## 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:

Application of Ridge RunnerResources Operating, LLCfor Extension to CommenceCase No. 22379Drilling Operations,Order No. R-21609Lea County New Mexico(Re-Open)

Application of Ridge RunnerResources Operating, LLCCase No. 22380for Extension to CommenceOrder No. R-21610Drilling Operations,(Re-Open)Lea County New MexicoCase No. 22380

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, JANUARY 6, 2022

## EXAMINER HEARING

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, John Garcia Technical Examiner, on Thursday, January 6, 2022, via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department

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

Page 2 A P P E A R A N C E S. 1 2 FOR RIDGE RUNNER RESOURCES OPERATING, LLC: 3 Michael Rodriguez, Esq. Hinkle Shanor, LLP 4 P.O. Box 2068 Santa Fe, NM 87504-2068 (505) 982-4544. 5 mrodriguez@hinklelawfirm.com б 7 CONTENTS 8 CASE NOS. 22379, 22380 PAGE 9 CASE CALLED: 3 10 11 TAKEN UNDER ADVISEMENT: б 12 INDEX OF EXHIBITS FOR RIDGE RUNNER RESOURCES OPERATING 13 ADMITTED Self-Affirmed Statement of Michael Burke 6 14 А 15 A-1 Application and Proposed Notice of Hearing б 16 A-2 Hearing Division Orders R-21609 and R-21610 б 17 A-3 Hearing Notice Letter and Return Receipts б A-4 Affidavit of Publication 18 19 20 21 22 23 24 25

Page 3 1 (Time noted 9:21 a.m.) 2 EXAMINER BRANCARD: With that, I will go to 3 Items 41 and 42 on the worksheet. These are Case Nos. 4 22379 and 22380, Ridge Runner Resources. 5 MR. RODRIGUEZ: Good morning. Michael Rodriguez with Hinkle Shanor on behalf of the Applicant Ridge Runner б 7 Resources Operating, LLC. EXAMINER BRANCARD: Thank you. Are there any 8 other interested persons for Cases 22379, 22380? 9 10 Hearing none, you may proceed, Mr. Rodriguez. 11 12 MR. RODRIGUEZ: Thank you. 13 In these two matters Ridge Runner requests the Division amend the current Order to extend the current 14 15 deadline to commence drilling operations from the year 16 from when a new Order would be issued. The subject Orders are Order No. R-21609 in Case 22379 and R-21610 in Case 17 18 22380. 19 The Division issued the subject Orders on February 23, 2021, which pooled all uncommitted mineral 20 21 interests in the Bone Spring Formation. R-21609 created a 320-acre horizontal spacing unit comprised of the west 22 half/west half of Sections 2 and 11 in Township 20 South, 23 24 Range 35 East, Lea County, and dedicated the unit to the 25 Zeus 2-11 Fed Com #1H well. Order No. R-21610 created a

Page 4 320-acre horizontal spacing unit comprised of the east 1 2 half/west half of Sections 2 and 11 in Township 20 South, 3 Range 25 East, Lea County, New Mexico, and dedicated that unit to the Zeus 2-11 Fed. Com #2H well. 4 5 Since the Orders were issued Ridge Runner revised its drill schedule due to delays associated with б 7 federal permitting that occurred earlier last year, and as 8 such return now to seek to commence drilling the wells approved under both Orders in the first half of 2022. The 9 case now gets submitted to the Division. 10 These matters are identical and include 11 12 Exhibit, A which is the landman's testimony and related 13 attachments, and Attachments A-3 and A-4 are sample Notice of Hearing letters, the Green Cards, and the Affidavit of 14 15 Publication reflecting that all Notice requirements have 16 been met. 17 With that I ask that the exhibit packets submitted in each of these cases containing Exhibits A 18 along with Attachments A-1 through A-4 be admitted into 19 the record and Case Nos. 22379 and 22380 be taken under 20 21 advisement. 22 EXAMINER BRANCARD: Thank you. 23 Mr. Garcia, any questions? 24 EXAMINER? GARCIA: No questions. 25 EXAMINER BRANCARD: Any other interested persons

	Page 5
1	for Cases 22379, -380?
2	Hearing none, the exhibits will be admitted
3	into the record and Cases 22379 and 22380 will be taken
4	under advisement.
5	MR. RODRIGUEZ: Thank you.
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1	STATE OF NEW MEXICO )
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3	COUNTY OF TAOS )
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5	REPORTER'S CERTIFICATE
6	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday,
8	January 6, 2022, the proceedings in the above-captioned
9	matter were taken; 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
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20	MARY THERESE MACFARLANE, CCR NM Certified Court Reporter No. 122
21	License Expires: 12/31/2022
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