

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 COLGATE OPERATING, LLC  
FOR COMPULSORY POOLING  
LEA COUNTY, NEW MEXICO

Case No. 22792, 22793,  
22794, 22795

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
June 2, 2022  
SANTA FE, NEW MEXICO

This matter came on for virtual hearing  
before the New Mexico Oil Conservation Division,  
HEARING OFFICER WILLIAM BRANCARD and TECHNICAL  
HEARING OFFICER JOHN GARCIA on Thursday, June 2,  
2022, through the Webex Platform.

Reported by: PAUL BACA COURT REPORTERS  
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Albuquerque, New Mexico 87102  
505-843-9241

1 A P P E A R A N C E S

2 For Colgate Operating, LLC:

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4 PO Box 2068  
5 Santa Fe, New Mexico 87504-2068  
6 505-982-4554  
7 BY: DANA S. HARDY  
8 dhardy@hinklelawfirm.com

9 For Fasken Oil and Ranch and XTO:

10 HOLLAND & HART LLP  
11 PO Box 2208  
12 Santa Fe, New Mexico 87504-2208  
13 505-988-4421  
14 BY: MICHAEL FELDEWERT  
15 mfeldewert@hollandhart.com

16 I N D E X

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21 EXHIBITS

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1 HEARING OFFICER BRANCARD: With that, I  
2 will all Cases 22792, 22793, 22794, 22795, Colgate  
3 Operating.

4 MS. HARDY: Mr. Examiner, Dana Hardy with  
5 Hinkle Shanor.

6 HEARING OFFICER BRANCARD: And then Fasken  
7 Oil & Ranch, XTO Energy.

8 MR. FELDEVERT: May it please the  
9 Examiner, Michael Feldewert with the Santa Fe office  
10 of Holland & Hart.

11 HEARING OFFICER BRANCARD: Any other  
12 persons interested in Cases 22792, 793, 794, 795?

13 Hearing none, Ms. hardy, you may proceed.

14 MS. HARDY: Thank you.

15 In Case Number 22792, Colgate seeks an  
16 order pooling uncommitted interests within the Bone  
17 Spring and Harkey formations underlying a  
18 320.32-acre standard horizontal spacing unit  
19 comprised of Lots 1, 2, 3, and 4 of irregular  
20 Sections 18 and 19, Township 20 South, Range 34 East  
21 in Lea County.

22 The unit will be dedicated to the Batman  
23 Fed Com 111H, 121H, 122H, 171H and 131H wells.

24 In Case Number 22793, Colgate seeks an  
25 order pooling uncommitted interests within the Bone

1 Spring and Harkey formations underlying a 320-acre  
2 standard horizontal spacing unit comprised of the  
3 east half of the west half of Sections 18 and 19.

4 The unit will be dedicated to the Batman  
5 Fed Com 112H, 123H, 124H, 172H and 132H wells.

6 In Case Number 22794, Colgate seeks an  
7 order pooling uncommitted interests within the Bone  
8 Spring and Harkey formations underlying a 320-acre  
9 horizontal spacing unit comprised of the west half  
10 of the east half of Sections 18 and 19.

11 The unit will be dedicated to the Batman  
12 Fed Com 113H, 125H, 126H, 173H and 133H wells.

13 And finally in Case 22795, Colgate seeks  
14 an order pooling uncommitted interests within the  
15 Bone Spring and Harkey formulations underlying a  
16 320-acre standard horizontal spacing unit comprised  
17 of the east half of the east half of Sections 18 and  
18 19.

19 That unit will be dedicated to the Batman  
20 Fed Com 114H, 127H, 128H, 174H and 134H wells.

21 And in these cases, as in the prior cases,  
22 Colgate has agreed to the special payment provisions  
23 and drilling provisions requested by XTO and  
24 Marathon.

25 We have provided the affidavits of landman

1 Travis Macha and geologist John Anthony in support  
2 of the application.

3 Mr. Macha provides the standard land  
4 exhibits. The tract ownership information is  
5 included in Exhibit A3, which also identifies the  
6 pooled parties.

7 The special payment provisions that would  
8 apply to XTO and Marathon are included in  
9 Paragraph 14 of Mr. Macha's affidavit.

10 Mr. Anthony's exhibits include a location  
11 map, cross section map, structure map, cross  
12 sections, and gun barrel diagram.

13 Exhibit C is my notice affidavit and  
14 includes a chart that identifies the parties to whom  
15 notice was sent and the mailing dates. We provided  
16 the Postal Service tracking information for parties  
17 who did not send return receipts. And we did timely  
18 publish notice as well, and that affidavit of  
19 publication is Exhibit C3.

20 With that, unless there are questions, I  
21 request the exhibits be admitted and that the cases  
22 be taken under advisement.

23 Thank you.

24 HEARING OFFICER BRANCARD: Thank you.

25 I'll start with Mr. Feldewert, any questions or

1 comments?

2 MR. FELDEVERT: Just one. Ms. Hardy, as  
3 in prior cases, I believe, as I look at the exhibits  
4 Fasken Oil & Ranch is no longer being pooled.

5 MS. HARDY: That's correct.

6 MR. FELDEVERT: Thank you. That's all the  
7 questions I have.

8 HEARING OFFICER BRANCARD: Mr. Garcia,  
9 questions?

10 TECHNICAL HEARING OFFICER GARCIA: I have  
11 no questions. I'll probably leave my video off,  
12 Mr. Brancard, my Internet is struggling.

13 HEARING OFFICER BRANCARD: Thank you.  
14 We'll miss your face but ...

15 And so this is the same issues on the  
16 language for this case?

17 MS. HARDY: Exactly.

18 HEARING OFFICER BRANCARD: I don't have  
19 any further questions, so with that, any other  
20 interested persons in Cases 22792, 793, 794, 795?

21 Hearing none, the exhibits in these cases  
22 will be admitted into the record and Cases 22792,  
23 22793, 22794, and 22795 will be taken under  
24 advisement, again with the same provisions that we  
25 will be looking at this language to see the best way

1 to word it and place it in the order.

2 MS. HARDY: Thank you.

3 MR. FELDEVERT: Thank you, Mr. Examiner.

4 (Matter concluded.)

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REPORTER'S CERTIFICATE

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I certify that the foregoing is a correct transcript from the record of proceedings in the above-entitled matter. I further certify that the transcript fees and format comply with those prescribed by the Court and the Judicial Conference of the United States.

Date: June 2, 2022

/s/ Edwina Castillo

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EDWINA CASTILLO, RPR, CCR  
Certified Court Reporter #407  
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