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A P P E A R A N C E S.

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C O N T E N T S

CASE NOS. 22409, 22412, 22411, 22412	PAGE
CASE CALLED:	3
SET FOR CONTESTED HEARING ON 4/21/2022:	8

1 (Time noted 8:43 a.m.)

2 EXAMINER BRANCARD: With that we move on to
3 Cases 22409, 22410, 22411, 22412, Chevron, USA with the
4 National Park wells.

5 MS. BENNETT: Good morning, Mr. Examiner. Deana
6 Bennett on behalf of Chevron USA.

7 EXAMINER BRANCARD: Tap Rock Resources.

8 MR. BRUCE: Jim Bruce representing Tap Rock.

9 EXAMINER BRANCARD: Mr. Bruce, Tap Rock has
10 already filed competing cases; is that correct?

11 MR. BRUCE: Yeah. They were filed quite some
12 time ago -- I can't remember, last spring or early
13 summer -- and Chevron just recently filed theirs. Mine
14 are now set for a contested hearing on January 20th, but,
15 Ms. Bennett, why don't you take it from here.

16 MS. BENNETT: Sure thing.

17 So Chevron filed these cases, and in the
18 interim they found what Tap Rock Resources had filed,
19 decided to repropose one set of wells to mirror what Tap
20 Rock had filed, which is the proximity tract well case.
21 And that case is Tap Rock Case No. -- well, I think it's
22 21771, but in any event...

23 EXAMINER BRANCARD: Sure.

24 MS. BENNETT: Yeah. So Chevron reproposed the
25 wells recently, and the time has not yet expired for

1 Chevron to file the applications. I think the time on the
2 Proposal Letter expires January 10th, and so I will be
3 filing a new application shortly after January 10th,
4 which, as a result, means that the case won't be ripe on
5 January 20th, and all these cases should be heard
6 together.

7 One of the other issues is that we,
8 Chevron, believe that the Wolfcamp Unit, which is based on
9 a the proximity tract rules, is a nonstandard unit, and
10 Tap Rock's application does not include a request for an
11 approval of a nonstandard unit and ours will, so there is
12 also an issue of whether Tap Rock needs to reapply or
13 submit a new application seeking approval of a nonstandard
14 unit.

15 For those reasons -- I could explain more
16 if the Division is so inclined to hear those reasons.

17 But, in any event, long story short, the
18 cases would not be ripe for hearing on January 20th, and
19 so we would ask for a contested hearing date down the
20 road. April 21st if that is available, or sometime
21 thereafter.

22 EXAMINER BRANCARD: Okay. Mr. Bruce, do we have
23 a Prehearing Order for your cases? Yes, we do.

24 MR. BRUCE: Yes.

25 Uhm, Mr. Examiner, let me ask a question.

1 I did email a couple of people at the
2 Division. Ms. Bennett spoke about a nonstandard unit. I
3 emailed the Division to ask whether or not in that case,
4 -771, whether the unit was nonstandard, and I never
5 received a response, was one thing.

6 And I thought with unorthodox applications
7 if it was nonstandard was processed administratively, but
8 I will do whatever the Division says is right.

9 EXAMINER BRANCARD: Mr. Garcia, are we
10 processing those administratively?

11 EXAMINER GARCIA: We can process NSPs
12 administratively, but since there's no fee associated the
13 NSP we've allowed it to come through hearing for the CP in
14 the past.

15 MR. BRUCE: Okay. Thank you.

16 EXAMINER BRANCARD: I mean, if somebody had
17 objection to it you're gonna have a hearing anyway, so you
18 can just do it all...

19 MS. BENNETT: That's what I was going to say.
20 As a practical matter if Tap Rock were to file for the
21 nonstandard unit administratevely, Chevron would object to
22 that. So I understand Mr. Bruce's position on that.

23 I think what his -- you know, he and I have
24 been communicating about this nonstandard unit, and
25 actually he did let me know he had emailed the Division

1 about this, so maybe there is a question outstanding on
2 whether this is a nonstandard unit. The way I read the
3 rules it is a nonstandard unit, but the rules can be
4 ambiguous, which is why I'm sure Mr. Bruce reached out to
5 the Division to get some guidance.

6 But as a practical matter if Tap Rock, as I
7 mentioned, made an administrative application Chevron
8 would object to it, leading us to the hearing on that, as
9 well.

10 MR. BRUCE: Well, since there's time, Mr.
11 Examiner, I'll just refile.

12 EXAMINER GARCIA: If I could note, Bill,
13 personally I think it's good to have the NSP go to hearing
14 with the compulsory pooling. It's easier on all parties,
15 internal and external, in my view.

16 EXAMINER BRANCARD: I think if it's contested we
17 really have to do it that way.

18 EXAMINER GARCIA: It's just easier, because if
19 the CP looks awkward to me, I have to chase down with my
20 coworkers whether it's filed or not. If it's just part of
21 the record it's easier.

22 EXAMINER BRANCARD: All right. Well, so Chevron
23 is going to refile a case, is that correct, Ms. Bennett?

24 MS. BENNETT: That's right.

25 EXAMINER BRANCARD: Then, Mr. Bruce, you will

1 probably refile a case.

2 MR. BRUCE: One, yes.

3 EXAMINER BRANCARD: All right. I guess we will
4 try to get this in on April 21st. We could be leading
5 into Friday on that one.

6 MR. BRUCE: That's fine with me. Thank you.

7 MS. BENNETT: That sounds great. Thank you.
8 Thank you very much.

9 EXAMINER BRANCARD: All right. Are there any
10 other interested persons in Cases 22409, -410, -411, -412,
11 and I guess I should send you 21568, 21572 and 21771.

12 Hearing none, they will be set for a
13 contested hearing on April 21st. These cases that are on
14 the docket, 22409 through -412 will be combined with
15 21568, 21572 and 21771, and any replacement cases that are
16 filed.

17 Does that work, Mr. Bruce? We will just
18 take your old Hearing Order and combine it into a new
19 Hearing Order

20 MR. BRUCE: Sounds good to me.

21 EXAMINER BRANCARD: All right. Thank you.

22 And again, when you refile these cases or
23 replacement cases, please send an email along with it
24 indicating that these should be part of a Prehearing Order
25 that has already been issued particularly. Even if not it

1 should be in the Prehearing Order.

2 Thank you. That's very helpful if folks do
3 that. All right.

4 MS. BENNETT: Thank you.

5 (Time noted 8:51 a.m.)

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1 STATE OF NEW MEXICO)

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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that I have no interest whatsoever in the final

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disposition of this case in any court.

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/s/ Mary MacFarlane

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MARY THERESE MACFARLANE, CCR

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