

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 SOLARIS WATER
MIDSTREAM, LLC FOR APPROVAL OF
A SALTWATER DISPOSAL WELL, EDDY
COUNTY, NEW MEXICO. CASE NO. 20587

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

July 11, 2019

Santa Fe, New Mexico

BEFORE: WILLIAM V. JONES, CHIEF EXAMINER
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the
New Mexico Oil Conservation Division, William V. Jones,
Chief Examiner, and David K. Brooks, Legal Examiner, on
Thursday, July 11, 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: Mary C. Hankins, CCR, RPR
New Mexico CCR #20
Paul Baca Professional Court Reporters
500 4th Street, Northwest, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

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APPEARANCES

FOR APPLICANT SOLARIS WATER MIDSTREAM, LLC:

PETE V. DOMENICI, ESQ.
DOMENICI LAW FIRM, P.C.
320 Gold Street, Southwest, Suite 1000
Albuquerque, New Mexico 87102
(505) 883-6250
pdomenici@domenicilaw.com

FOR INTERESTED PARTY NGL WATER SOLUTIONS PERMIAN, LLC:

DEANA M. BENNETT, ESQ.
MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.
500 4th Street, Northwest, Suite 1000
Albuquerque, New Mexico 87102
(505) 848-1800
deanab@modrall.com

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1 (10:08 a.m.)

2 EXAMINER JONES: Let's go back on the
3 record.

4 And the next two cases I have are the
5 Solaris Water Midstream cases, 20587 and 20588. Do
6 these need to be called separately?

7 MR. DOMENICI: Yes, they do.

8 EXAMINER JONES: Let's start with 20587,
9 application of Solaris Water Midstream, LLC for a
10 saltwater disposal well in Eddy County, New Mexico.

11 Call for appearances.

12 MR. DOMENICI: Good morning. Pete Domenici
13 on behalf of the Applicant, Solaris.

14 MS. BENNETT: Good morning. Deana Bennett
15 from Modrall, Sperling on behalf of NGL Water Solutions
16 Permian, LLC.

17 MR. RANKIN: Good morning, Mr. Examiner.
18 Also appearing on behalf of EOG Resources, Incorporated
19 in Case 20588, Adam Rankin with the law firm of Holland
20 & Hart.

21 EXAMINER JONES: So remind me again when we
22 call that one because we haven't called it yet.

23 MR. RANKIN: You haven't called that one.

24 EXAMINER JONES: Not yet.

25 So not in 20587?

1 MR. RANKIN: No, we're not. We have no
2 objection to the applications in that case.

3 EXAMINER JONES: Any other appearances?

4 Okay. Is this an actively contested case?

5 MS. BENNETT: I don't know why you're
6 looking at me on this question (laughter). I believe
7 that Solaris has a pending motion to dismiss my protest,
8 an administrative protest.

9 EXAMINER JONES: Okay. This is the one we
10 were going to hear the motion?

11 MR. DOMENICI: Yes.

12 So may I proceed on this?

13 EXAMINER JONES: You may. I'm not sure, so
14 go ahead. Go ahead.

15 MR. DOMENICI: We have very similar motions
16 on this case and the next one on the docket.

17 EXAMINER JONES: Okay.

18 MR. DOMENICI: And they're both essentially
19 the same argument, which is the protests were untimely.
20 And the way this transpired and what the motion outlines
21 is so the -- the application is going through the
22 administrative process. It's published. Then notice
23 comes in on both of these approximately 60 days after
24 the 15-day mandatory -- or the protest comes in 60 days
25 late. And then we receive a letter, which looks like a

1 standard letter perhaps from OCD, saying, We've received
2 a protest, and you will need to proceed to hearing
3 unless you can negotiate a withdrawal of the protest
4 with the protesting party. And so in both cases, we did
5 request a hearing fairly quickly after that letter. And
6 then we looked more carefully at this and found out the
7 protest was very late. And so our essential argument is
8 that the protest cannot be considered because it's after
9 the mandatory protest deadline.

10 I think the response is something along the
11 lines -- I want to restate -- counsel can restate it. I
12 just want to state it so I can respond to it. It was
13 something like: We waived our 15-day requirement by
14 asking for a hearing and moving forward to hearing. And
15 then we replied on that and said, "We can't waive that
16 15-day deadline. That's mandatory." So none of our
17 conduct waives that or extends that or in any way, you
18 know, eliminates that as being a requirement.

19 And, therefore, this is an appropriate
20 motion, and the protest should be dismissed as untimely.

21 EXAMINER JONES: Okay. I have a couple of
22 emails here, but neither one of them say when the admin
23 application came in.

24 MR. DOMENICI: So on the -- on the Captain
25 Call, the Affidavit of Publication is dated March 1st,

1 2019, and then that would have triggered the 15 days,
2 which would be March 15th. And then the actual protest
3 was May -- let me make sure I have this date.

4 EXAMINER JONES: May the 15th.

5 MR. DOMENICI: May the 15th.

6 EXAMINER JONES: Okay. Was there anything
7 that you received or that you're aware of that you
8 received from the Division saying it was
9 administratively complete, the application?

10 MR. DOMENICI: I'm not aware of that.

11 EXAMINER JONES: Okay. Okay.

12 MR. DOMENICI: But we did receive this
13 letter, which I attached as an exhibit, what we received
14 from the Division.

15 EXAMINER JONES: Okay. Ms. Bennett.

16 MS. BENNETT: Thank you.

17 First of all, I just want to respond to the
18 notation that I was arguing that Solaris had waived
19 their protest. That is not what I was arguing, in fact.

20 What I was trying to make a point of and
21 perhaps not very articulately is that by filing an
22 application for a hearing, we are under a new set of
23 rules now with a new opportunity for entries of
24 appearance, intervention, that the proper -- in my view,
25 the proper route to have protested or contested the

1 timing of NGL's protest was while there was still an
2 administrative application pending, not to circumvent
3 that process, come to hearing and then essentially
4 render my administrative protest -- NGL's administrative
5 protest moot by opening the door for entries of
6 appearance, entries of intervention, a whole new round
7 of notice. So that was my overarching point, was that
8 there's been a commingling of two different processes,
9 which, in my view, should have been but were not kept
10 separate. So that's my perhaps inarticulate in a
11 response what I was trying to get through there.

12 But more importantly what I think my
13 response was designed to bring out was the fact that, in
14 fact, protests -- I have myself been given notices of
15 untimely protests, and those protests have been denied
16 on the basis of being filed after an application was
17 deemed administratively complete. Now, I understand
18 that that's frustrating because we don't -- as
19 applicants, don't get notice of when our application is
20 administratively complete, and as protestants, we don't
21 always know when applications are deemed
22 administratively complete. But I have myself received
23 denials not based on the 15-day publication notice, but,
24 rather, based on the 15 days running from when OCD
25 determines that an application is administratively

1 complete.

2 Now, in the reply, Solaris notes that that
3 can't possibly be the rule because, as I just mentioned,
4 no one gets notice of when an application is deemed
5 administratively complete. But tiering it off a mere
6 publication notice is equally hard -- is like a hard
7 concept to deal with because I could submit a
8 publication notice tomorrow that requires 15 days -- or
9 starts the 15-day clock and not submit my application
10 for six months from now. There is no -- there's an
11 equally -- it's equally unworkable.

12 And I understand from an email that
13 Mr. Goetze sent to me -- in conjunction with an untimely
14 protest that NGL submitted, he sent me an email that was
15 based on a request from another lawyer requesting a
16 formal determination of when the protest period ended.
17 I think that's the step that Solaris should have taken
18 here, is request a formal determination of when the
19 protest period ended. In this email -- and I'm happy to
20 share copies with counsel for Solaris -- Mr. Goetze
21 writes, "The rules are quite cumbersome when is defined
22 the end of the 15-day protest, but I would interpret
23 19.15.26A.(c)(2) and 19.15.26A.(d) as defining the
24 protest period as 15" -- and he's quoting here -- "as 15
25 days following the Division's receipt of a Form C-108

1 complete with all attachments, with written objections
2 being acceptable if filed within 15 days after receipt
3 of a complete application."

4 That's also in the regulations, which is
5 19.15.26.8.D, which says, "If a written objection to an
6 application for administrative approval of an injection
7 well is filed within 15 days after receipt of a complete
8 application," then the hearing process is triggered.
9 And so Mr. Goetze's interpretation of these two rules is
10 that, if read together -- and he acknowledges that there
11 is some ambiguity. But read together, he believes that
12 written objections are acceptable within -- filed within
13 15 days after receipt of a complete application.

14 There was no notice to Solaris or NGL that
15 there was a complete application. Mr. Goetze -- neither
16 Mr. Goetze nor Mr. McMillan emailed NGL in the same
17 fashion that Mr. Goetze emailed me prior to let me know
18 that my protest was untimely due to the receipt of an
19 administratively complete application. So I don't see
20 that there is any basis in the record at this point to
21 dismiss my protest administratively.

22 More importantly, however, having filed for
23 hearing, Solaris has now opened the door for NGL to
24 enter its appearance in this case, which it has done.

25 EXAMINER JONES: Okay. That email, what

1 was the date of Mr. Goetze's email? I don't have that
2 available.

3 MS. BENNETT: The email he sent to me was
4 an attachment. This is an email dated May 3rd, 2018,
5 and it was sent as an attachment to me on February 13th,
6 2019. You can keep both of those if you'd like.

7 EXAMINER JONES: Okay. Thank you.

8 MS. BENNETT: Here's the email that I just
9 handed Mr. Jones where Mr. Goetze denied NGL's protest
10 as untimely.

11 EXAMINER JONES: Okay. Mr. Brooks, we are
12 all at hearing today, and this case is the motion to
13 dismiss.

14 MS. BENNETT: Actually, I don't mean to
15 speak for Mr. Domenici, but --

16 MR. DOMENICI: This case is ready to
17 proceed. The next one would be the motion.

18 EXAMINER JONES: Okay.

19 EXAMINER BROOKS: Okay. I came in in the
20 middle because I was detained upstairs, but I thought
21 this sounded like an argument for a motion to dismiss.

22 MR. DOMENICI: It is. There is one on this
23 case and the next one following, but we have -- we're
24 ready for the hearing today. It's scheduled, and we're
25 ready to proceed if the motion is denied.

1 EXAMINER BROOKS: Okay. Are you the movant
2 in this motion to dismiss?

3 MR. DOMENICI: Yes.

4 EXAMINER BROOKS: And you represent whom?

5 MR. DOMENICI: The Applicant. I'm moving
6 to dismiss a protest.

7 EXAMINER BROOKS: Okay. And you're the --
8 you represent the protester?

9 MS. BENNETT: I do.

10 EXAMINER BROOKS: Okay. Well, my attitude
11 about a motion to dismiss is it's a lot easier to
12 correct an error if you've heard the evidence because
13 you don't have to -- you can ignore it if you decide it
14 should have been dismissed. So I would recommend to the
15 examiner that the motion to dismiss be denied without
16 prejudice to its reassertion -- procedure and we proceed
17 to the hear the evidence.

18 EXAMINER JONES: What was the nature of the
19 protest?

20 MS. BENNETT: Well, we filed -- I filed an
21 objection to the administrative application.

22 EXAMINER JONES: Okay. I guess what I'm
23 getting at is if we proceed -- you've got an entry in
24 this, but you did a timely entry in this case?

25 MS. BENNETT: I did.

1 EXAMINER JONES: Okay. Okay. Let's just
2 proceed to hear the body of the case.

3 Do you have any witnesses?

4 MR. DOMENICI: Yeah. We have three
5 witnesses.

6 EXAMINER JONES: Okay. Will the witnesses
7 please stand and the court reporter swear the witnesses?

8 (Ms. Hovey, Mr. Ferguson and
9 Mr. Dixon sworn.)

10 MR. DOMENICI: I would call our first
11 witness, Ramona Hovey.

12 RAMONA HOVEY,
13 after having been first duly sworn under oath, was
14 questioned and testified as follows:

15 DIRECT EXAMINATION

16 BY MR. DOMENICI:

17 **Q. Ms. Hovey, would you introduce yourself to the**
18 **examiner?**

19 A. I'm Ramona Hovey with Lonquist & Company.

20 **Q. How long have you worked there?**

21 A. I've worked there since August of 2017.

22 **Q. What's your position?**

23 A. I am a senior petroleum engineer.

24 **Q. And where did you get your degree?**

25 A. I got my bachelor's of science from -- in

1 petroleum engineering from Texas A & M University.

2 Q. And how long have you been working in the
3 petroleum field?

4 A. For 29 years.

5 Q. Were you responsible for coordinating the
6 application that is at issue in this case?

7 A. Yes.

8 Q. And what percentage of your work involves
9 disposal wells?

10 A. Approximately 70 percent of the time.

11 Q. And how many disposal applications have you
12 prepared for New Mexico?

13 A. 34.

14 MR. DOMENICI: I would tender Ms. Hovey as
15 an expert in engineering and regulatory matters.

16 EXAMINER JONES: Petroleum engineering?

17 MR. DOMENICI: Petroleum engineering.

18 MS. BENNETT: No objection.

19 EXAMINER JONES: She's so qualified.

20 Q. (BY MR. DOMENICI) Ms. Hovey, are you familiar
21 with the type of application that is presented in this
22 case?

23 A. Yes.

24 Q. I think you testified you've done over 30?

25 A. (Indicating.)

1 **Q. Are those the same type of applications?**

2 A. That's correct.

3 **Q. So let's turn to this application. That would**
4 **be Exhibit 1. Can you explain what the C-108**
5 **application in this case requests?**

6 A. In this case we are applying on behalf of
7 Solaris for the Captain Call Saltwater Disposal No. 1.
8 We are requesting a max injection volume of 40,000
9 barrels a day into the Silurian-Devonian-Fusselman
10 Formations.

11 **Q. Is there an average you're requesting?**

12 A. I believe it's 30,000. Yes, 30,000 barrels per
13 day on average.

14 **Q. Is there a pressure limitation requirement?**

15 A. Yes. We are limiting to the .2, so with a
16 maximum injection pressure of 2,500 -- 2,502 psi.

17 **Q. And are you familiar with the well design?**

18 A. Yes.

19 **Q. And is Exhibit 2 -- describe what Exhibit 2 is?**

20 A. Exhibit 2 is a modification to the original
21 design that was submitted.

22 **Q. And what is modified?**

23 A. In reviewing with Solaris in their planning,
24 we've added an additional string to protect the Capitan
25 Reef, and we also modified the -- where the production

1 string right above the production liner would be set to
2 ensure adequate control of pressure.

3 Q. Is that -- is that well design protective of
4 the intervals that the well travels through?

5 A. Yes.

6 Q. And this Exhibit 2 shows the Capitan Reef on
7 there?

8 A. Yes, it does. We show the top at 1,331, and
9 then the whole complex -- the Capitan Complex, we're
10 covering all of that behind pipe.

11 Q. Were you -- so are you familiar with the
12 remainder of the application? Did you compile the other
13 attachments and information?

14 A. Under my supervision, yes. I am familiar.

15 Q. And other than this one diagram that has been
16 changed, is Solaris proposing any other changes to the
17 original C-108?

18 A. We have introduced the introduction of a
19 geological affirmation statement, and that, I believe,
20 is at the end -- no. I'm sorry.

21 Q. Is it under Exhibit 4?

22 A. Under Exhibit 4.

23 Q. And is Mr. Ferguson here to testify about that?

24 A. Yes.

25 Q. Did you obtain data about either production or

1 **water wells in the vicinity of the proposed well**
2 **location?**

3 A. Yes. If you look in the application, there is
4 a map of water wells. There are no freshwater wells
5 within one mile of the proposed location. The nearest
6 wells are over that.

7 **Q. Can you tell what the nearest well actually is?**

8 A. I should have brought my readers up.

9 About 7,500 feet away so about a
10 mile-and-a-half.

11 **Q. And are there any production wells within one**
12 **mile or a one-and-a-half-mile radius?**

13 A. There are producing wells, none of them in the
14 Devonian.

15 **Q. And are there disposal wells? What's the**
16 **nearest disposal well?**

17 A. The nearest disposal well is in the Devonian,
18 is 3.8 miles away. There is a permit that has been
19 applied that's 2.3 miles away.

20 **Q. Did other personnel at Lonquist assist you in**
21 **preparing this application?**

22 A. Yes.

23 **Q. If you'll look on page -- it doesn't look like**
24 **these are numbered, unfortunately. So this is the**
25 **wellbore information that's on page 8.**

1 A. The C-108 supplemental?

2 Q. **Yes.**

3 A. Yes.

4 Q. **And is that -- and let me ask you to turn to**
5 **the third page where it discusses the oil-and-**
6 **gas-bearing zones within the area of the well. It's a**
7 **table.**

8 A. Yes.

9 Q. **What's the basis for that table?**

10 A. Those were determined from offset log
11 interpretations.

12 Q. **Where does the injection interval start for the**
13 **proposed well?**

14 A. We are starting at the top of the Devonian.

15 Q. **Which is?**

16 A. At 12,510 feet.

17 Q. **And how long is the injection interval?**

18 A. It is 1,800 feet. We are going into the
19 Fusselman. We are not going into Montoya.

20 Q. **And it talks about the geological data on the**
21 **next page?**

22 A. Yes.

23 Q. **Can you summarize that in your own words?**

24 A. This summarizes that the Devonian-Fusselman
25 Formations are positive for accepting injection fluid

1 and that there is containment above and below. And I
2 believe Mr. Ferguson will discuss that in more detail.

3 **Q. There are a series of maps in the C-108 that**
4 **show other information surrounding the well.**

5 A. Yes.

6 **Q. Did you use those to determine -- or was one of**
7 **these used to determine those?**

8 A. Two of the maps were -- well, three of the maps
9 were used to determine notice. The offset operators --
10 let me add to that. The one-mile offset operators and
11 the one-mile offset leasees.

12 **Q. And was notice provided?**

13 A. Yes.

14 **Q. In what manner?**

15 A. We sent certified letters to each of the offset
16 operators when there was producing acreage as determined
17 from the New Mexico Oil Conservation Division site.
18 Where there was not producing acreage, then we looked at
19 the mineral leasees from the -- that we got from the
20 Bureau of Land Management system database and the State
21 Land Office database. And that contact information was
22 then used to contact the affected parties.

23 **Q. And has the surface owner where the well will**
24 **be located approved this location?**

25 A. Yes.

1 Q. To your knowledge, other than NGL's protest,
2 have there been any other indications of concerns?

3 A. Not to my knowledge.

4 Q. Both during the administrative process and now
5 in the hearing process?

6 A. Correct.

7 Q. And have you seen anything indicating the
8 substance of NGL's concerns?

9 A. I have not.

10 Q. Do you know roughly where NGL's closest
11 disposal well is?

12 A. It's approximately 20 miles away.

13 Q. Is there any physical effect that the operation
14 of this well as requested could possibly have on NGL's
15 wells?

16 A. No.

17 Q. And if you'll turn to Exhibit 3, describe what
18 that is, please, that exhibit.

19 A. The first is the public notice that was
20 originally filed as required.

21 Q. Let me interrupt you. Describe generally what
22 the exhibit consists of before --

23 A. Oh, I'm sorry.

24 The exhibit consists of the notifications
25 sent on the Captain Call well.

1 Q. And has there been -- if you know, has there
2 been communication with any of the parties that received
3 notice?

4 A. We received the proof of notices back. We have
5 had an email directly from the surface owner stating no
6 objections to the location. We had one not returned,
7 and we have since published a second notice to notice
8 the party that we did not -- that did not -- we did not
9 receive a green card return on.

10 Q. So as a petroleum engineer and a regulatory
11 expert in filing these types of applications, is it your
12 testimony that the application meets the requirements
13 that you've identified that OCD requires?

14 A. Yes.

15 Q. And it contains the information and the backup?

16 A. Yes, it does.

17 Q. And is it your testimony that if this
18 application is granted, there will be no impact on fresh
19 water or possible drinking water sources?

20 A. That is correct.

21 Q. And is it your testimony that if this is
22 granted, there will be no impact on mineral -- minerals
23 that could be developed --

24 A. Yes.

25 Q. -- or are being developed?

1 A. Yes.

2 MR. DOMENICI: I'll pass the witness.

3 MS. BENNETT: I have a few questions.

4 Thank you.

5 MR. DOMENICI: And I would like to make an
6 objection for the record. I don't think that NGL
7 qualifies as an affected party with a 20-mile well being
8 their closest.

9 EXAMINER BROOKS: I recommend that
10 objection be overruled.

11 You may proceed.

12 MS. BENNETT: Thank you.

13 CROSS-EXAMINATION

14 BY MS. BENNETT:

15 **Q. So I wanted to ask you about the new wellbore**
16 **design that you submitted, and that's behind Tab 2.**

17 A. Yes.

18 **Q. That wellbore design was submitted because --**
19 **I'm assuming at the request of OCD; is that right?**

20 A. No. We were reviewing the wells with Solaris,
21 and just to ensure that we had an adequate design, we
22 have been revising the design in preparation for
23 drilling.

24 **Q. It looks to me like this wellbore design was**
25 **prepared on 7/8/2019; is that right?**

1 A. This last iteration, yes. It was presented
2 then.

3 Q. On July 8th?

4 A. On July 8th.

5 Q. So just three days ago?

6 A. Correct.

7 Q. Let's turn to the geologic affirmation behind
8 Tab 4. When was the geologic affirmation prepared?

9 A. That was prepared yesterday.

10 Q. And so that was prepared a day before the
11 hearing?

12 A. Yes.

13 Q. And let's look at page -- the first page of the
14 C-108 that you signed on 3/21/2019. Do you see number
15 12?

16 A. Yes.

17 Q. And does that state that "Applicants for
18 disposal wells must make an affirmative statement that
19 they have examined available geologic and engineering --

20 A. Yes.

21 Q. -- data and find no evidence of open
22 faults...."?

23 A. Yes.

24 Q. And so just so I'm clear -- and I'm not trying
25 to be snarky or anything, but your application actually

1 wasn't complete then on March 21st, 2019, was it?

2 A. That is correct.

3 Q. And it wasn't complete until yesterday, right?

4 A. Yes.

5 Q. You said that NGL's nearest well is two
6 miles -- 20 miles away?

7 A. As far as we can determine.

8 Q. Did you look at pending applications?

9 A. I looked at them, the one -- that was last sent
10 by Phil Goetze.

11 Q. Okay. So you're not familiar with the Buckeye
12 or Burton Flats application?

13 A. No, I'm not.

14 Q. Were you aware that Solaris filed an entry of
15 appearance in NGL's Burton and Buckeye Flats?

16 A. I was not aware.

17 Q. And were you aware that they filed their entry
18 of appearance prehearing statement and motion for
19 continue based on the proximity of NGL's wells to these
20 two wells?

21 A. No.

22 Q. Okay. I was looking through your -- and so you
23 don't know how close the Burton Flats and Buckeye wells
24 are?

25 A. No, I do not.

1 Q. Would you be surprised that Solaris was
2 protesting the Burton and Buckeye -- or was protesting
3 NGL wells that were 20 miles away from the Solaris
4 wells?

5 A. I wouldn't have any --

6 Q. Okay.

7 A. -- comment on that. I don't know.

8 Q. Okay. Just a moment ago you were walking us
9 through the notice materials -- and, again, I likely
10 don't have standing to ask this question because I'm
11 not -- NGL is not a surface owner or a mineral lessee
12 within a half mile, but did you provide notice of this
13 hearing to the same notice parties that you sent letters
14 to for the administrative application?

15 A. I did not.

16 Q. Is there anything in the materials that you've
17 seen today that shows that notice was provided to those
18 parties of this hearing?

19 A. Not that I see.

20 Q. Thank you.

21 I have no other questions.

22 EXAMINER JONES: Mr. Brooks?

23 EXAMINER BROOKS: No questions.

24

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CROSS-EXAMINATION

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BY EXAMINER JONES:

Q. The well design is something that I better ask about. So 800 -- the first intermediate is going to cover -- can you -- the surface pipe is going to cover all the fresh water; is that correct?

A. That is correct.

Q. Down to the Rustler anhydrite, basically on top of the Salado salt?

A. Correct.

Q. And then the next -- next hole and pipe is going to go through the salt and -- just basically through the salt?

A. Yes.

Q. Okay. And down to the top of the Tansill, basically?

A. Correct.

Q. Okay. And then the second intermediate goes through the Tansill, the Yates, Capitan Reef and below the -- and then it's going to go through the -- yeah. I thought the actual -- so it's going to basically -- I think the Seven Rivers seems to be listed as below the reef, but I thought that was above the reef. And then the Queen actually -- this pipe is going to go down through the Queen, through the Grayburg. So basically

1 you're going -- the second intermediate is -- is -- what
2 kind of mud system would you use on that? You're going
3 through the reef, and then you're drilling through the
4 San Andres and the Grayburg. Is that -- is the reef
5 protectable fresh waters at that point?

6 A. Yes.

7 Q. So you're going to have to drill through it as
8 fast as you can with freshwater mud?

9 A. With fresh water.

10 Q. And that's -- this will obviously have to go
11 through the Eddy -- Artesia OCD permits?

12 A. Right.

13 Q. But you haven't talked with them yet about
14 this?

15 A. Right.

16 Q. But those kind of things could be worked out if
17 you need to?

18 A. Yes.

19 Q. So basically Solaris is willing to work and
20 obtain an acceptable casing design?

21 A. Yes, sir.

22 Q. Now, the DV tool for the -- for the
23 production -- what they call the production string,
24 which is going to 9,160, there is a DV tool in the -- up
25 above the casing shoe. So is that acceptable to --

1 **because I've heard some of them say they like to have**
2 **the DV tool down below that. Do you have an argument**
3 **about that?**

4 A. No. Different clients have different opinions
5 on that, and we've heard some of the same discussions
6 about that. We work with the client to set what they
7 recommend.

8 Q. Okay. So basically Solaris, that's kind of
9 **what they want in this case?**

10 A. Correct.

11 Q. Okay. And then you said you modified the liner
12 **just a little bit?**

13 A. We moved up. Originally, we had set that
14 production string at the top of Atoka, but in order to
15 ensure we can adequately handle pressure, we've moved it
16 up to the Wolfcamp, top of the --

17 Q. **Somewhere in the Wolfcamp?**

18 A. Just into the top of the Wolfcamp.

19 Q. Okay. So any Wolfcamp pressures or
20 **Pennsylvanian pressures, you're going to cover them with**
21 **a liner?**

22 A. Yes, sir.

23 Q. Okay. And the casing weight -- let's see. The
24 **packer -- okay. 7-5/8 liner, 39-pound maximum --**

25 A. Yes.

1 Q. -- on the liner?

2 A. Yes.

3 Q. Okay. So you said there is another application
4 2.3 miles away. When -- when -- do you know the date?
5 Was this application in before that one?

6 A. I do not know when that --

7 Q. The sequence of dates --

8 A. The sequence of dates, I do not know off the
9 top of my head.

10 Q. Okay. Let me -- anything else that you'd like
11 to say about this?

12 A. No. Thank you.

13 Q. Okay.

14 EXAMINER JONES: Anybody else?

15 Thank you very much.

16 MR. DOMENICI: Just one follow-up,

17 Mr. Jones.

18 REDIRECT EXAMINATION

19 BY MR. DOMENICI:

20 Q. If you'll look on Exhibit 4, there is a map on
21 the third page. Do you see that?

22 EXAMINER JONES: Yes.

23 MR. DOMENICI: I'm asking the witness.

24 THE WITNESS: Yes.

25 Q. (BY MR. DOMENICI) What are those three wells

1 **identified on there?**

2 A. Those are three potential locations that
3 Solaris is permitting or have applied for permits.

4 **Q. One of those is --**

5 A. Is the Captain Call.

6 **Q. -- is scheduled to be after this? Going to be**
7 **continued?**

8 A. Correct.

9 **Q. Do you know the status of the third?**

10 A. I believe it's still pending.

11 **Q. Was one of those the 2.3-mile wells, or is that**
12 **a different --**

13 A. No. That is different. These are
14 approximately two miles apart from each other. So I did
15 not -- when I say 2.3, that was a separate operator.
16 The three Solaris wells are more than a mile and a half
17 from each other.

18 MR. DOMENICI: That's all I have.

19 EXAMINER JONES: Okay. Thank you very
20 much.

21 MR. DOMENICI: I'll call Mr. Ferguson.

22 JERRY D. FERGUSON,
23 after having been previously sworn under oath, was
24 questioned and testified as follows:

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DIRECT EXAMINATION

BY MR. DOMENICI:

Q. Mr. Ferguson, would you introduce yourself to the hearing examiner?

A. I'm Jerry Ferguson. I work for Lonquist & Company. I'm their geoscience manager.

Q. And what is your educational background?

A. I have a bachelor's and master's degrees in geology from Oklahoma State University.

Q. And what is your experience that's pertinent to this case?

A. I have worked with Lonquist for four years now, most of which I'm involved in saltwater disposal.

Q. As the manager of geoscience, just briefly what's underneath your umbrella?

A. We have a number of geologists that work for us. Two of those are assigned just to working on disposal almost exclusively in the Permian Basin, and I manage their work.

Q. And what was your --

MR. DOMENICI: Well, I tender Mr. Ferguson as an expert geologist.

MS. BENNETT: No objections.

EXAMINER JONES: He is so qualified.

Q. (BY MR. DOMENICI) And by the way, have you been

1 **qualified and testified here before?**

2 A. I have.

3 **Q. What was your participation in this**
4 **application?**

5 A. Yes. I was specifically tasked with looking at
6 the seismicity in the area and looking at the subsurface
7 geology with context to finding faulting in relationship
8 to the wells.

9 **Q. And when did you look at those issues?**

10 A. Oh, that's been during the past month.

11 **Q. And turn to Exhibit 4, if you would, please,**
12 **sir.**

13 A. Uh-huh.

14 **Q. Is that your signature?**

15 A. Yes.

16 (Cell phone ringing; Examiner Brooks exits
17 the room, 10:48 a.m.)

18 **Q. When did you sign this?**

19 A. Yesterday.

20 You're referring to this (indicating)?

21 **Q. Yes.**

22 A. Yesterday.

23 **Q. When did you complete your analysis of the**
24 **hydrologic -- well, your analysis indicating --**

25 A. Well, I've been working up to the point of this

1 meeting. So I've been looking at it over the past month
2 until day before yesterday.

3 **Q. Now, there is an attachment to the first page**
4 **of the Exhibit 4. Can you describe what that is?**

5 A. I don't know what that attachment is.

6 **Q. Well, it's the second page of Exhibit 4, if you**
7 **will.**

8 A. Okay. And I have scrambled mine. Can you show
9 me yours, please?

10 **Q. Oh (indicating).**

11 A. Yes. This is my discussion of the seismicity
12 and faulting I found in the vicinity of the proposed
13 wells.

14 **Q. What analysis did you undertake?**

15 A. Yes. For the seismicity, we looked at the USGS
16 Earthquake Hazards Program Earthquake Catalog. We also
17 examined the TexNet Earthquake Catalog. We also looked
18 at various maps that have been published, mostly the
19 USGS. With seismicity, we looked at the surface map to
20 see if there had been any recent faulting in the area
21 which might indicate seismicity and found none. On the
22 examination of the earthquake catalogs, we found one
23 event. It was located 22 miles west of the proposed
24 location where a magnitude 3.0 earthquake was recorded
25 on October 10th, 2004 at a depth of five kilometers.

1 The conclusion from the review of the U.S. earthquake
2 hazard map indicates a very low risk of seismic
3 activity. And as I stated also, we see no evidence of
4 surface faulting in the area which would preclude recent
5 tectonic activity.

6 **Q. And what was the -- what is your testimony**
7 **regarding the necessity for a seismic fault slip**
8 **analysis?**

9 A. Yes. So another thing we wanted to look at in
10 that determination was the presence of faulting at the
11 Devonian level in the subsurface, so we examined a
12 number of sources to determine that. The -- we saw a
13 USGS-published Devonian structure map in the area. We
14 have a subscription service through Geomap regional
15 subsurface structure maps. We looked at those maps for
16 faults. We had subsurface maps of the Yates, the Strawn
17 Lime and the Devonian. And the nearest fault mapped at
18 the Devonian level was 13 miles southeast of the
19 proposed locations. And that is -- all of these
20 distances are shown on a map in Exhibit 4 entitled
21 "McCrae SWD, Captain Call SWD, Clara Allen SWD Seismic
22 Events." So we'll reference those distances.

23 You'll see the Devonian faults on that map
24 in green, and they are southeast of the Captain Call
25 location. The nearest fault is 11.3 miles southeast.

1 Also, the seismic event -- earthquake event that I refer
2 to is on the west edge of that map, and it shows it to
3 be 22.42 miles west of the Captain Call locations.

4 So because of the distance to faults and
5 the other sources that we looked at, which included the
6 Snee and Zoback paper, "The State of Stress in the
7 Permian Basin in Texas and New Mexico: Implications for
8 Introduced Seismicity," we saw no presence of no close
9 faults on those maps also. We also saw that the
10 probability of faulting in this part of the Delaware
11 Basin was low, generally less than 10 percent. And then
12 we had, from our subsurface mapping, determined a
13 distance of over ten miles to the nearest fault, so we
14 chose not to do an FSP analysis. We think the distance
15 from those faults yields an extremely low probability of
16 those faults becoming critically stressed by our
17 injection.

18 (Examiner Brooks enters the room, 10:53
19 a.m.)

20 **Q. Did you consider the injection pressure?**

21 A. We did. And based on our other experience with
22 FSP analysis, which we do routinely, the distance of
23 that fault precluded any effect.

24 **Q. Did you participate in reviewing the**
25 **interval -- injection interval in drawing conclusions**

1 **how the injection might perform?**

2 A. Yes. I confirmed the well tops in the proposed
3 well. We gave a top at the Devonian. We looked at the
4 Woodford and the Barnett equivalent sections above us.
5 We looked at the Montoya sections below us. We saw that
6 they would provide adequate vertical and lower
7 confining. And based on empirical evidence from
8 injection in wells in this part of the basin, we thought
9 that the Devonian and the Fusselman would provide
10 adequate disposal.

11 **Q. Do you have anything else you want to add about**
12 **your participation in this application?**

13 A. No.

14 **Q. And did you attach the references to what --**
15 **that you relied on?**

16 A. The references are in the text, Exhibit 4.
17 They're included. This includes the pages from our
18 earthquake search. It includes the published Devonian
19 maps that we looked at and some published cross
20 sections.

21 **Q. Is that Exhibit 5? If you look in the**
22 **package --**

23 A. Okay. Yeah. That would be Exhibit 5.

24 **Q. Continue. I'm sorry.**

25 A. Yes. Thanks for clearing that up.

1 But all of the pages and the references to
2 the earthquakes and all the published maps we looked at
3 are included there. There is also a copy of the Snee
4 and Zoback paper, and I've also included a map in here
5 with our locations highlighted referenced to their maps
6 as a yellow star.

7 **Q. And what is Exhibit 6?**

8 A. Exhibit 6 is a -- these are published maps of
9 the Capitan Reef. There is a structure map and an
10 isopach map there, plus a cross section. And then on
11 the cross section, with a red line, which did not appear
12 in here, the -- it did not come through.

13 **Q. Could you hold that up, that map?**

14 A. Yeah. Sure. I'm going to hold this cross
15 section up. On my original, it's a red line. On this
16 one, it's a gray line right there (indicating). It
17 shows this with relationship to the Capitan Reef.

18 **Q. Do that one more time.**

19 A. Okay. Sure. I have to see it myself. Right
20 here (indicating). And we're only a mile from this
21 cross section that was published. This is the structure
22 of the Permian-Guadalupean-Capitan Aquifer for southeast
23 New Mexico and west Texas by Hiss. And it shows this to
24 be near the north edge of the Capitan Reef, which
25 depositionally, at the time of the reef development,

1 would be near the lagoon side.

2 Q. Thank you.

3 I don't have anything else.

4 EXAMINER JONES: Okay. Ms. Bennett.

5 MS. BENNETT: Thank you. Just a couple of
6 follow-up questions.

7 THE WITNESS: Sure.

8 CROSS-EXAMINATION

9 BY MS. BENNETT:

10 Q. Did you prepare any cross sections yourself of
11 any logs for this well --

12 A. No, I didn't.

13 Q. -- based on other wells?

14 A. No, I didn't.

15 Q. And I think you mentioned a moment ago that
16 you chose not to prepare an FSP for this based on the
17 lack of seismic activity or the closeness of faults?

18 A. And distance of faults, yes.

19 Q. So there isn't a fault slip probability in your
20 materials?

21 A. No, there isn't.

22 Q. I think you testified a moment ago or earlier
23 that you've been working on your study for about a
24 month?

25 A. Yes.

1 Q. Is that after the administrative application
2 was filed?

3 A. I don't know.

4 Q. Thank you.

5 A. Uh-huh.

6 EXAMINER BROOKS: No questions.

7 CROSS-EXAMINATION

8 BY EXAMINER JONES:

9 Q. Okay. Yeah. I see the location of this well
10 in relation to the reef now, and I understand your issue
11 with the Seven Rivers and the Queen.

12 A. Exactly. Yeah. There is some interbedding
13 there.

14 Q. Interbedding types of -- okay.

15 A. You don't have to move too far north. Two
16 miles north and you're out of the reef.

17 Q. Totally.

18 A. Yeah. Yeah.

19 Q. But they will still probably require the
20 freshwater mud through the --

21 A. Uh-huh. Uh-huh.

22 Q. -- through that area, that zone.

23 So you were basically working on this long
24 before you signed off on this geologic affirmation?

25 A. We were. We were.

1 Q. And this fault that's -- I mean this seismic
2 event that happened in 2004 --

3 A. Yes.

4 Q. -- is that near Dagger Draw? Is that the
5 Dagger Draw issue?

6 A. You know, Dagger Draw is in that direction, but
7 I can't give you an exact distance. It is.

8 Q. But 2004, that was before a lot of -- and
9 that's way over to the west.

10 A. Right. And it was five kilometers deep, so I
11 suspect that rather than Dagger Draw, it might be
12 associated with just deeper tectonics, probably
13 something down Precambrian, Ellenburger.

14 Q. But it's a 4.0?

15 A. Yeah. Yeah.

16 Q. Okay. So no reason why -- you're not offering
17 a reason why that one happened?

18 A. No, I don't. I'm just speculating.

19 Q. But it didn't happen on any of the faults that
20 were closest to this well?

21 A. No. The faults we saw on the subsurface were
22 in the opposite directions. They were east of us 11
23 miles, and the seismic event was west of us 20 miles.

24 Q. Okay. Does that hold true in general, that any
25 small seismic events from the past are mainly to the

1 **west of here?**

2 A. If you look at the map that we have, yes, in
3 the USGS Earthquake Catalog, and those would probably be
4 deeper tectonic events.

5 **Q. Okay. What's your opinion on the induced**
6 **seismic danger in this area?**

7 A. Oh, well, I think it's very low. The --
8 probabilistically, on the Snee and Zoback maps -- for
9 this part of the basin in general, it's below 10
10 percent. The -- which is opposed to some more active
11 areas in Texas, for instance. The -- also, there is not
12 as much faulting in this part of the basin as you go
13 further south in the Delaware Basin. So it's a pretty
14 quiet area.

15 **Q. Okay.**

16 A. Yeah.

17 **Q. But that being said, as a geologist, what**
18 **would -- what is -- what would make it higher risk? In**
19 **other words, would injection in the Ellenburger make it**
20 **higher risk, in your opinion?**

21 A. You know, usually deeper faults are centered
22 out of the Precambrian into the Ellenburger, which is
23 why it's generally avoided, I think. The -- then we've
24 got -- and the nice thing about it is we've got the
25 Montoya below us as a sealing interval from that. And

1 so I probably wouldn't recommend anybody trying to
2 inject below the Fusselman in this area just on general
3 geology. The faults die out vertically, so the deeper
4 formations have a tendency to be more faulted than the
5 shallower formation by quite a bit.

6 **Q. When was the last major episode of activation**
7 **of these faults?**

8 A. Well, just based on the data we've presented, I
9 would say it's -- you mean geologically?

10 **Q. Yeah.**

11 A. Yeah. Geologically, it would have been
12 pre-Permian, probably Pennsylvanian. You know, some of
13 the faults extend up into the Wolfcamp.

14 **Q. Why did that happen at that time?**

15 A. Yeah. Because of a general subsidence in the
16 basin, and we were starting to see the tectonic
17 evolution of what eventually ended up to be the
18 Laramide -- Laramide tectonic activity. It was pre
19 that, but it was an early phase of that. And then we
20 had the down-warping in the Permian and the formation of
21 the Permian Basin.

22 **Q. In late Pennsylvanian time?**

23 A. Late Pennsylvania time is when that started.

24 **Q. Okay. I don't have any more questions.**

25 MR. DOMENICI: I don't have any follow-up.

1 EXAMINER JONES: Thank you very much.

2 THE WITNESS: Sure.

3 MR. DOMENICI: Call my next witness, Drew
4 Dixon.

5 DREW DIXON,
6 after having been previously sworn under oath, was
7 questioned and testified as follows:

8 DIRECT EXAMINATION

9 BY MR. DOMENICI:

10 Q. Would you introduce yourself to the hearing
11 examiner?

12 A. Yes. My name is Drew Dixon. I'm the vice
13 president of land, regulatory and permitting at Solaris
14 Water Midstream.

15 Q. And can you -- first of all, can you discuss
16 generally why there are three applications from Solaris
17 in this several-mile radius?

18 A. Right. So we've been in discussion with a
19 number of operators in and around that area. Now, we do
20 have contract commitments currently existing for
21 disposal needs in that area and the volumes that will be
22 coming in relatively short order. As you-all are
23 probably well aware, this area is newly developing. I
24 mean, there's been existing but newly developing in the
25 Bone Spring and the Wolfcamp. So we've signed up

1 some -- some near-term commitments. And Apache, which
2 not directly related to this well but one of the area
3 wells, has sent in a letter of support saying that there
4 is a desperate need near term for disposal in this area.

5 **Q. Is that Exhibit 8?**

6 A. That is Exhibit 8, yes. And then the way -- I
7 will say similar to the prior testimony of Permian
8 Oilfield Partners, we're in the business of creating
9 integrated systems via pipeline, so the approval of any
10 one of these wells in the near term will certainly start
11 the process of alleviating the concern of the
12 availability of disposal capacity. And so that's why,
13 you know, we brought this letter in here, to show that
14 it's -- it will eventually be an integrated system, and
15 there's an immediate need.

16 **Q. And have you resolved the location issue**
17 **related to the McCrae well?**

18 A. Yes. So originally there was a protest or an
19 objection filed by EOG in that matter. They have since
20 withdrawn that due to our moving of that location.

21 **Q. Does EOG support this well?**

22 A. EOG has not filed any objections to this well,
23 and I believe in their prior testimony, possibly, their
24 counsel stated that they support the application to that
25 point.

1 **Q. Is there anything else you would like to**
2 **testify to the hearing examiner about this application?**

3 A. No. I think that the biggest part and the
4 reason that I wanted to be here is the fact that -- just
5 to demonstrate that there is a need in the area
6 evidenced by the McCrae. So that's where we stand
7 today.

8 **Q. Thank you. Nothing further.**

9 MS. BENNETT: No questions.

10 EXAMINER JONES: Mr. Brooks?

11 EXAMINER BROOKS: No questions.

12 CROSS-EXAMINATION

13 BY EXAMINER JONES:

14 **Q. How would you get water to this well?**

15 A. Via pipeline.

16 **Q. Okay.**

17 A. So we've already been working on pipeline
18 rights-of-way to connect the operators, particularly
19 Apache and some others that I've mentioned. So those
20 are in process. We've signed the necessary surface
21 agreements, the leases with the Ballards, the folks that
22 the notice was -- we mentioned there earlier. And so
23 it'll all -- the majority of the water at this time will
24 be via pipeline.

25 **Q. Okay. And so is Linn Energy still operator**

1 **above Apache in this area, or are they another one of**
2 **your clients?**

3 A. Linn is -- we currently don't have a contract
4 with Linn at this time. No.

5 **Q. Okay. Okay. I don't have any more questions.**

6 MR. DOMENICI: Thank you.

7 EXAMINER JONES: Thank you very much.
8 Thanks for coming.

9 THE WITNESS: Okay.

10 MR. DOMENICI: And I would move admission
11 of the exhibit package, which is 1 through 8.

12 I would point out there is an affidavit
13 that is Exhibit 7, which is from Stephen Martinez who is
14 the vice president of drilling, and it discusses the
15 casing design similar to what is set forth in the
16 application itself. But he does make a conclusion "that
17 the well will be equipped and operated in a manner that
18 will facilitate" the testing -- "periodic testing and
19 assure continued mechanical integrity and that there
20 will be no significant leaks or movement of fluid
21 through vertical channels adjacent to the well bore."
22 That's his paragraph ten.

23 EXAMINER JONES: Okay. Any objection to
24 Exhibits 1 through 8?

25 MS. BENNETT: No objections to admitting

1 Exhibits 1 through 8. I would just point out again that
2 there is an unresolved question, I think, about whether
3 notice of this hearing was adequately provided. I don't
4 see that in the exhibits, but I have no objection to the
5 exhibits.

6 EXAMINER JONES: Mr. Brooks, anything about
7 notice?

8 EXAMINER BROOKS: There may be a question
9 about notice, but that doesn't deal -- that doesn't
10 affect the admissibility of the exhibits.

11 MS. BENNETT: Right. I have no objection
12 to the admissibility of the exhibits.

13 EXAMINER JONES: Exhibits 1 through 8 are
14 admitted.

15 (Solaris Water Midstream Exhibit Numbers 1
16 through 8 are offered and admitted into
17 evidence.)

18 EXAMINER JONES: Is there any other
19 question about notice that anyone wants to bring up or
20 talk about?

21 EXAMINER BROOKS: Well, I think that we
22 should proceed with allowing the respondent to present
23 their case -- the protestant to present their case, and
24 then we should take up any objection that they have
25 received notice as a matter of submission in the case at

1 the end.

2 MS. BENNETT: And just to be clear, I am
3 only here to ask questions and not to, you know -- we
4 don't have any witnesses of our own to put on.

5 EXAMINER BROOKS: You don't have any
6 witnesses?

7 MS. BENNETT: Right. Uh-huh.

8 EXAMINER BROOKS: Okay. Well, if there is
9 a notice issue somebody wants to argue at this time,
10 this would be the appropriate time to do it.

11 EXAMINER JONES: Okay. Well --

12 EXAMINER BROOKS: Well, you rested so --

13 EXAMINER JONES: Well, he admitted the
14 exhibits. He hasn't rested. He's still working hard
15 over here.

16 (Laughter.)

17 EXAMINER BROOKS: Are you going to rest?

18 EXAMINER JONES: Ms. Hovey could testify
19 about notice, couldn't she, if she hasn't already?

20 MR. DOMENICI: She could, or I could,
21 frankly, because the post-administrative notice consists
22 of the docket notice provided by OCD. Notice, I
23 understand, went to NGL, since they were a party.

24 You (indicating) can verify that or
25 contradict that.

1 EXAMINER BROOKS: Well, I don't think
2 notice to NGL is the issue because NGL has entered an
3 appearance.

4 MR. DOMENICI: Right. So that's the notice
5 for the hearing.

6 EXAMINER JONES: And EOG backed out because
7 you moved the well. They withdrew their objection.

8 MR. DOMENICI: There is no other objection.
9 I don't think we moved this well. I think that's the
10 next case. They asked us to move the well, and we're
11 going to ask for a continuance to study that.

12 EXAMINER BROOKS: Ms. Bennett, did you
13 have --

14 Well, you don't have any more testimony to
15 present, correct?

16 MR. DOMENICI: I don't have any more.

17 EXAMINER BROOKS: Ms. Bennett, you were the
18 one who mentioned that there might be an objection to
19 notice, so what is your objection to notice?

20 MS. BENNETT: It's more of an observation
21 than an objection. I just didn't see anything in the
22 exhibits that identified that notice of the hearing
23 today was sent to affected persons under the
24 adjudicatory regulations, and so it was an observation
25 about the adequacy of notice. But we did get notice.

1 Well --

2 EXAMINER BROOKS: At one point I believe
3 you asked the question of the witness about notice, and
4 that witness did not testify to the subject, as I
5 recall.

6 MS. BENNETT: That witness testified that
7 she -- and that was Ms. Hovey. She testified that she
8 had not provided notice of today's hearing to affected
9 parties, as I recall, and I'm willing to stand corrected
10 on that.

11 EXAMINER JONES: We have Exhibit 3 that has
12 some details on the notice, at least on the mailers.

13 EXAMINER BROOKS: Well, if no other party
14 has anything to submit at this time, then the record
15 will stand as what it is. I understood Mr. Domenici
16 just requested a continuance.

17 MR. DOMENICI: That's my next case. That's
18 my next case.

19 EXAMINER BROOKS: Pardon me?

20 MR. DOMENICI: That is my next case. I'm
21 not asking for a continuance.

22 EXAMINER BROOKS: Okay. So are you
23 resting?

24 MR. DOMENICI: Yes, sir. I'm resting.

25 EXAMINER BROOKS: Okay. You have nothing

1 to present at this time?

2 MS. BENNETT: No, I don't.

3 EXAMINER BROOKS: Very well. Then both
4 parties have closed, and the case should be taken under
5 advisement unless there is some reason not to.

6 MR. DOMENICI: That's fine with us.

7 EXAMINER JONES: Okay. Case Number 20587
8 is taken under advisement.

9 (Case Number 20587 concludes, 11:13 a.m.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court
6 Reporter, New Mexico Certified Court Reporter No. 20,
7 and Registered Professional Reporter, do hereby certify
8 that I reported the foregoing proceedings in
9 stenographic shorthand and that the foregoing pages are
10 a true and correct transcript of those proceedings that
11 were reduced to printed form by me to the best of my
12 ability.

13 I FURTHER CERTIFY that the Reporter's
14 Record of the proceedings truly and accurately reflects
15 the exhibits, if any, offered by the respective parties.

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

20 DATED THIS 26th day of July 2019.

21

22

23 MARY C. HANKINS, CCR, RPR
24 Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
Paul Baca Professional Court Reporters

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