

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:

REPORTER'S TRANSCRIPT OF PROCEEDINGS

PRE-HEARING TRANSCRIPT

THURSDAY, MAY 30, 2019

SANTA FE, NEW MEXICO

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER  
LEONARD LOWE, EXAMINER  
DAVID BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Examiners Michael McMillan and Leonard Lowe, and Legal Examiner David Brooks, on Thursday, May 30, 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: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
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1                   EXAMINER McMILLAN: Good morning. I would like  
2 to call this hearing to order. My name is Michael McMillan.  
3 Today's date is May 30, 2019. This is Docket Number 18-19.

4                   My name is Michael McMillan, I will be the  
5 Hearing Examiner. To my right is Leonard Lowe, and David  
6 Brooks will be showing up shortly.

7                   What I'm going to do now is go through the  
8 continuances and dismissals that I have. Please pay  
9 attention, there is a lot, and I'm sure I missed quite a  
10 few.

11                   Okay. The first thing I would like to talk about  
12 is Case Number 20414 shall be continued.

13                   Case Number 20415 shall be continued.

14                   Going down to Case Number 11, 20411 shall be  
15 continued.

16                   I am now on Case Number 22, Case 20210 shall be  
17 continued.

18                   Case Number 23, 20319 shall be continued.

19                   Case Number 20211 shall be continued.

20                   Case Number 20255 shall be continued.

21                   Case Number 16381 shall be continued.

22                   Case 31, Case Number 16474 shall be dismissed.

23                   Case Number 16475 shall be dismissed.

24                   Turning to Case Number 34, 20246 shall be  
25 continued.

1 Case Number 20247 shall be continued.  
2 Case Number 20265 shall be continued.  
3 Case Number 20443 shall be continued.  
4 Case Number 20444 shall be continued.  
5 Case Number 20445 shall be continued.  
6 Case Number 20446 shall be continued.  
7 Case Number 20179 shall be continued.  
8 Case Number 20175 shall be continued.  
9 Case Number 20176 shall be continued.  
10 Case Number 20177 shall be continued.  
11 Case Number 20178 shall be continued.  
12 Case Number 20173 shall be continued.  
13 Case Number 20180 shall be continued.  
14 Case Number 50, case Number 20227 shall be  
15 continued.  
16 And to my left is David Brooks.  
17 MR. BROOKS: Obviously.  
18 EXAMINER McMILLAN: Case Number 20369 shall be  
19 continued.  
20 Case Number 20232 shall be continued.  
21 Case Number 20371 shall be continued.  
22 Case Number 20412 shall be continued.  
23 Case Number 16467 shall be continued.  
24 Case Number 16431 shall be continued.  
25 Case Number 16489 shall be continued.

1 Case Number 20450 shall be continued.  
2 Case Number 20451 shall be continued.  
3 Case Number 20441 shall be dismissed.  
4 Case Number 20442 shall be continued.  
5 Case Number 20460 shall be continued.  
6 Case Number 20315 shall be continued.  
7 Case Number 20461 shall be continued.  
8 Case Number 20462 shall be continued.  
9 Case Number 16504 shall be continued.  
10 Case Number 16507 shall be continued.  
11 Case Number 20141 shall be continued.  
12 Case Number 20151 shall be continued.  
13 Case Number 20142 shall be continued.  
14 Case Number 20475 shall be continued.  
15 Corrections? Updates?  
16 MR. BRUCE: Mr. Examiner, Page 1, first case,  
17 Caza Petroleum, 20464, please dismiss that case.  
18 EXAMINER McMILLAN: 20464 dismissed.  
19 MR. BRUCE: And then cases 9 and 10, 16488 and  
20 16487, Cimarex cases, please continue those to June 27.  
21 And then, Mr. Examiner, at the bottom of Page 2,  
22 on the top of three pages, the two Mewbourne cases.  
23 EXAMINER McMILLAN: I'm on a different  
24 spreadsheet.  
25 MR. BRUCE: Okay, cases 41 and 42, 20053 and

1 20054, the spreadsheet says they are dismissed, which is  
2 correct, but you skipped over them.

3 EXAMINER McMILLAN: So 20053 and 20054 are  
4 dismissed.

5 MR. BRUCE: And since Mr. Brooks said -- you  
6 said Mr. Brooks had some issue on notice.

7 EXAMINER McMILLAN: Well then let's figure out  
8 the notice.

9 MR. BRUCE: We'll talk about it later,  
10 Kaiser-Francis, they may get continued.

11 MR. PADILLA: Mr. Examiner, case on the last page  
12 1 of the Blackbuck case, 66, we did dismiss that case.

13 EXAMINER McMILLAN: Yes, 20642?

14 MR. PADILLA: Yes.

15 EXAMINER McMILLAN: Yes, that's dismissed.

16 MR. PADILLA: And it's noted as dismissed.

17 EXAMINER McMILLAN: I meant to say dismissed.

18 MS. BENNETT: Good morning, Deana Bennett. Case  
19 Number 16504, which is the NGL Cobra case --

20 EXAMINER McMILLAN: Yes.

21 MS. BENNETT: -- you had mentioned that that was  
22 continued, but we are actually planning on putting that case  
23 on today.

24 EXAMINER McMILLAN: Well, we are continuing it.

25 MS. BENNETT: I have a witnesses here today, and

1 I filed a prehearing statement to hear the case today. Is  
2 there any way to hear it today?

3 EXAMINER McMILLAN: No. It's continued.

4 MR. BROOKS: Is this a contested case?

5 MS. BENNETT: Yes, it is.

6 EXAMINER McMILLAN: Who is the other side.

7 MS. BENNETT: It's Mr. Larson's and he has a  
8 witness here today as well.

9 MR. LARSON: Gary Larson for BC & D Operating. I  
10 don't have a witness, but I'm prepared to do cross-  
11 examination today.

12 MS. BENNETT: And we had continued this case from  
13 May 2 to May 30 for the purpose of hearing it today.

14 MR. BROOKS: Are there any other cases set -- I  
15 mean, I'm sorry. Are there any other appearances in this  
16 case other than you and Mr. Larson?

17 MS. BENNETT: No, there are not.

18 MR. BROOKS: Okay. Well, let's wait until the  
19 next recess and we'll talk about it.

20 EXAMINER McMILLAN: Yeah.

21 MR. DeBRINE: Mr. Examiner, for the fourth case  
22 on the docket, Cimarex Energy, 20254, we are asking that  
23 that be continued to June 27.

24 EXAMINER McMILLAN: 20254 shall be continued.

25 MR. DeBRINE: Thanks.

1                   (Cases heard. Continuances clarified as  
2 follows:)

3                   EXAMINER McMILLAN: Call the hearing back to  
4 order. The first thing I want to do is clarify one thing.  
5 I think I'm on Page 4, 20463, 20465, 20472, 20313, and 20314  
6 will be heard Friday at 8:30.

7                   (Prehearing concluded.)

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