

STATE OF NEW 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 Mewbourne Oil
Company for Compulsory Pooling,
Eddy County, New Mexico. Case Nos. 21361-21364

Application of Ascent Energy,
LLC for Compulsory Pooling,
Eddy County, New Mexico. Case Nos. 21393-21394

Application of Apache
Corporation for Compulsory Pooling
and Approval of a Horizontal
Spacing Unit for a Potash Development.
Area and Pilot Project,
Eddy County New Mexico. Case Nos. 21489-21491

REPORTER'S TRANSCRIPT OF PROCEEDINGS

STATUS CONFERENCE

THURSDAY, APRIL 7, 2021

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Esq. Hearing Examiner, John Garcia
Technical Examiner, on April 7, 2022, via Webex
Virtual Conferencing Platform hosted by 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

A P P E A R A N C E S

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For Mewbourne Oil Company: Dana S. Hardy, Esq.
Hinkle Shanor, LLP
P.O. Box 2068
Santa Fe, NM 87504-2068
(505) 982-4544
dhardy@hinklelawfirm.com

For Ascent Energy: Darin C. Savage, Esq.
Abadie & Schill, PC
214 McKenzie Street
Santa Fe, NM 87501
(970) 385-4401
darin@abadieschill.com

For Apache Corporation: Deana M. Bennett, Esq.
Modrall, Sperling, Roehl,
Harris & Sisk
Post Office Box 2168
Albuquerque, NM 87103-2168
deana.bennett@modrall.com.

For Eog Operating: Ernest L. Padilla, Esq.
P.O. Box 2523
Santa Fe, NM 87504
(505) 988-7577
PadillaLawNM@outlook.com

For Colgate Operating: Sharon T. Shaheen, Esq.
Montgomery & Andrews
325 Paseo de Peralta
Santa Fe NM 87501
(505) 986-2678
sshahen@montand.com

C O N T E N T S

CASE NOS.	21361-21364, 21393, 21394	PAGE
	21489, 21490, 21491	
CASE CALLED:		3
CONTINUED TO	06/02/2022	6

1 (Time noted 8:26 a.m.)

2 EXAMINER BRANCARD: Let's start off with some
3 Oldies but Goodies. I'll call Cases 21361, 21362, 21363,
4 21364, 21489, 21490, 21491, 21393, 21394.

5 Let's start with Mewbourne Oil company.

6 Good morning, Mr. Examiner. Dana Hardy
7 with Hinkle Shanor on behalf of Mewbourne Oil Company.

8 EXAMINER BRANCARD: Apache Corporation.

9 MS. BENNETT: Good morning, Mr. Examiner. Deana
10 Bennett on behalf of Apache Corporation.

11 EXAMINER BRANCARD: So I'll say Ascent
12 Energy/Matador.

13 MR. SAVAGE: Yes. Good morning, Mr. Hearing
14 Examiner. Darin Savage with Abadie and Schill on behalf
15 of Matador Production Company/Ascent Resources.

16 EXAMINER BRANCARD: All right. We have a few
17 other entries of appearance already in these cases. Let
18 me see what I can find here.

19 Colgate Operating.

20 MS. SHAHEEN: Good morning, everyone. Sharon
21 Shaheen on behalf of Colgate Operating.

22 EXAMINER BRANCARD: Thank you. EOG resources.

23 MR. PADILLA: Mr. Examiner, Ernest L. Padilla,
24 Padilla Law Firm appearing for EOG Resources. We are only
25 monitoring this case, so we don't have an active

1 participation.

2 EXAMINER BRANCARD: Thank you.

3 Then I have for a few cases Jalapeno
4 Corporation. Gallegos law firm? (Note: No response.)

5 Are there any other interested persons for
6 this status conference on Cases 21360, -362, -363, -364,
7 -489, -490, -491, -393, -394.

8 Hearing -- I'm sorry.

9 MS. SINGER: Mr. Brancard, this is Nicole Singer
10 from Santo Petroleum Corp.

11 EXAMINER BRANCARD: Santo Petroleum. Okay.

12 MS. SINGER: Is Adam Rankin on and/or Mike
13 Feldewert? It's my understanding that you were emailed
14 late last night that Jalapeno withdrew their objections to
15 our case so we were requesting that we move forward with
16 hearing today.

17 MR. BRANCARD: I think these other cases other
18 than these nine.

19 MS. SINGER: Oh, sorry. I jumped on too early
20 because I heard Jalapeno. Sorry. 22554 and 22555.

21 Sorry, Bill. I just wanted to get on. I
22 don't ever get a chance.

23 EXAMINER BRANCARD: You made your appearance.
24 Thank you.

25 MS. SINGER: Awesome. Thank you. Sorry, Adam.

1 EXAMINER BRANCARD: Okay. Let's start with --
2 I'll start with Mr. Savage.

3 Last we heard the parties were negotiating
4 this saga. Any progress or should we set up a contested
5 hearing that will last several days?

6 MR. SAVAGE: That is correct, Mr. Hearing
7 Examiner. They have been negotiating, and the last I
8 heard, which was a couple of days ago, they are continuing
9 to negotiate, and it's ongoing negotiations.

10 We had some email communication among the
11 parties yesterday, and I'll let Mewbourne speak for
12 itself, but Mewbourne proposed another status conference
13 June 2nd. That would be Matador's preference at this
14 point. And I'll let Apache address how they perceive
15 that, but based on the email I saw it looked like they
16 were agreeable under certain qualifications.

17 So at this point it looks like if it's
18 possible to do another status conference to allow the
19 parties to proceed with their negotiations, that would be
20 the preference.

21 EXAMINER GARCIA: Ms. Hardy?

22 MS. HARDY: I agree with Mr. Savage, Mr.
23 Examiner. Mewbourne would like to set these cases for
24 another status conference on June 2nd. The parties are
25 negotiating and it's my understanding they are making

1 progress.

2 EXAMINER BRANCARD: Ms. Bennett.

3 MS. BENNETT: Thank you, Mr. Examiner. Apache
4 is amenable to having other status conference, and I think
5 the parties were talking about June 2nd, if that is
6 available. You know, Apache's preference is to have some
7 certainty by then about the Matador/Ascent applications
8 and process, but Apache is agreeable to an additional
9 status conference.

10 EXAMINER BRANCARD: Thank you.

11 Ms. Shaheen, does Colgate have a position?

12 MS. SHAHEEN: Colgate has no position on the
13 procedural matters here.

14 EXAMINER BRANCARD: Okay. All right. Well,
15 let's just get going today and set this for a status
16 conference on June 2nd, and I will send out a scheduling
17 order.

18 MS. HARDY: Thank you.

19 MS. SHAHEEN: Thank you.

20 MR. SAVAGE: Thank you.

21 (Time noted 8:29 a.m.)

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1 STATE OF NEW MEXICO)

2 : ss

3 COUNTY OF TAOS)

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REPORTER'S CERTIFICATE

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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CCR No. 122, DO HEREBY CERTIFY that on Thursday, April 7,

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shorthand the proceedings set forth herein, and the

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foregoing pages are a true and correct transcription to

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the best of my ability and control.

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I FURTHER CERTIFY that I am neither employed by

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nor related to nor contracted with (unless excepted by the

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rules) any of the parties or attorneys in this case, and

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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/CCR/Mary Therese Macfarlane

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MARY THERESE MACFARLANE, CCR

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