

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:

CASE NOS: 22848, 22849

APPLICATION OF MATADOR PRODUCTION
COMPANY TO AMEND ORDERS FOR
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
JULY 7, 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 EXAMINER DEAN McCLURE on
Thursday, July 7, 2022, through the Webex Platform.

Reported by: PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102
505-843-9241

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A P P E A R A N C E S

JAMES BRUCE
P.O. Box 1056
Santa Fe, NM 87504-1056
505-982-2151
jamesbruce@aol.com

I N D E X

CASE CALLED	
22848 TAKEN UNDER ADVISEMENT	07
22849 CONTINUED	07
REPORTER CERTIFICATE	08

E X H I B I T I N D E X

	Admitted
Exhibits and Attachments	07

1 HEARING EXAMINER BRANCARD: By my computer, it's
2 9:57. We are July 7, 2022 and we are resuming the hearing
3 of the New Mexico Oil Conservation Division. We are on Item
4 Number 54 and 55, Cases 22848, 22849, Matador Production
5 Company.

6 MR. BRUCE: Mr. Examiner, Jim Bruce appearing on
7 behalf of Matador.

8 HEARING EXAMINER BRANCARD: Are there any other
9 interested persons for Cases 22848, 22849?

10 (No audible response.)

11 HEARING EXAMINER BRANCARD: Please proceed, Mr.
12 Bruce.

13 MR. BRUCE: Mr. Examiner, I submitted an exhibit
14 package. Exhibit B is the application and proposed notices,
15 and Exhibit A is the landman's affidavit which will we'll go
16 to here.

17 In this case -- I'll address 22848 first, then
18 I've got a question to ask you about 849. In Case 22848,
19 Matador seeks to amend Order R-21666, which pooled the W/2
20 E/2 of Section 3, and the W/2 E/2 of Section 10, 22 South,
21 32 East.

22 The reason to amend the order is that the pooling
23 checklist attached to the order listed the initial well as
24 being the Nina Cortell Fed Com Well 127, a Second Bone
25 Spring well, and they have decided to switch that to a Third

1 Bone Spring well, the Nina Cortell 133H.

2 And there is a new pooling checklist attached to
3 this matter, to this exhibit package for Case 22848. The
4 landman's affidavit explains why this is being done. All
5 the other terms of the order would remain the same.

6 There is, attached as Exhibit B is an affidavit
7 from the geologist explaining the geologic -- the geology
8 of the Third Bone Spring and contains the usual structure
9 map, cross section information to show that the zone, Third
10 Bone Spring, is continuous across the well unit, and the
11 quarter-quarter sections will not -- will all contribute to
12 production.

13 In this matter, the only party being affected was
14 ConocoPhillips Company. They were the only party force
15 pooled originally, and they are the only party being
16 affected by the well change.

17 Notice was given as shown on Exhibit E to
18 ConocoPhillips, and they did receive actual certified
19 notice, so notice is complete. And I believe the exhibit
20 package is complete as to case 22848, and I would ask that
21 Exhibits A through E insofar as they pertain to 848 be
22 admitted into the record and that case be taken under
23 advisement.

24 HEARING EXAMINER BRANCARD: Any questions, Mr.
25 McClure?

1 TECHNICAL EXAMINER McCLURE: No, Mr. Brancard, I
2 have no questions.

3 HEARING EXAMINER BRANCARD: Any comments on case
4 22848.

5 (No audible response.)

6 HEARING EXAMINER BRANCARD: Hearing none, we will
7 accept the exhibits into the record. Please go ahead with
8 Case 22849.

9 MR. BRUCE: Yes, Mr. Examiner, just briefly it's
10 the same exhibit package and in this case, the applicant
11 desires to amend Order R-21667 which force pooled the E/2
12 E/2 of Section 3 and 10. And again, the only change in the
13 order is the original well in the pooling checklist was the
14 Nina Cortell 128H well, the Second Bone Spring formation
15 well, and Matador decided that they wanted to change that so
16 they could drill the 134H well, the Third Bone Spring well.

17 Again, the landman's affidavit addresses this and
18 the geologist affidavit is the same for both parties.
19 Again, there is a pooling checklist, a new pooling checklist
20 submitted and my affidavit of notice is attached, but there
21 are some parties who have not returned green cards, and
22 hence the issue.

23 I did prepare an affidavit of publication which
24 is Exhibit F, but in Case 849, I submitted it to the Hobbs
25 Newspaper and I have never received anything back from the

1 Hobbs Newspaper.

2 And since I need that to complete notice,
3 obviously the matter has to be continued, I would like
4 Exhibits A through E admitted into the record as to Case
5 849, but if we could continue it to August 4 just to get
6 publication notice done, that's what I would prefer if the
7 Division feels that is acceptable.

8 HEARING EXAMINER BRANCARD: Thank you. Mr.
9 McClure, any questions?

10 TECHNICAL EXAMINER McCLURE: No questions,
11 Mr. Brancard.

12 HEARING EXAMINER BRANCARD: Mr. Bruce, you are
13 saying the exhibit and record in 848 is complete?

14 MR. BRUCE: Yes.

15 HEARING EXAMINER BRANCARD: So it's just 849.

16 MR. BRUCE: It's just 849.

17 HEARING EXAMINER BRANCARD: Are there any other
18 concerns or objections from parties on Cases 22848 or 22849?

19 (No audible response.)

20 HEARING EXAMINER BRANCARD: Hearing none, we will
21 accept the exhibits into the record for both Cases 22848 and
22 849. Case 22848 will be taken under advisement. Case 22849
23 will be continued to August 4 to provide notice
24 documentation.

25 MR. BRUCE: I will file the motion for a

1 continuance.

2 HEARING EXAMINER BRANCARD: Thank you, please
3 file it.

4 (Exhibits admitted.)

5 (Case 22848 taken under advisement.)

6 (Case 22849 continued.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I do hereby certify that I reported the
7 foregoing virtual proceedings in stenographic shorthand and
8 that the foregoing pages are a true and correct transcript
9 of those proceedings to the best of my ability.

10 I FURTHER CERTIFY that I am neither employed by
11 nor related to any of the parties or attorneys in this case
12 and that I have no interest in the final disposition of this
13 case.

14 I FURTHER CERTIFY that the Virtual Proceeding was
15 of poor to good quality.

16 Dated this 7th day of July 2022.

17

/s/ Irene Delgado

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Court Reporter
License Expires: 12-31-22

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