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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: 21324

APPLICATION OF TOM M. RAGSDALE TO REVOKE ORDER NOS. R-20924 AND R-20924-A OR IN THE ALTERNATIVE TO DECLARE UNREASONABLE CERTAIN COSTS IMPOSED BY MEWBOURNE OIL CO.

> REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS EXAMINER HEARING JULY 9, 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 EXAMINER DYLAN COSS and LEONARD LOWE on Thursday, July 9, 2020, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253 PAUL BACA PROFESSIONAL COURT REPORTERS 500 Fourth Street, NW, Suite 105 Albuquerque, NM 87102 505-843-9241

Page 2 1 APPEARANCES 2 For the Applicant: 3 SHARON SHAHEEN MONTGOMERY & ANDREWS 325 Paseo de Peralta 4 Santa Fe, NM 87501 5 For Mewbourne: 6 JAMES BRUCE 7 P.O. Box 1056 Santa Fe, NM 87504-1056 505-982-2151 8 jamesbruce@aol.com 9 10 INDEX 11 03 STATUS CONFERENCE 12 07 REPORTER CERTIFICATE 13 14 15 16 17 18 19 20 21 22 23 24 25

Page 3 HEARING EXAMINER ORTH: We will move to Case 1 2 21324, this is Tom Ragsdale requesting an amendment to an order relating to a well Ibex 10/15. Ms. Shaheen, are you 3 here from Montgomery & Andrews? 4 5 MS. SHAHEEN: (Inaudbile.) 6 HEARING EXAMINER ORTH: You might be muted. Ms. 7 Shaheen? Let's see here. Okay. 8 (Audio interference.) 9 MS. SHAHEEN: Can you hear me? 10 HEARING EXAMINER ORTH: Check the volume on your phone, please. 11 12 (Continued audio interference.) 13 HEARING EXAMINER ORTH: Wait for a moment to see 14 if Ms. Shaheen can join us by telephone. 15 MS. SHAHEEN: Hello? HEARING EXAMINER ORTH: Hello. Is this Ms. 16 Shaheen? 17 MS. SHAHEEN: My apologies for the audio problem. 18 I'm not sure what happened there. 19 HEARING EXAMINER ORTH: All right. So you are 20 here on behalf of the applicant Tom Ragsdale? 21 22 MS. SHAHEEN: That is correct. HEARING EXAMINER ORTH: And then we have Mr. 23 24 Bruce for Mewbourne? 25 MR. BRUCE: Yes, I'm here, thank you.

Page 4 1 HEARING EXAMINER ORTH: Hello, Mr. Bruce. And 2 let me pause for a moment to see if there are any other 3 appearances. 4 (No audible response.) 5 HEARING EXAMINER ORTH: No? So we will proceed this morning as a status conference, what I have received 6 this morning and in the last day or so, I wanted a draft 7 8 prehearing order. Do I understand that apart from filling 9 in the date, our counsel are in agreement? 10 MS. SHAHEEN: That's my understanding, Madam 11 Examiner. 12 HEARING EXAMINER ORTH: All right. And have 13 counsel discussed the date that we might --14 MR. BRUCE: From the dates Sharon gave me, it 15 looks like it would have to be August 17 or thereafter. HEARING EXAMINER ORTH: Okay. So currently I 16 17 have, I think my (garbled audio) August 20 and 21 hearing sessions. However the hearing session following that, 18 September 10 and 11 hearing session, I currently now have no 19 special hearing scheduled on those dates. How does 20 September 10 and 11 fit for the two of you. Ms. Shaheen, 21 does that fit? 22 MS. SHAHEEN: Yes, Madam Examiner, that should 23 24 work. And just to clarify so there is a regular hearing 25 date on the 10th, and would this be held on the 10th or the

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102 1 following day, the 11th.

2	HEARING EXAMINER ORTH: So we can do it either
3	way because I don't schedule more than one special hearing
4	at a time. We can either start shortly after the hearing
5	session on the 10th ends. Most of these sessions are
6	running less than two hours, or we can simply start at 8:30
7	in the morning on the 11th.
8	MR. BRUCE: And that's the month of September?
9	HEARING EXAMINER ORTH: Yes, it is.
10	MR. BRUCE: Okay. Okay.
11	MS. SHAHEEN: I think the 11th would be helpful,
12	that way we would have the 10th to prepare our witnesses.
13	HEARING EXAMINER ORTH: Okay, Mr. Bruce, is the
14	11th good for you?
15	MR. BRUCE: That's fine with me.
16	HEARING EXAMINER ORTH: All right. So we will
17	schedule this on the 11th, and we will execute a prehearing
18	order. I did see Mewbourne's motion to dismiss this
19	morning. Ms. Shaheen, obviously, you should plan to respond
20	to that. And Mr. Bruce can file a reply to the response if
21	he would like.
22	MS. SHAHEEN: And Madam Examiner, may I ask how
23	you anticipate resolving the motion to dismiss if you
24	will see in the, in the joint stipulation and the draft
25	order that, that we anticipated it would be heard on a

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Page 6 regular docket prior to the special hearing date, so that 1 would be our preference, and I believe Mr. Bruce is 2 agreeable to that. 3 MR. BRUCE: Yes, I am. And I would rather do it 4 5 in one of the August hearings because I have a bunch of -at least as of today's date, I have a bunch of stuff on the 6 7 23rd of July. Okay. So let me discuss HEARING EXAMINER ORTH: 8 9 with staff how to do that as part of one of the sessions in August, basically a motion hearing around the motion to 10 dismiss before we get to the September hearing date. And I 11 will make that clear in some communication with you, by 12 13 hearing order or by e-mail. 14 MS. SHAHEEN: Thank you. 15 MR. BRUCE: Thank you very much. 16 HEARING EXAMINER ORTH: All right. Thank you 17 very much, both of you. 18 (Concluded.) 19 20 21 22 23 24 25

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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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б	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 quality.
17	Dated this 9th day of July 2020.
18	/s/ Irene Delgado
19	Irene Delgado, NMCCR 253
20	License Expires: 12-31-21
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