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: 21683 - 21686

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA 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

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

505-843-9241

		Page 2
1	APPEARANCES	
2	For the Applicant:	
3	MICHAEL FELDEWERT HOLLAND & HART	
4	110 North Guadalupe, Suite 1 Santa Fe, NM 87501	
	505-954-7286	
6	For EGL Resources:	
7	PADILLA LAW FIRM ERNEST PADILLA	
8	1512 S. St. Francis Drive Santa Fe, NM 87505	
9	For Cimarex:	
10	ror cimarex.	
11	ABADIE & SCHILL, PC DARIN C. SAVAGE 214 McKenzie Street	
12		
13		
14	For EOG:	
15	JOBY RITTENHOUSE BEATY & WOZNIAK PC	
16	500 Don Gaspar Avenue Santa Fe, NM 87505 505-670-2924	
17		
18	I N D E X	
19	CASE CALLED	03
20	STATUS CONFERENCE	04
21	REPORTER CERTIFICATE	08
22		
23		
24		
25		

1 HEARING EXAMINER BRANCARD: With that I will call

- 2 Cases Number 8 beginning Case 21683, 21684, 21685, 21686,
- 3 Matador Production Company. Entry of appearance for
- 4 Matador?
- 5 MR. FELDEWERT: May it please the Examiner,
- 6 Michael Feldewert with the Santa Fe office of Holland & Hart
- 7 appearing on behalf of the applicant.
- 8 HEARING EXAMINER BRANCARD: Thank you. And we
- 9 have EGL Resources. Is that Mr. Padilla?
- 10 MR. PADILLA: Can you hear me now?
- 11 HEARING EXAMINER BRANCARD: I can hear you now.
- 12 MR. PADILLA: Good. Ernest L. Padilla for EGL
- 13 Resources.
- 14 HEARING EXAMINER BRANCARD: And I think I saw a
- 15 late entry from EOG Resources.
- 16 MR. RITTENHOUSE: Yes, that's correct. This is
- 17 Joby Rittenhouse with Beatty & Wozniak appearing on behalf
- 18 of EOG Resources.
- 19 HEARING EXAMINER BRANCARD: If I understand
- 20 today's e-mail correctly, Cimarex entered its appearance,
- 21 but it has withdrawn that entry of appearance. Mr. Savage?
- 22 MR. SAVAGE: That's correct. Cimarex's interest
- 23 is in the EGL case, and we will wait until we receive notice
- 24 before they do an entry of appearance in that case.
- 25 HEARING EXAMINER BRANCARD: Thank you. Are there

any other entries of appearances in case 21683, 684, 685,

- 2 686?
- 3 (No response.)
- 4 HEARING EXAMINER BRANCARD: Hearing none, Mr.
- 5 Feldewert where are we going with these cases?
- 6 MR. FELDEWERT: Mr. Brancard, the competing EGL
- 7 cases that resulted in these matters being moved off to a
- 8 contested docket have -- Mr. Padilla has dismissed them and
- 9 now refiled them.
- I believe they will appear, correct me if I'm
- 11 wrong, they will now appear on the September docket. The
- 12 parties have been in discussion. But at this point the --
- 13 you know, the cases will be still competing. We don't see
- 14 an immediate need to have a, to have a contested hearing
- 15 given that the parties are and have been in discussions. So
- 16 that's where Matador stands with respect to its cases.
- 17 MR. PADILLA: Mr. Examiner, Mr. Feldewert's
- 18 representations are correct. We're -- we refiled these
- 19 applications, withdrew the original ones, and EGL has
- 20 restructured its drilling plan in the same area, so our
- 21 refiled cases are not up for hearing until September. I
- 22 know that yesterday we were sending out notices for the
- 23 hearing, so that's where we are.
- 24 And I assume, based on the hearings, the settings
- 25 that are being, that our case to be set for some time in

1 September or October. That's for a contested hearing if we

- 2 go that far, but they are negotiating.
- 3 HEARING EXAMINER BRANCARD: Mr. Padilla, do you
- 4 have the case numbers for the EGL cases?
- 5 MR. PADILLA: You know -- hold on.
- 6 HEARING EXAMINER BRANCARD: While we are waiting,
- 7 Mr. Rittenhouse, do you have a position on these cases?
- 8 MR. RITTENHOUSE: No, sir. My client has not
- 9 received notice of the Matador cases here and was not aware
- 10 that EGL had refiled, so I appreciate you asking about these
- 11 case numbers.
- 12 HEARING EXAMINER BRANCARD: Thank you.
- 13 MR. PADILLA: Let me just pull it up off the
- 14 computer. I don't have that up.
- 15 HEARING EXAMINER BRANCARD: I can throw out a
- 16 date of October 21. Would that be okay, Mr. Feldewert?
- 17 MR. FELDEWERT: That's fine with Matador. I
- 18 think it was Mr. Padilla that was asking for a status
- 19 conference.
- 20 MR. PADILLA: That's fine with me, but let me
- 21 tell you the case numbers, the new case numbers are 22083,
- 22 to 22084, and those are Bone Spring and Wolfcamp
- 23 applications.
- 24 HEARING EXAMINER BRANCARD: So just two cases
- 25 that were filed?

1 MR. PADILLA: Two cases, the first involves four

- 2 Bone Spring wells and the second involves two Wolfcamp
- 3 wells.
- 4 HEARING EXAMINER BRANCARD: Mr. Feldewert, okay
- 5 if we consolidate with the EGL cases?
- 6 MR. FELDEWERT: Certainly, Mr. Examiner, that
- 7 makes a lot of sense.
- 8 HEARING EXAMINER BRANCARD: I will then do a
- 9 prehearing order for hearing on October 21 for these four, I
- 10 believe, Matador cases and then the two EGL cases. Are
- 11 there any further comments or concerns on that?
- 12 (No response.)
- 13 HEARING EXAMINER BRANCARD: Mr. Rittenhouse?
- MR. PADILLA: We have two cases. I thought you
- 15 said two wells.
- 16 HEARING EXAMINER BRANCARD: No, two cases.
- 17 MR. RITTENHOUSE: No concerns from EOG.
- 18 HEARING EXAMINER BRANCARD: All right. We will
- 19 do October 21 for these cases. And I will ask finally if
- 20 there are any other interested persons, any other comments
- 21 on 21683, 21684, 21685, 21866.
- (No response.)
- 23 HEARING EXAMINER BRANCARD: Hearing none, the
- 24 contested hearing case will be scheduled for October 21.
- 25 There will be a prehearing order issued and please file

Page 7 continuances. Thank you. 2 MR. PADILLA: Mr. Examiner, let me ask a clarifying question. 3 HEARING EXAMINER BRANCARD: Certainly. MR. PADILLA: In terms of making -- filing 5 continuances, our case is not up yet, but we filed a 6 continuance anyway; right? 8 HEARING EXAMINER BRANCARD: I think that's right. 9 Marlene, since their cases haven't been scheduled yet --10 MS. SALVIDREZ: So these two cases are actually on the August 5 docket. 11 12 MR. PADILLA: Oh. 13 MS. SALVIDREZ: So they were noticed so, yes, you 14 can file continuances. 15 MR. PADILLA: Okay, got it. 16 HEARING EXAMINER BRANCARD: We move fast around 17 here. 18 (Concluded.) 19 20 2.1 22 23 24 25

Page 8 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 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. I FURTHER CERTIFY that I am neither employed by 11 nor related to any of the parties or attorneys in this case 12 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of poor to good quality. 16 Dated this 15th day of July 2021. 17 18 /s/ Irene Delgado 19 Irene Delgado, NMCCR 253 20 License Expires: 12-31-21 2.1 22 23 2.4 25