

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: 22345 - 22348

APPLICATION OF MATADOR PRODUCTION COMPANY
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
DECEMBER 2, 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 EXAMINERS DEAN McCLURE and DYLAN ROSE-COSS on Thursday, December 2, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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Albuquerque, NM 87102
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A P P E A R A N C E S

For the Applicant:

ADAM RANKIN
HOLLAND & HART
110 North Guadalupe, Suite 1
Santa Fe, NM 87501
505-954-7286

I N D E X

CASE CALLED
SUMMARY OF CASE AND EXHIBITS
TAKEN UNDER ADVISEMENT
REPORTER CERTIFICATE

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

Admitted

Exhibits and Attachments

1 HEARING EXAMINER BRANCARD: With that, we have a
2 series of cases here, 57 through 60, Case 22345, 346, 347,
3 348, Matador Production Company.

4 MR. RANKIN: Morning, Mr. Hearing Examiner, Adam
5 Rankin with the law firm of Holland & Hart, the Santa Fe
6 office, appearing on behalf of the applicant in these
7 consolidated cases which we which we intend to present by
8 affidavit.

9 HEARING EXAMINER BRANCARD: Thank you. Are there
10 any other interested persons for Cases 22345, 346, 347, 348?

11 (No audible response.)

12 HEARING EXAMINER BRANCARD: Hearing none, Mr.
13 Rankin, you may proceed.

14 MR. RANKIN: Thank you, Mr. Hearing Examiner. In
15 these four cases Matador is seeking to pool spacing units in
16 both the Bone Spring and Wolfcamp formations, in each case
17 seeking to pool 240 acre horizontal spacing units.

18 Submitted on Tuesday in these cases are exhibit
19 packets including the compulsory pooling checklist, the
20 applications that were filed in each case, the affidavit of
21 Matador's petroleum landman, the affidavit of the geologist,
22 and the notice exhibits as well.

23 The affidavit of Matador's landman, Exhibit C,
24 reviews the specific acreage and pools that Matador is
25 seeking to form in each of the proposed spacing units and

1 identifies each of the wells to be dedicated to the four
2 spacing units in each case. It includes C-102s for each of
3 the wells, identifies the pools that are subject to the, to
4 the spacing units.

5 Exhibit C-2 identifies the tracts of land that
6 comprise each of the proposed spacing units. Exhibit C-3
7 identifies each of the working interest owners that Matador
8 seeks to pool.

9 C-4 contains samples of the well proposal letters
10 and AFEs indicating the costs that are anticipated for each
11 of the wells and that those costs are commensurate with what
12 other operators have incurred to drill similar wells.

13 C-5 is a summary of all the contact.

14 Matador's geologist, Mr. Andrew Parker, provides
15 standard geology exhibits reviewing the target intervals for
16 each of the proposed spacing units and wells and does not
17 identify any impediments to horizontal development or
18 drilling, and testifies that each of the tracts will
19 contribute equally to production in the wells.

20 Exhibit E and F are the notice affidavits and the
21 affidavit of publication reflecting that Matador has
22 provided notice to each of the parties it seeks to pool by
23 certified mail, as well as providing notice publication
24 identifying the parties by name.

25 With that, Mr. Examiner, I would move the

1 admission of Exhibits A through F along with the attachments
2 and ask that these cases be taken under consideration.

3 HEARING EXAMINER BRANCARD: Thank you.

4 Mr. Rose-Coss, any questions?

5 TECHNICAL EXAMINER ROSE-COSS: No questions.

6 HEARING EXAMINER BRANCARD: Okay. Mr. Rankin,
7 I'm going through your notice provisions here, you seem to
8 have mailed this out just on the deadline, November 12, and
9 I'm looking at -- this is your Exhibit D, postal service,
10 it seems like all of the mail was delivered. Am I reading
11 that correctly?

12 MR. RANKIN: That is my reading as well. And the
13 second point I would make about the notice is that all of
14 those parties were identifiable and locatable, so there was
15 not any issue we're aware of in terms of who (unclear).

16 HEARING EXAMINER BRANCARD: Okay. Well, there
17 seem to be more names on who you gave notice to than who you
18 listed as pooled parties, but that's better than the
19 opposite.

20 All right. You seem to have done your job there.
21 Thank you. Are there any other interested persons for cases
22 22345, 346, 347 and 348?

23 (No audible response.)

24 HEARING EXAMINER BRANCARD: Hearing none, the
25 exhibits will be admitted into the record and these cases

1 will be taken under advisement.

2 (Exhibits admitted.)

3 (Taken under advisement.)

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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 reasonable quality.

17 Dated this 2nd day of December 2021.

18

/s/ Irene Delgado

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

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