

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: 22922, 22923

APPLICATIONS OF MATADOR PRODUCTION  
COMPANY TO RE-OPEN CASES 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  
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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

CONTINUED

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REPORTER CERTIFICATE

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1 HEARING EXAMINER BRANCARD: With that, same  
2 applicant, new lawyer. Cases 72, 73, Cimarex Energy. Mr.  
3 Bruce, are you with us?

4 (No audible response.)

5 HEARING EXAMINER BRANCARD: Marlene, do we have  
6 Mr. Bruce on the line?

7 MS. SALVIDREZ: He is here, yes.

8 MR. BRUCE: Mr. Examiner, Jim Bruce here for  
9 Cimarex. Sorry.

10 HEARING EXAMINER BRANCARD: Thank you.

11 MR. BRUCE: If I could, you will see below cases  
12 22771, et al, these are related to those cases, and I would  
13 ask that we skip over these two cases and put them with the  
14 other three cases so we don't have to explain too much. And  
15 then you go to the Nina Cortell cases after which time I  
16 would presume that most people would be taking a lunch  
17 break.

18 HEARING EXAMINER BRANCARD: Okay. So we are  
19 going to move to Items 74 and 75 in the checklist?

20 MR. BRUCE: Correct.

21 HEARING EXAMINER BRANCARD: 22922, 22923.  
22 Matador Production.

23 MR. BRUCE: Jim Bruce representing Matador.

24 HEARING EXAMINER BRANCARD: Are there any other  
25 interested persons for Case 22922, 22923?

1 (No audible response.)

2 HEARING EXAMINER BRANCARD: Hearing none, Mr.  
3 Bruce, you may proceed.

4 MR. BRUCE: Mr. Examiner, in 22922, Matador seeks  
5 to reopen case 21796 which pooled the E/2 E/2 of both  
6 Sections 3 and 10, 22 South, 32 East, to pool the Bone  
7 Spring formation.

8 In Case Number 22923, seek to force pool the  
9 same -- seek to reopen case 21798 which force pooled the  
10 Wolfcamp formation in the same acreage.

11 Exhibit 1 -- exhibit A contains the applications  
12 and proposed notices. I would note that one of these is  
13 also -- so one of the prior Matador Nina Cortell cases  
14 which sought to change the well name, I think. But anyway,  
15 the applications, proposed ads, orders are contained. There  
16 is affidavit by Rob Helbing, landman, who has testified  
17 previously.

18 What they seek to do is reopen the case to add  
19 additional parties and his affidavit also reflects the prior  
20 Nina Cortell case where the well name is being changed or  
21 the -- or I should say the initial well is being changed  
22 from a Second to a Third Bone Spring well.

23 The exhibit package contains the usual C-102s,  
24 the acreage plats, interest ownership, and it also lists the  
25 parties to be pooled, the proposal letter, et cetera, and

1 the AFEs. Matador does request 8,000 and \$800 per month.

2 Exhibit C is -- Exhibit C is the landman's  
3 affidavit. No geology was submitted. I can do that,  
4 obviously, in this case geology would be the same as was  
5 presented in Cases 22848 and 22849 besides the Second Bone  
6 Spring geology which was submitted in the original case.  
7 And I would have no trouble resubmitting geology affidavits,  
8 so one is of record in these matters.

9 Affidavit of notice. There are, I don't know,  
10 about eight people I think being added to the pooled list.  
11 The green cards you are included. Additional ones --  
12 additional green cards have come back, but notice, I did  
13 publish notice, I published it and sent it to the Carlsbad  
14 newspaper by accident, and I have included that just to show  
15 I actually did do a publication notice.

16 About an hour and a half after I filed the  
17 application or the sent the notice to the Carlsbad paper, I  
18 realized what had happened and I sent an e-mail to the Hobbs  
19 paper with the publication notice. And once again, I never  
20 heard back from them, and so I think the application packet  
21 with the applications, landman's affidavit, affidavit of  
22 notice is complete as to both cases, but I do need to  
23 publish notice. And I would request, since it's only  
24 publication in these matters, if I could move to continue  
25 them to August 4 which would give me time to hopefully get

1 the Hobbs newspaper to publish the notice I sent them and  
2 then the cases could be taken under advisement, but I would  
3 ask that Exhibits A through E be admitted into the record.

4 HEARING EXAMINER BRANCARD: Okay. Mr. McClure?

5 TECHNICAL EXAMINER McCLURE: Mr. Brancard, I was  
6 going to say, I don't have any questions. I guess the only  
7 recommendation I would make is since we are changing the  
8 formation in the amending, maybe it would be worthwhile to  
9 request the applicant to submit the geology exhibits again.

10 MR. BRUCE: I will do that. I will do that. I  
11 will have the geologist in the other Nina Cortell  
12 present -- prepare an affidavit for the Third Bone Spring  
13 formation in these cases, and I will submit that here quite  
14 shortly.

15 HEARING EXAMINER BRANCARD: Okay. I guess I'm  
16 not paying close enough attention, Mr. Bruce, but are we  
17 amending the same order in 922, 933 as we are amending in  
18 848, 849?

19 MR. BRUCE: No, we are -- hold on a minute. I  
20 want to make sure I got this correct. I believe that case  
21 22922 is dealing with the same -- check -- yeah.

22 TECHNICAL EXAMINER McCLURE: That 923 is supposed  
23 to be for Wolfcamp, or am I wrong?

24 MR. BRUCE: Correct. That's for Wolfcamp, so  
25 case 22922 deals with the same property as Case 22849, which

1 is also continued -- which has been continued to August 4  
2 because I had the same publication problem. But those two  
3 cases involve the same property, and the same parties were  
4 notified in the applications.

5 HEARING EXAMINER BRANCARD: So both are seeking  
6 to amend order R-21667.

7 MR. BRUCE: That's correct.

8 HEARING EXAMINER BRANCARD: Let's see. So we  
9 need to continue this case to August 4, both of these cases  
10 to August 4. Is that correct, Mr. Bruce?

11 MR. BRUCE: That is correct.

12 HEARING EXAMINER BRANCARD: And so you need to  
13 get us the publication information from the Hobbs paper.

14 MR. BRUCE: Yes.

15 HEARING EXAMINER BRANCARD: Okay. Which you said  
16 you already sent that in, it's just getting the  
17 confirmation; is that correct?

18 MR. BRUCE: Yeah, I may well have to resubmit it.  
19 I have had to do that before with them, but moving it to  
20 August 4 would allow the, you know, the necessary  
21 publication period to expire in each. Even if had I gotten  
22 it done, well, the notice in the Carlsbad paper, I thought,  
23 was timely, and then it dawned on me that it wasn't because  
24 of 4th of July.

25 HEARING EXAMINER BRANCARD: Not a work day. So

1 is it possible then to, if you had -- you had geology  
2 exhibits for 848 and 849?

3 MR. BRUCE: I do have geology exhibits, and I can  
4 dress those up and get an affidavit pertinent to this.

5 HEARING EXAMINER BRANCARD: That should be pretty  
6 simple.

7 MR. BRUCE: Yes.

8 HEARING EXAMINER BRANCARD: Just use the same  
9 one. All right. So anything else that we need to consider  
10 with these cases? Mr. McClure, questions?

11 TECHNICAL EXAMINER McCLURE: Nothing here.

12 MR. BRUCE: Just shoot me if --

13 HEARING EXAMINER BRANCARD: With that, any other  
14 interested persons in cases 22922, 22923?

15 (No audible response.)

16 HEARING EXAMINER BRANCARD: Hearing none, these  
17 cases will be continued to August 4, the evidence of  
18 publication notice and evidence that we have the geologic  
19 exhibits.

20 MR. BRUCE: Yes.

21 (Continued.)

22 HEARING EXAMINER BRANCARD: Okay. Thank you. So  
23 we are at the noon hour. I may live eight miles away, but I  
24 can hear my dog whining, and so we will take a lunch break  
25 and.

1 UNIDENTIFIED SPEAKER: Mr. Brancard, Number  
2 22874, is this going to be heard?

3 HEARING EXAMINER BRANCARD: 22874, is this  
4 Mr. Samonega.

5 MR. SAMONEGA: Yes.

6 HEARING EXAMINER BRANCARD: I don't see that on  
7 the list. Is that on the list, Marlene.

8 MR. SAMONEGA: It should have been Number 69.

9 MS. SALVIDREZ: That case is closed.

10 HEARING EXAMINER BRANCARD: That case was  
11 dismissed.

12 MR. SAMONEGA: On what date?

13 HEARING EXAMINER BRANCARD: June 21.

14 MR. SAMONEGA: June 21, Novo filed to dismiss it,  
15 so it won't be heard no more?

16 HEARING EXAMINER BRANCARD: No, it's gone.

17 MR. SAMONEGA: Okay, thank you, Mr. Brancard.

18 And on the case of the 22615 which was the W/2, I hired a  
19 lawyer and he went ahead and filed termination to Oxy on the  
20 lease, so I believe that the Turk wells of Novo on the W/2  
21 are no longer good because their interest is terminated.

22 HEARING EXAMINER BRANCARD: They may have  
23 dismissed that one too.

24 MR. SAMONEGA: Yes, sir.

25 HEARING EXAMINER BRANCARD: Okay, well, good luck

1 with that.

2 MR. SAMONEGA: Thank you, Mr. Brancard, and have  
3 a good lunch.

4 HEARING EXAMINER BRANCARD: So with that we will  
5 be back at 1 o'clock. And we will start with the Southern  
6 Hills cases. Thank you, everyone.

7 (Lunch recess taken.)

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REPORTER'S CERTIFICATE

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

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

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

Dated this 7th day of July 2022.

/s/ Irene Delgado  
\_\_\_\_\_  
Court Reporter  
License Expires: 12-31-22