

1 STATE OF NEW MEXICO
2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
3 OIL CONSERVATION DIVISION

4 IN THE MATTER OF THE HEARING CALLED
5 BY THE OIL CONSERVATION DIVISION FOR
6 THE PURPOSE OF CONSIDERING:

7 APPLICATION OF MESQUITE SWD,
8 INCORPORATED TO RE-OPEN
9 CASE NO. 14979 TO AMEND ORDER
10 NO. R-13735 TO ALLOW A NEW
11 WELL AND NEW WELL LOCATION
12 FOR A SALTWATER DISPOSAL WELL,
13 LEA COUNTY, NEW MEXICO.

CASE NO. 14979

ORIGINAL

14 REPORTER'S TRANSCRIPT OF PROCEEDINGS
15 EXAMINER HEARING
16 January 22, 2015
17 Santa Fe, New Mexico

18 BEFORE: WILLIAM V. JONES, CHIEF EXAMINER
19 GABRIEL WADE, LEGAL EXAMINER

2015 FEB 3 RECEIVED OCT 9

21 This matter came on for hearing before the
22 New Mexico Oil Conservation Division, William V. Jones,
23 Chief Examiner, and Gabriel Wade, Legal Examiner, on
24 Thursday, January 22, 2015, at the New Mexico Energy,
25 Minerals and Natural Resources Department, Wendell Chino
Building, 1220 South St. Francis Drive, Porter Hall,
Room 102, Santa Fe, New Mexico.

26 REPORTED BY: Mary C. Hankins, CCR, RPR
27 New Mexico CCR #20
28 Paul Baca Professional Court Reporters
29 500 4th Street, Northwest, Suite 105
30 Albuquerque, New Mexico 87102
31 (505) 843-9241

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APPEARANCES

FOR APPLICANT MESQUITE SWD, INCORPORATED:

JAMES G. BRUCE, ESQ.
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EXHIBITS OFFERED AND ADMITTED

(No exhibits admitted.)

1 (8:44 a.m.)

2 EXAMINER JONES: Call Case 14979, reopened,
3 application of Mesquite SWD, Incorporated to re-open
4 Case Number 14979 to amend Order No. R-13735 to allow a
5 new well and a new well location for a saltwater
6 disposal well in Lea County, New Mexico.

7 Call for appearances.

8 MR. BRUCE: Mr. Examiner, Jim Bruce of
9 Santa Fe representing the Applicant.

10 EXAMINER JONES: Any other appearances?
11 I think we got a mailer yesterday from --

12 MR. BRUCE: Yeah, from Gary Larson.

13 EXAMINER JONES: -- Gary Larson.

14 MR. BRUCE: Let me explain, Mr. Examiner.
15 And I'll let the Examiner do whatever it wants.

16 This case was heard by affidavit two weeks
17 ago, and it was taken under advisement. I don't know
18 why it was put on this docket. And Yates and Abo and
19 MYCO had received notice of the hearing, as shown in the
20 Affidavit of Notice I submitted. Mr. Larson entered his
21 appearance and filed a pre-hearing statement, and he
22 asked that --

23 What happened, just so you know, they
24 commenced drilling the well. They had trouble with the
25 drilling rig. They skidded it 10 feet, which was

1 approved by the BLM. It's federal land. And the
2 Division was also notified of it. The replacement well
3 was drilled. It has not been completed pending approval
4 of this application.

5 And I came here this morning, and
6 Mr. Larson wasn't here. And I've even called him to
7 tell him that the case is going on, but he's not here.

8 He was going to submit this affidavit. I
9 only have the one copy.

10 Yates and Abo and MYCO request that any
11 increase in pressure go to hearing rather than be done
12 administratively. I don't oppose it. I don't favor it.
13 I'll just let the Division do what they want, but I told
14 Mr. Larson I would not actively oppose it. And so he's
15 submitted -- or he was going to submit that affidavit,
16 and I would like the matter taken under advisement to
17 prevent any further continuances in the matter. But
18 since I did not oppose it, I would move the admission of
19 that Exhibit 1 of which I have one copy.

20 EXAMINER WADE: His affidavit?

21 MR. BRUCE: David Boneau's affidavit.

22 EXAMINER WADE: Who is a witness for?

23 MR. BRUCE: Yates.

24 EXAMINER WADE: He's represented by

25 Mr. Larson?

1 MR. BRUCE: Yes.

2 EXAMINER WADE: And you're going to ask
3 that --

4 MR. BRUCE: I said I wasn't going to oppose
5 it. I don't want it continued.

6 EXAMINER WADE: Okay. I didn't get to see
7 what Mr. Larson submitted. In his submission, did he
8 submit this affidavit as well?

9 MR. BRUCE: He just filed a pre-hearing
10 statement. I just got this affidavit -- I don't know --
11 Monday or Tuesday.

12 EXAMINER JONES: Okay. What we're going to
13 do, then, is take that case under advisement. This is
14 Case 14979.

15 MR. BRUCE: Okay. Thanks.

16 EXAMINER JONES: That was the last case on
17 this docket, so this docket is concluded.

18 (Case Number 14979 concludes, 8:47 a.m.)

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I do hereby certify that the foregoing is
a true and correct record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____

Oil Conservation Division, Examiner

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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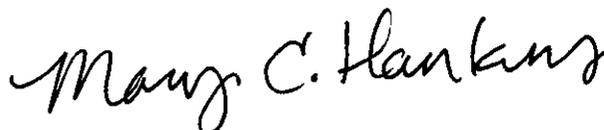
4 CERTIFICATE OF COURT REPORTER

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

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

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

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MARY C. HANKINS, CCR, RPR
Paul Baca Court Reporters, Inc.
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2015

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