

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 BC OPERATING, LLC
FOR COMPULSORY POOLING CASE NO. 21378
IN EDDY COUNTY, NEW MEXICO

and

APPLICATION OF COLGATE
OPERATING, LLC FOR COMPULSORY CASE NOS. 21467, 21468
POOLING IN EDDY COUNTY,
NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

STATUS CONFERENCE

THURSDAY, SEPTEMBER 24, 2020

This matter came on for hearing before the
New Mexico Oil Conservation Division, Felicia Orth,
Hearing Examiner, Kathleen Murphy and Scott Cox,
Technical Examiners, via the Cisco Webex Video
Conferencing Platform

Reported by: Mary T. Macfarlane, CCR
PAUL BACA PROFESSIONAL COURT REPORTERS
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Albuquerque, NM 87102

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A P P E A R A N C E S

FOR APPLICANT BC OPERATING, INC.:

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C O N T E N T S

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CASES CALLED:	3

1 (Time noted 8:48 a.m.)

2 HEARING EXAMINER ORTH: Let's move then to
3 21378. Applicant is BC Operating, Compulsory Pooling
4 Application. The well name is Fadeaway Ridge.

5 Who is here from Montgomery and Andrews for
6 the Applicant?

7 MS. SHAHEEN: Good morning, Hearing Examiners.
8 This is Sharon Shaheen on behalf of the Applicant, BC
9 Operating.

10 HEARING EXAMINER ORTH: Good morning, Ms.
11 Shaheen.

12 And Colgate has entered an appearance. Who
13 is here from on Modrall Sperling for Colgate?

14 MR. HOUGH: That's correct, Madam Examiner.
15 Lance Hough from Modrall Sperling for Colgate Operating.

16 HEARING EXAMINER ORTH: Good morning, Mr. Hough.
17 We will the pause for a moment to see if
18 there are any other appearances.

19 I hear nothing.

20 As I understand it, we are having a status
21 conference this morning and related cases include 21467
22 and 21468.

23 MS. SHAHEEN: That's right.

24 HEARING EXAMINER ORTH: Ms. Shaheen, would you
25 like to kick this off.

1 MS. SHAHEEN: I'm happy to.

2 I have conferred with Mr. Hough, and we
3 agreed that this should be set for a special hearing date.
4 My clients are in no big hurry, January would work fine
5 for them, so if that works for the Division and for
6 Colgate I'd like to talk about dates in January.

7 HEARING EXAMINER ORTH: All right. Thank you.
8 Mr. Hough.

9 MR. HOUGH: That is correct, Madam Examiner.
10 And it does look like January is the soonest availability,
11 so if that's the case, that would be fine for Colgate.

12 HEARING EXAMINER ORTH: Okay. We have two
13 hearing sessions in January. That's January 7th and 21st.
14 If the two of you would check with your
15 witnesses, check your own calendars, and submit a
16 stipulated Prehearing Order in connection with one of
17 those two hearings sessions, we can get you on the
18 calendar.

19 MS. SHAHEEN: Great. I'm wondering should we be
20 conferring with Mr. Feldewert, and I'm forgetting now who
21 else was talking about a January hearing date earlier this
22 morning.

23 HEARING EXAMINER ORTH: That was Mr. Bruce and
24 Mr. Feldewert in Matters 21400/01, 21292 and 93.

25 What we're finding is that the vast

1 majority of these special hearings or contested hearings
2 are settled as the hearing date approaches. So although
3 our earlier stance, my earlier stance was to only set one
4 at a time in connection with a hearing session, we've been
5 scheduling two and three of them now without any issue.

6 And in the event they were to go it would
7 simply be a matter of conferring with counsel as to, for
8 example, which of them would go first or which of the
9 Prehearing Orders was signed first, and we would simply
10 move through them.

11 We have in each case most of Thursday after
12 these brief hearing sessions, and all of Friday, and we
13 would just keep going, as far as I'm concerned.

14 MS. SHAHEEN: Thank you for that insight.
15 Appreciate it.

16 HEARING EXAMINER ORTH: Sure. I'll look for
17 your Prehearing Order.

18 MR. HOUGH: Madam Examiner, just wanted to
19 confirm one last thing. These other cases that are
20 related, Colgate's, they're currently set for October 8th.
21 I'm just going to assume, I wanted to clarify, once we
22 submit that Prehearing Order relating to all the cases,
23 they would go ahead and get continued and there is not
24 going to be a need for the hearing on the 8th.

25 Is that correct?

1 HEARING EXAMINER ORTH: Yeah, I think probably
2 Marlene would have me ask you to continue them through the
3 portal from October 8th, but I can double check on that,
4 and we can exchange an email relating to those cases, if
5 they are already on October 8th. Let me see.

6 MR. HOUGH: It seems like, I think as Ms.
7 Shaheen mentioned in the email, like it's a little bit
8 backwards in terms of the timing of the status conference.
9 I don't really see any difference in terms of, like, you
10 know, the traditional continuance. I think, you know, what
11 my thought was just here we have one consolidated
12 Prehearing Order that just pushes them all out. But, you
13 know, obviously we will agree with whatever the Division
14 needs us to do.

15 HEARING EXAMINER ORTH: All right. Yeah. I
16 don't want to answer for Ms. Salvidrez. I'm fine with it,
17 but we may need to do portal things.

18 MR. HOUGH: Okay. No problem.

19 HEARING EXAMINER ORTH: All right. Thank you
20 both very much.

21 (Time noted
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1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)

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5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday, September
8 24, 2020, the proceedings in the above-captioned matter
9 were taken before me; that I did report in stenographic
10 shorthand the proceedings set forth herein, and the
11 foregoing pages are a true and correct transcription to
12 the best of my ability and control.

13 I FURTHER CERTIFY that I am neither employed by
14 nor related to nor contracted with (unless excepted by the
15 rules) any of the parties or attorneys in this case), and
16 that I have no interest whatsoever in the final
17 disposition of this case in any court.

18

 /s/ Mary Macfarlane

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20 _____
21 MARY THERESE MACFARLANE, CCR
 NM Certified Court Reporter No. 122
 License Expires: 12/31/2020

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