

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

**APPLICATION OF FAE II OPERATING, LLC FOR  
STATUTORY UNITIZATION AND EXPANSION OF  
THE VERTICAL LIMITS OF THE TEAGUE  
(PADDOCK-BLINEBRY) POOL,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25220**

**APPLICATION OF FAE II OPERATING, LLC FOR  
APPROVAL OF AN ENHANCED OIL RECOVERY  
PROJECT AND TO QUALIFY THE PROJECT FOR  
THE RECOVERED OIL TAX RATE,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25221**

**PRE-HEARING ORDER**

This Pre-Hearing Order follows a status conference held on April 24, 2025, all Parties in attendance.

Based on the Parties' representations that a contested hearing is necessary to resolve disputed issues:

**THE HEARING EXAMINER FINDS AND ORDERS:**

1. Case Nos. 25220 and 25221 are hereby consolidated for the purposes of a contested hearing, which will commence on **July 29, 2025, at 9:00 a.m.** and may continue on July 30, 2025.
2. If objections to a hearing by affidavit are subsequently withdrawn, the cases will proceed by affidavit on August 7, 2025.
3. The hearing will be recorded and transcribed verbatim by a court reporter.
4. The hearing shall be conducted in hybrid fashion, in-person at Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM and via MS Teams virtual meeting platform (sign in information will be sent to the parties closer to the date of the hearing). It is strongly preferred that Counsel appear in-person while witnesses may be offered in-person or virtually. The Hearing Examiner may modify the format of the hearing consistent with the available resources at the time of the hearing.
5. Pre-hearing statements shall be filed no later than **9:00 a.m.**, 4 business days prior to the hearing and in addition to the requirements of 19.15.4.13.B(1) NMAC, shall include the following:

- a) All evidentiary exhibits, documents, affidavits, and full-written testimony of any witness a party offers at the hearing.

Exhibits must be sequentially marked on every page. Failure to timely file a complete pre-hearing statement may cause the Hearing Examiner to continue the hearing and/or impose sanctions up to and including the exclusion of late-filed evidence.

6. Evidentiary objections must be filed no later than 48 hours before the hearing. Rulings on the objections will be addressed as a preliminary matter when the case is called.
7. All witnesses filing direct testimony shall attend the hearing and may be subject to cross-examination by Counsel and the Division's Examiners.
8. Requests for a continuance shall be filed in writing through the OCD fee portal at least one week prior to the contested hearing for approval by the Hearing Examiner.
9. FAE II Operating shall file continuances for both cases to June 26, 2025, for a final status conference prior to the contested hearing.

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**GREGORY CHAKALIAN**  
**HEARING EXAMINER**