

STATE NEW OF 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 Devon Energy Production
Company, LP, to Pool Additional Interests
under the terms of Order No. R-21761,
Lea County, New Mexico Case No. 22291

Application of Devon Energy Production
Company, LP, to pool additional interests
under the terms of Order No. R-21762,
Lea County, New Mexico Case No. 22292

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, NOVEMBER 4, 2021

EXAMINER HEARING

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Esq. Hearing Examiner, Dean McClure
Technical Examiner, on Thursday, November 4, 2021,
via Webex Virtual Conferencing Platform hosted
by the New Mexico Department of Energy, Minerals and
Natural Resources

Reported by: Mary Therese Macfarlane.
New Mexico CCR #122
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street NW, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

FOR DEVON ENERGY PRODUCTION COMPANY:

Kaitlyn A. Luck, Esq.
Holland & Hart
110 North Guadalupe, Suite 1
Santa Fe, New Mexico 87501
(505) 988-4421
kaluck@hollandhart.com.

C O N T E N T S

CASE NOS. 22291, 22292	PAGE
CASE CALLED:	3
PRESENTATION BY MS. LUCK:	3
EXAMINATION BY EXAMINER McCLURE:	4
EXAMINATION BY EXAMINER BRANCARD:	5
TAKEN UNDER ADVISEMENT	6

I N D E X O F E X H I B I T S

DEVON ENERGY PRODUCTION COMPANY Exhibits

NO.	DESCRIPTION	ADMITTED
A	Applications of Devon Energy Production Company, LP, to pool additional interests under the terms of Order Nos. R-21761 and R-21762, Lea County, New Mexico	6
B	Affidavit of Ryan Cloer, Landman	6
C	Hearing Notice Letter	6
D	Notice of Publication	6

1 (Time noted 9:23 a.m.)

2 EXAMINER BRANCARD: Okay. With that I call
3 Cases 22291 and 22292, Devon Energy Production.

4 MS. LUCK: God morning, Mr. Examiner. Kaitlyn
5 Luck with the Santa Fe office of Holland & Hart for the
6 Applicant in these cases, Devon Energy Production.

7 EXAMINER BRANCARD: You. Are there any other
8 interested persons for Cases 22291, 22292? (Note:
9 Pause.) Hearing none, you may proceed, Ms. Luck.

10 MS. LUCK: Thank you.

11 These are again two cases that Devon has
12 sought to reopen. In both cases Devon is seeking to pool
13 additional overriding royalty interest owners that weren't
14 included at the original hearing, so that's why Devon has
15 returned to hearing at this time to pool those overriding
16 royalty interests.

17 In the exhibit packet that was filed with
18 the Division I included Exhibit A, which is a copy of both
19 of the Applications; followed by Exhibit B, which is the
20 Affidavit of Ryan Cloer. He is the landman for Devon.

21 His affidavit explains the spacing units
22 that were originally approved under Order Nos. R-21761 and
23 21762 which Devon is seeking to reopen in this case.

24 The proposed initial wells in these cases
25 are the White Dove 17 Fed Com 23H well and the 24H well.

1 In both of these cases again Devon is only seeking to pool
2 the overriding royalty interest owners, and Devon has
3 provided Notice of this hearing to those interest owners
4 as reflected on Devon's Exhibits C and D.

5 And the Notice information also reflects
6 that Notice of Publication was timely provided in the
7 county where these wells are located.

8 So with that I would move the admission of
9 Devon's Exhibits A through D and request these two cases
10 be taken under advisement.

11 EXAMINER BRANCARD: Thank you.

12 Mr. McClure, any questions?

13 EXAMINER McCLURE: Just a quick one.

14 All the additional parties being pooled,
15 they were identified initially and originally you thought
16 they were going to be voluntary? Is that what happened
17 here?

18 MS. LUCK: No. These were overriding royalty
19 interest owners that weren't provided Notice of the
20 original hearing, and so the reason being was that Devon
21 was not able to locate the contact information for these
22 overriding royalty interest owners. And so now we've had
23 to go back and re-open this case and provide Notice of
24 Publication and provide them Notice that way, and pool
25 their interest into those cases.

1 EXAMINER McCLURE: Thank you. I have no other
2 questions.

3 MS. LUCK: Thank you.

4 EXAMINER BRANCARD: Ms. Luck, so did you provide
5 direct Notice to these parties?

6 MS. LUCK: I think that we attempted by mail --
7 so just to clarify, we had originally needed to also pool
8 the interest of TLW, and we no longer need to pool that
9 interest. And so -- sorry. Let me back up. My computer
10 is slow this morning.

11 So the interest owners that Devon is
12 seeking to pool are only Diane Barwis, which the wife of
13 Paul R. Barwis, because TLW, their interest has already
14 been voluntarily committed to the unit.

15 And it actually does look like this letter
16 to the Barwis interest was delivered but we did publish
17 anyway because we weren't sure that was a good address.

18 EXAMINER BRANCARD: Okay. And that's really
19 what I'm getting at here is: Is the publication simply
20 icing?

21 MS. LUCK: That's correct. It's simply icing
22 because I just wanted to be sure, because we weren't sure
23 about that Barwis address.

24 EXAMINER BRANCARD: Just to note that you were a
25 day late on the Publication, so it might be the Carlsbad

1 paper is being slow in publishing your Notices.

2 MS. LUCK: They explained that. I will take
3 that up with the newspaper. We didn't realize those were
4 both a day late, so thank you for noticing those.

5 EXAMINER BRANCARD: From the looks of the record
6 it looks like you sent a bunch of stuff to the newspaper,
7 and they published some on one day and some on the next.
8 You need to be careful about that.

9 Okay. Are there any other interested
10 persons for items Case Nos. 22291 and 22292? (Note:
11 Pause.)

12 Hearing none, your exhibits will be
13 admitted and these cases will be taken under advisement.

14 MS. LUCK: Thank you.

15 (Time noted 9:29 a.m.)

16

17

18

19

20

21

22

23

24

25

1 STATE OF NEW MEXICO).

2 : ss

3 COUNTY OF TAOS)

4

5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday,
8 November 4, 2021, the proceedings in the above-captioned
9 matter were taken before me; that I did report in
10 stenographic shorthand the proceedings set forth herein,
11 and the foregoing pages are a true and correct
12 transcription to 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

19 /s/Mary Macfarlane_____

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

22

23

24

25