

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 MATADOR PRODUCTION COMPANY
FOR COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO

Case No. 22178

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
June 16, 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 DYLAN ROSE-COSS on Thursday, June
16, 2022, through the Webex Platform.

Reported by: PAUL BACA COURT REPORTERS
500 4th Street, NW, Suite 105
Albuquerque, New Mexico 87102
505-843-9241

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

2 For Matador Production Company:

3 HOLLAND & HART LLP
4 PO Box 2208
5 Santa Fe, New Mexico 87504-2208
6 505-988-4421
7 BY: PAULA VANCE
8 pvance@hollandhart.com

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9 I N D E X

10		PAGE
11	CASE CALLED	3
12	HEARING	3
13	CERTIFICATE OF REPORTER	8

14 E X H I B I T S

15	NUMBER	PAGE ADMITTED
16	A	6
17	B	
18	6	
19	C	
20	6	
21	D	
22	6	
23	E	
24	6	
25	F	

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1 HEARING OFFICER BRANCARD: With that I'll
2 call our next case. It's Number 24 on today's list.
3 It is Case 22178, Matador Production Company.

4 MS. VANCE: Good morning, Mr. Hearing
5 Examiner. Paula Vance with the Santa Fe Office of
6 Holland & Hart on behalf of the applicant, Matador
7 Production Company.

8 HEARING OFFICER BRANCARD: Ms. Vance,
9 you're a little soft.

10 MS. VANCE: Is that better if I scoot up a
11 little bit?

12 HEARING OFFICER BRANCARD: Yes, that's
13 better. Thank you.

14 Are there other entries of appearance,
15 then, for Case 22178?

16 Hearing none. Ms. Vance, you may proceed.

17 MS. VANCE: Okay. In Case 22178 Matador
18 seeks to pool uncommitted mineral interest within
19 the Bone Spring formation, Pool Code 3713 underlying
20 a standard 240-acre horizontal spacing unit
21 comprised of the south half-south half of
22 Section 12, and the south half of the southeast
23 quarter of Section 11, Township 21 South, Range 27
24 East, Eddy County, New Mexico.

25 Matador seeks to dedicate the spacing unit

1 to the proposed Bo Howard 1211 Fed Com 124H well.

2 In this case we have provided the
3 compulsory pooling checklist as well as
4 self-affirmed statement and testimony of Landman
5 Nicholas Weeks and Geologist Andrew Parker, both of
6 whom have previously testified before the Division
7 and their credentials have been accepted as a matter
8 of record.

9 Mr. Weeks' affidavit is Exhibit C, which
10 includes sub-Exhibits C1, which is the C102; C2, the
11 general location map; C3, the working interest owner
12 and overriding royal interest; C4, sample well
13 proposal letter with AFE; and C5, the chronology of
14 contact.

15 And I did want to note that on the C3,
16 Matador does not need to pool the OG, that's why you
17 see them not listed in the notice.

18 Following this, is Mr. Parker's affidavit,
19 which is Exhibit D and includes sub-Exhibits D1, the
20 locator map; D2, structure map; and D3, the cross
21 section map.

22 In this case Mr. Parker did not observe
23 any faulting, pinch-outs or other geologic
24 impediments to the horizontal drilling of this well.

25 Lastly our Exhibit E, affidavit of notice

1 with sample letters that were timely mailed on
2 April 1st, 2022.

3 In Exhibit F, Affidavit of Notice of
4 Publication which was timely published on
5 March 31st, 2022.

6 And I did also want to note we filed an
7 updated Exhibit E to reflect that it was Adam Rankin
8 who completed notice.

9 And with that unless there are any
10 questions, I would ask that all exhibits and
11 sub-exhibits be admitted into the record and the
12 Case 22178 be take under advisement by the Division
13 at this time.

14 Thank you.

15 HEARING OFFICER BRANCARD: Thank you.

16 Mr. Rose-Coss, any questions?

17 MR. ROSE-COSS: It sounds like there
18 wasn't any issue with notice, then. It was timely
19 and all the party locatable.

20 MS. VANCE: Yes, that's correct. Well,
21 yes, that is correct.

22 MR. ROSE-COSS: Okay. Just verifying that
23 and no additional questions from me, Mr. Brancard.

24 Thank you, Ms. Vance.

25 MS. VANCE: Absolutely.

1 HEARING OFFICER BRANCARD: Thank you. I
2 guess I need to ask the question Mr. Garcia would
3 normally ask, which is just trying to make sure
4 there is no stranded acreage here. And I was
5 looking at your Exhibit D2.

6 MS. VANCE: Okay. I'm there,
7 Mr. Examiner.

8 HEARING OFFICER BRANCARD: It looks like
9 in -- I don't know which section it is, but the
10 section to the left you're going across the section
11 and then leaving, I believe, an 80-acre unit to the
12 west. It does appear that somebody has been
13 drilling wells to the north across the entire
14 section.

15 MS. VANCE: I would have to get with
16 Matador and ask that question but I'm happy to
17 follow-up with them and reach back out to the
18 Division with an answer for you on that.

19 HEARING OFFICER BRANCARD: Okay. That
20 will be helpful, yes, thank you.

21 And so that ends my question and I will
22 then, any other interested persons for Case 22178?

23 Hearing none, the exhibits will be
24 admitted into the record.

25 Case 22178 will be taken under advisement

1 with the record open on any clarification on
2 possible stranding of acreage to the west.

3 MS. VANCE: Okay. Thank you, Mr. Hearing
4 Examiner. And thank you, Mr. Rose-Coss.

5 (Proceedings concluded at 8:59 a.m.)

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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 16, 2022

/s/ Edwina Castillo

EDWINA CASTILLO, RPR, CCR
Certified Court Reporter #407
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