

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION FOR  
THE PURPOSE OF CONSIDERING:

ORIGINAL

APPLICATION OF THE NEW MEXICO OIL Case No. 14055  
CONSERVATION DIVISION FOR A COMPLIANCE  
ORDER AGAINST C&D MANAGEMENT, d/b/a FREEDOM VENTURES  
COMPANY

DE NOVO APPLICATION OF THE NEW MEXICO Case No. 14041  
OIL CONSERVATION DIVISION FOR A COMPLIANCE  
ORDER AGAINST MARKS & GARNER PRODUCTION LTD. CO.,  
AND A REQUEST FOR DETERMINATION OF NON-COMPLIANCE WITH  
OCD RULE 19.15.5.9 NMAC FOR VIOLATION OF AN ORDER  
REQUIRING CORRECTIVE ACTION.

Case No. 14326; Case No. 14365; Case No. 14366; Case No.  
14382; and Case No. 14323: Continued to January 14, 2010

REPORTER'S TRANSCRIPT OF PROCEEDING  
COMMISSIONER HEARING

BEFORE: MARK E. FESMIRE, Chairman  
JAMI BAILEY, Commissioner  
WILLIAM C. OLSON, Commissioner

December 16, 2009  
Santa Fe, New Mexico

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This matter came on for hearing before the New  
Mexico Oil Conservation Commission, MARK E. FESMIRE,  
Chairman, on Wednesday, December 16, 2009, at the New  
Mexico Energy, Minerals and Natural Resources Department,  
1220 South Saint Francis Drive, Room 102, Santa Fe, New  
Mexico.

REPORTED BY: Jacqueline R. Lujan, CCR #91  
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Albuquerque, NM 87103 505-843-9241

A P P E A R A N C E S

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FOR THE NM OIL CONSERVATION DIVISION:

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FOR MARKS & GARNER LTD. CO.:

PADILLA LAW FIRM, P.A.  
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Santa Fe, New Mexico 87504

ALSO PRESENT:

Florene Davidson

WITNESSES: PAGE

J. Daniel Sanchez:

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1                   CHAIRMAN FESMIRE: At this time we'll go  
2 on the record. The record should reflect that this is  
3 the Wednesday, December 16th, 2009 meeting of the New  
4 Mexico Oil Conservation Commission, and that all three  
5 Commissioners are present, Commissioner Bailey,  
6 Commissioner Olson and Commissioner Fesmire.

7                   The record should also reflect that the first  
8 order of business before the Commission this morning is  
9 the adoption of the minutes from the November 4th, 2009  
10 regulary-scheduled meeting. Have the Commissioners had  
11 the opportunity to review the minutes?

12                   COMMISSIONER BAILEY: Yes, I have, and I  
13 move that we adopt them.

14                   COMMISSIONER OLSON: I'll second that.

15                   CHAIRMAN FESMIRE: All those in favor of  
16 adopting the minutes as submitted by the secretary  
17 signify by saying aye. Let the record reflect that the  
18 minutes were unanimously adopted, signed by the Chairman  
19 and transmitted to the secretary for recording.

20                   The next order of business before the  
21 Commission is Case Number 14055, the application of the  
22 New Mexico Oil Conservation Division for a compliance  
23 order against C&D Management d/b/a as Freedom Ventures  
24 Company. Counsel has been asked to draft two orders.  
25 The first is the order in the case. Have the

1 Commissioners had a chance to review that order?

2 COMMISSIONER BAILEY: Yes, I have, and I  
3 intend to sign that order.

4 CHAIRMAN FESMIRE: Commissioner Olson,  
5 have you had a chance to review it?

6 COMMISSIONER OLSON: Yes, I've also  
7 reviewed that and I'm ready to sign it, as well.

8 CHAIRMAN FESMIRE: Let the record reflect  
9 that I, too, have reviewed the order, and it correctly  
10 memorializes the decision of the Commission in this case.  
11 At this time the Chair would entertain a motion to adopt  
12 the order as presented.

13 COMMISSIONER BAILEY: I move we adopt the  
14 order.

15 COMMISSIONER OLSON: I'll second that.

16 CHAIRMAN FESMIRE: All those in favor  
17 signify by saying aye. Let the record reflect that the  
18 order was unanimously adopted, signed by the members of  
19 the Commission and transmitted to the secretary for  
20 recording.

21 The next order of business is also in that  
22 case. It's the evaluation of the order denying in part  
23 and granting in part C&D Management Company d/b/a  
24 Freedom Ventures' motion for a continuance, and in the  
25 alternative, for an extension of time within which to

1 file requests for findings of fact and conclusions of  
2 law. Have the Commissioners had the opportunity to  
3 review this order?

4 COMMISSIONER BAILEY: Yes, I have, and I  
5 move that we also adopt this order.

6 COMMISSIONER OLSON: I've reviewed that,  
7 as well. I'll second that motion.

8 CHAIRMAN FESMIRE: All those in favor of  
9 adopting this order as presented, signify by saying aye.  
10 Let the record reflect that the motion was unanimously  
11 adopted and that the order has been signed by the  
12 Commissioners and transmitted to the secretary.

13 The next order of business before the  
14 Commission is Case Number 14041, the de novo application  
15 of the New Mexico Oil Conservation Division for a  
16 compliance order against Marks & Garner Production  
17 Limited Company and a request for a determination of  
18 noncompliance with OCD Rule 19.15.5.9 NMAC for violation  
19 of an order requiring corrective action. Are counsel in  
20 this case present?

21 MS. ALTOMARE: Yes.

22 MR. PADILLA: Yes.

23 CHAIRMAN FESMIRE: We'll take the entry of  
24 appearance of counsel.

25 MS. ALTOMARE: Mikal Altomare on behalf of

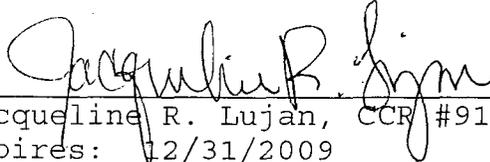
REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO  
HEREBY CERTIFY that on December 16, 2009, proceedings in  
the above captioned case were taken before me and that I  
did report in stenographic shorthand the proceedings set  
forth herein, and the foregoing pages are a true and  
correct transcription to the best of my ability.

I FURTHER CERTIFY that I am neither employed by  
nor related to nor contracted with any of the parties or  
attorneys in this case and that I have no interest  
whatsoever in the final disposition of this case in any  
court.

WITNESS MY HAND this 29th day of December,  
2009.

  
Jacqueline R. Lujan, CCR #91  
Expires: 12/31/2009