to the special election
3 language concerning Cimarex, and so we are fine with that.

4 HEARING EXAMINER BRANCARD: Thank you. Mr.
5 Feldewert?

6 MR. FELDEWERT: Mr. Examiner, we have no
7 objection to the admission of these exhibits, and as Mr.
8 Bruce has confirmed, EOG has been dismissed from this
9 pooling proceeding.

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

12 TECHNICAL EXAMINER McCLURE: No, I have no
13 questions regarding these cases, Mr. Brancard.

14 HEARING EXAMINER BRANCARD: All right. So just
15 to be assured, Mr. Bruce, the only thing that's going to be
16 submitted is the revised checklist; is that correct?

17 MR. BRUCE: For each case, yes.

18 HEARING EXAMINER BRANCARD: For each case.

19 MR. BRUCE: I will get those -- they are done, I
20 just need to scan them in and send them to the Division.

21 HEARING EXAMINER BRANCARD: Okay. Are there any
22 other interested persons for cases 21611, 21612?

23 (No response.)

24 HEARING EXAMINER BRANCARD: Hearing none, the
25 exhibits will be admitted into the record. The record will

1 be left open for the submittal of a revised checklist, and
2 then after that the case will be taken under advisement.
3 Thank you.

4 (Case remained opening pending revised
5 documents.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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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 15th day of July 2021.

18

/s/ Irene Delgado

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

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