

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: 20964

APPLICATION OF OVERFLOW ENERGY LLC  
FOR APPROVAL OF A SALT WATER DISPOSAL WELL,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

NOVEMBER 5, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before  
the New Mexico Oil Conservation Division, HEARING OFFICER  
FELICIA ORTH and TECHNICAL EXAMINERS DYLAN ROSE-COSS on  
Thursday, November 5, 2020, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
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1 A P P E A R A N C E S

2 For the Applicant:

3 SHARON SHAHEEN  
4 MONTGOMERY & ANDREWS  
5 325 Paseo de Peralta  
6 Santa Fe, NM 87501

7 For Marathon:

8 DEANA BENNETT  
9 MODRALL SPERLING ROEHL HARRIS & SISK PA  
10 500 4th Street, NW, Suite 1000  
11 Albuquerque, NM 87102  
12 505-848-9710  
13 deana.bennett@modrall.com

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15 I N D E X

16 CASE CALLED

17 STATUS CONFERENCE 03

18 REPORTER CERTIFICATE 06

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1 HEARING EXAMINER ORTH: Let's move to matter  
2 20964. Overflow Energy is the applicant. This is for salt  
3 water disposal. The well name is Rita. Ms. Shaheen, is  
4 that you here for the applicant?

5 MS. SHAHEEN: Yes, Madam Examiner. Sharon  
6 Shaheen on behalf of Overflow Energy.

7 HEARING EXAMINER ORTH: Thank you. And I saw an  
8 entry of appearance by Modrall Sperling on behalf of  
9 Marathon. Ms. Bennett?

10 MS. BENNETT: Good morning, Madam Examiner. This  
11 is Deana Bennett on behalf of Marathon Oil Permian LLC.

12 HEARING EXAMINER ORTH: All right, thank you.  
13 Let me pause a moment to see if there are any other entries.

14 (No audible response.)

15 HEARING EXAMINER ORTH: I understand we are  
16 having a status conference this morning.

17 MS. SHAHEEN: Yes, Madam Examiner. You will  
18 probably recall that this matter was set for hearing on a  
19 limited issue. It was previously heard back in December,  
20 and Marathon had entered an appearance because it had  
21 concerns about the fault slip potential analysis.

22 And since we have previously exchanged fault slip  
23 potential analysis, Overflow had, had models rerun, and I  
24 informed Ms. Bennett of that a week ago, and we agreed that  
25 it would be best for us to continue the matter so that

1 Marathon could consider the new analysis that we had  
2 provided to them.

3 So we would like to set a new date for the  
4 hearing if the parties -- if Marathon still has objections.  
5 And we have conferred and have a few dates in December that  
6 would work; they are not on the regular docket date. If you  
7 prefer, we can submit them with a prehearing order, but  
8 those dates are December 10, December 18 or the morning of  
9 December 16. We would also be available on December 4, but  
10 that being so close to Thanksgiving we would prefer the  
11 other dates if that works for the Division.

12 HEARING EXAMINER ORTH: All right. Thank you.  
13 It would actually -- I would prefer if you would submit the  
14 draft prehearing order, mention those dates again. Let me  
15 just say, I already have a commitment on December 18 that  
16 would preclude me from doing this hearing on that date.

17 The other dates, I don't have a personal  
18 conflict. I would need only to check with Division staff  
19 and the court reporter.

20 MS. SHAHEEN: Thank you for that. I will confer  
21 with Ms. Bennett, and we will submit a prehearing order.

22 HEARING EXAMINER ORTH: All right. Thank you  
23 very much.

24 TECHNICAL EXAMINER COSS: Ms. Shaheen -- sorry,  
25 Ms. Orth -- has the fault slip potential modeling been

1 submitted to the Division?

2 MS. SHAHEEN: It has not. We have provided it to  
3 Marathon, but we decided to continue it before the deadline  
4 for submitting exhibits. But if you would like that, I can  
5 confer with my client and make sure they are ready to submit  
6 that now if you prefer, although the prehearing order would  
7 require it a week ahead of time.

8 TECHNICAL EXAMINER COSS: Yeah. It's -- that  
9 will be fine. Just make sure I'm made aware of it.

10 MS. SHAHEEN: Absolutely.

11 TECHNICAL EXAMINER COSS: Okay, Ms. Shaheen.

12 MS. SHAHEEN: Thank you.

13 TECHNICAL EXAMINER COSS: Thank you.

14 HEARING EXAMINER ORTH: Thank you all, Ms.  
15 Shaheen, Mr. Rose-Coss and Ms. Bennett, and I will look for  
16 your draft prehearing order. And of all those dates,  
17 frankly December 16 looks the best to me. But again, I will  
18 double check that after this session has ended.

19 MS. SHAHEEN: Thank you.

20 (Examiner docket concluded.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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6 I, IRENE DELGADO, New Mexico Certified Court  
7 Reporter, CCR 253, do hereby certify that I reported the  
8 foregoing virtual proceedings in stenographic shorthand and  
9 that the foregoing pages are a true and correct transcript  
10 of those proceedings to the best of my ability.

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

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

17 Dated this 5th day of November 2020.

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/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-20

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