Page 1

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 NO. 16507

ORDER APPROVING DISPOSAL INTO THE SILURIAN-DEVONIAN:

## REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

October 17, 2019

Santa Fe, New Mexico

BEFORE: LEONARD LOWE, HEARING EXAMINER PHILLIP GOETZE, EXAMINER DEAN MCCLURE, EXAMINER BILL BRANCARD, LEGAL EXAMINER

ALSO PRESENT: Marlene Salvidrez

This matter came on for hearing before the New Mexico Oil Conservation Division, Leonard Lowe, Chief Examiner; Phillip Goetze, Technical Examiner; and Dean McClure, Examiner, on Thursday, October 17, 2019, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

Reported by: Belen A. Soto, CSR, RMR New Mexico CCR#106 Paul Baca Professional Court Reporters 500 4th Street, Northwest, Suite 105 Albuquerque, New Mexico 87102 (505)843-9241

Page 2 (Commenced at 8:24 a.m.) 1 2 EXAMINER LOWE: Okay. We will continue with our first case then. Will be Number 10 on the 3 docket, which is Case Number 16507 NGL Water Solutions 4 5 for -- to see an order for approval disposal -- SWD -salt water disposal case. 6 7 Call for appearance. 8 MS. BENNETT: Good morning, Mr. Examiner. 9 My name is Deana Bennett from Modrall Sperling. And I normally represent NGL, but this case was actually being 10 11 handled by Laura Katz who isn't here yet. So, on behalf 12 of NGL, even though this isn't my case, but I ask that this be pushed a little bit further down on the docket 13 until we can coordinate with Ms. Katz about the timing 14 of presenting the case. 15 16 EXAMINER GOETZE: Gee, we have a lot of people who are asking that things be postponed, and 17 18 we're down to nine cases -- actually, six cases when 19 they're consolidated. I guess we'll just wait around, 20 but we can hold off and move on to the next case in the 21 docket. 22 MS. BENNETT: Thank you. Ms. Katz' 23 colleague is right now trying to find out the status --24 EXAMINER GOETZE: Okey Dokey. 25 MS. BENNETT: -- and so I appreciate the

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Page 3 Examiner's patience as we figure this out. 1 EXAMINER LOWE: Would that be for both NGL 2 3 cases? 4 MS. BENNETT: No. 5 MS. ANTILLON: No. (Discussion off the record.) 6 7 MS. ANTILLON: Andrea Antillon entering an 8 appearance in Case 16507 on behalf of the State Land office. 9 10 MR. ADAM RANKIN: Mr. Examiner, Adam 11 Rankin on behalf DOG with Holland Hart appearing in this 12 case as well. 13 EXAMINER LOWE: Okay. Call for 14 appearances. EXAMINER GOETZE: Yeah. Let's qo ahead 15 16 and we'll temporarily move to the next case. And then once attorneys have shown up we will bring it back in 17 the docket. 18 19 (Concluded at 8:26 a.m.) 20 (Reconvened at 8:31 a.m.) MR. SAVAGE: Mr. Examiner, may I address 21 the Case Number 10, 16507 that there was some confusion 22 23 about. So, apparently, the -- there was a need for an 24 amended application. And since there's no longer a 25 procedure with the division to file amended application

as part of the ongoing case, a new amended application 1 2 was filed. And there was request to consolidate the original application with the amended application and to 3 schedule that for November. And there was some 4 inquiries about how that procedure would -- should go 5 б forward on that. That's the reason why there was the 7 assumption that that would have been postponed until 8 November as a result of that procedural matter. 9 EXAMINER GOETZE: So bottom line is you're 10 not ready to present a case today, or you don't have --11 I mean, I -- my understanding from the Novack well is that the location of it and --12 13 MR. SAVAGE: The location was altered to accommodate the request of the opposing parties. And in 14 order to make that accommodation we did the amended 15 16 application for that purpose. And the amended application did ask for the November 14th hearing date. 17 18 EXAMINER GOETZE: Well, we -- let's 19 tentatively assign it to the November 14th as a 20 continuance. Evidently, you cannot present it today, and we will delve into the matter of the consolidated 21 22 cases. 23 And with that --24 MR. SAVAGE: All right. Thank you 25 Mr. Examiner.

Page 4

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Page 5 1 MR. BRANCARD: Mr. Savage, do you have a 2 number for the new case? 3 MR. SAVAGE: I don't have it with me. That's Laura's case. And so we can certainly get that 4 to you directly. I'll text her and have her email you 5 that case -- email that case if that's appropriate. 6 7 MR. BRANCARD: Or file a motion to 8 consolidate. 9 MR. SAVAGE: That was -- I believe that was included in the amended application request. 10 11 MR. BRANCARD: Okay. 12 EXAMINER LOWE: Okay. Mr. Savage, we will 13 look into continuing Case 16507 to November, if we can fit it in and get it resolved. We'll get with you on 14 that --15 16 MR. SAVAGE: Okay. 17 EXAMINER LOWE: -- for clarification. 18 MR. SAVAGE: Thank you, Mr. Examiner. 19 (Concluded at 8:34 a.m.) \*\*\*\*\*\* 20 21 22 23 24 25

Page 6 1 STATE OF NEW MEXICO 2 COUNTY OF BERNALILLO 3 4 CERTIFICATE OF COURT REPORTER 5 I, BELEN A. SOTO, New Mexico Certified Court Reporter No. 106, and Registered Merit Reporter, do 6 7 hereby certify that I reported the following proceedings 8 in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings that 9 10 were reduced to printed form by me to the best of my 11 ability. 12 I FURTHER CERTIFY that the Reporter's Record of 13 the Proceedings truly and accurately reflects the 14 exhibits, if any, offered by the respective parties. 15 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this 16 case and that I have no interest in the final disposition 17 of this case. 18 DATED THIS 31st day of October, 2019. 19 20 21 BELEN A.SOTO, CSR, RMR 22 Certified Court Reporter New Mexico CCR No. 106 Date of CCR Expiration: 12/31/2019 23 Paul Baca Professional Court Reporters 24 25