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6

7 **OCD Special NOV Docket March 12, 2026-** 8 **20260312_140729UTC-Meeting Recording**

9 March 12, 2026, 2:07PM

10 2h 48m 33s

11

12 **PH Pecos Hall 46:00**

13 OK.

14 Good morning.

15 It is 8:53 AM we're going to start a little early today.

16 We are going to take a break at 9:45 for about an hour.

17 And I know Mr. Hall is not feeling well, so.

18 Maybe we'll get to all of your cases before the break, Mr. Hall.

19 Otherwise it'll be about an hour break, OK.

20

21 **HE Hall, Michael, EMNRD 46:24**

22 That perfectly fine.

23 Whatever. Whatever works for you, Mr. hearing officer.

24

25 **PH Pecos Hall 46:30**

26 OK. And I'm sorry, you don't sound well and I hope you get better quickly.

27 Let's call, of course.

28

29 **HE Hall, Michael, EMNRD 46:34**

30 Thank you for that.

31

32 **PH Pecos Hall 46:35**

33 Let's call the first case 25953 inches of appearance, please. Jackie McClain, on behalf
34 of New Bern, thank you. And Eug has entered an appearance but is not objecting.

35 Perfect. Go right ahead. Thank you.

36 We're back today because the division requested some additional information and
37 exhibits last Friday, March the 6th, we filed an amended exhibit packet that included.
38 Includes an amended exhibit A3 non standard spacing, unit plot and NSP notice list.
39 An amended exhibit A8 and A which is the amended chronology of contact. We've
40 also included EO G's letter of support as well as communications with WPX about the
41 receiving notice of the.
42 Hearing and then an amended.
43 Exhibit C4, which are the engineers, economics and conclusion.
44 For an alternative development scenario.
45 I ask that the division.
46 Admit these exhibits into the record and that the case be taken advisement. Unless
47 there are questions which there might be admitted without exception, Mr. McClure.
48

4  **McClure, Dean, EMNRD** 47:48

50 Mr. Herring, examiner, I will have questions for the land man in this case.

51

5  **Pecos Hall** 47:53

53 OK, OK. Braxton Blandford. And he, I saw he's on.

54

5  **Braxton Blandford** 48:05

56 Good morning.

57

5  **Pecos Hall** 48:07

59 Good morning, Mr. Blandford.

60 Would you please raise your right hand?

61 Do you swear or affirm under penalty of perjury that the testimony you're about to
62 give is the truth, the whole truth?

63 Nothing but the truth.

64

6  **Braxton Blandford** 48:17

66 Yes, Sir.

67

6  **Pecos Hall** 48:19

69 Thank you.

70 Please spell your name.

71

 **Braxton Blandford** 48:20

73 Braxton Braxton Blandford.

74 Blandford.

75

 **Pecos Hall** 48:28

77 Thank you. And I recognize that you are an expert in the field of petroleum land
78 matters.

79 So Mr. McClure go right ahead.

80

 **McClure, Dean, EMNRD** 48:38

82 Thank you, Mr. Herring. Examiner. Mr. Blandford, if I can draw your attention to your
83 exhibit A-3, that starts on page 18 of 127 of the amended exhibit packet.

84

 **Pecos Hall** 48:52

86 And I can share that.

87 Thank you, Ms. Iefleigh.

88

 **Braxton Blandford** 48:55

90 Thank you, Jackie.

91

 **Pecos Hall** 49:03

93 OK. Is this the correct page, Mr. McClure?

94

 **McClure, Dean, EMNRD** 49:07

96 Yes it is.

97 M's McLean Mr. Branford was this exhibit put together by either yourself or under
98 your direct guidance.

99

 **Braxton Blandford** 49:17

101 It was.

102

 **McClure, Dean, EMNRD** 49:23

104 Is it your understanding that?

105 EOG and all working interest owners other than them in the surrounding tracks.

106 Well, let me back up.
107 Of the tracks which newborn operates that surrounding the proposed unit?
108 Is it your understanding that notice was provided to each working interest owner?
109

110  **Braxton Blandford** 49:51

111 It is.

112

113  **McClure, Dean, EMNRD** 49:55

114 And you reviewed that to confirm it.

115

116  **Braxton Blandford** 49:58

117 Yes, Sir.

118

119  **McClure, Dean, EMNRD** 50:03

120 Following this plat here there's a list of.

121 Tracks with their working interest owners. Are you familiar with what I'm referring to?

122

123  **Braxton Blandford** 50:17

124 Are are you referring to the affected working interest owners and maybe an operated
125 tracks?

126

127  **McClure, Dean, EMNRD** 50:32

128 I'm referring to the exhibit that M's McLean is showing here.

129

130  **Braxton Blandford** 50:39

131 OK.

132

133  **McClure, Dean, EMNRD** 50:43

134 Can you draw my attention to where this list?

135 Includes the east half of the northeast quarter of section 22 in Township 18, S 29 E.

136

137  **Pecos Hall** 51:07

138 Can you repeat that one more time? The Easthath northeast corner.

139

140  **McClure, Dean, EMNRD** 51:11

141 Section yeah.

142 The well, we can just it.

143 The tablet.

144 It's the Northeast quarter section 22. If you can look for section 22 of Township 18 S,

145 29 E This is gonna be the track that's directly West of the proposed unit.

146

147  **Pecos Hall** 51:32

148 We have the Northeast Quarter SE quarter of section 22.

149

150  **McClure, Dean, EMNRD** 51:37

151 Yeah, that's the kiddie corner one.

152

153  **Pecos Hall** 52:05

154 It doesn't look like that one's on there.

155 I'll just go ahead and answer.

156

157  **Braxton Blandford** 52:13

158 Is is that?

159 I can't see with where we're at on the exhibits. Is the east half NE described as a

160 muvern operated tract?

161

162  **Pecos Hall** 52:30

163 Let me see.

164 That, oh, no, the east half north.

165 Oh, that section 22.

166 The.

167 That's not a mubaran operated tract.

168

169  **McClure, Dean, EMNRD** 52:49

170 OK.

171 Let let me ask a new question.

172 Is that track identified anywhere within this list?

173

174  **Braxton Blandford** 52:59

175 Should be identified.

176 Throughout the record title, that was.
177 Notified that I see it right there for EOG and it looks like it's gonna be under
178 numerous other parties as well.

179

180  **Pecos Hall** 53:09

181 Here's the.

182

183  **McClure, Dean, EMNRD** 53:22

184 You have it listed as record title owners.

185 What is the status of that track?

186

187  **Braxton Blandford** 53:34

188 Can you clarify that question?

189

190  **McClure, Dean, EMNRD** 53:34

191 Is at least, is that track least?

192 Is is it being operated by EOG?

193 Who's the operator in that track is my guess my best question.

194

195  **Braxton Blandford** 53:47

196 So I bought I I'm I'm not. Go ahead.

197

198  **Pecos Hall** 53:53

199 I was just going to give you the map because I don't.

200 Know I don't think we have that specifically anywhere.

201

202  **Braxton Blandford** 54:04

203 So I believe that that is.

204 Included that section 22 is all included within a MUBAR operated unit.

205 I didn't see where we had drilled.

206 Wells up there yet. So that's why I didn't put it in.

207 Operated tracks for for us.

208

209  **McClure, Dean, EMNRD** 54:32

210 OK.

211 I have the same question for the north half of the South half of section 23.

212 Who is the operator of that track?

213 For those tracks included therein.

214

215  **Braxton Blandford** 54:52

216 Jackie, can you go back up to the plot?

217

218  **Pecos Hall** 54:55

219 Yes.

220

221  **Braxton Blandford** 54:59

222 And you asked about the north half S half of section 23?

223

224  **McClure, Dean, EMNRD** 55:06

225 But.

226 I don't know.

227 I guess I don't know how appropriate it is for me to be answering your question, so
228 just let me repeat my question.

229 What is The Who is the operator for the north half of the South half of section 23?

230

231  **Braxton Blandford** 55:21

232 So that is within the contract area for new Burns IOU unit. We have not yet drilled
233 wells there.

234 And then.

235 Further the I guess it would be the northeast, southeast.

236 Would be a.

237 It'd be part of the EOG Terlingua well.

238 So they operate that tracked currently and as you can see in the exhibit, they have
239 been notified.

240

241  **McClure, Dean, EMNRD** 56:05

242 Who is the operator for the north half of the South half of section 24?

243

244  **Braxton Blandford** 56:13

245 At this time, that would that there is not an existing well to my knowledge and that it

246 is same situation that's included in mubarund's IOU unit. But we have not at this time
247 drilled any wells there.

248

249  **McClure, Dean, EMNRD** 56:34

250 Who is the operator of the South half of the southeast, quarter of section 18?

251

252  **Braxton Blandford** 56:41

253 South.

254 Half SE section 18.

255 I do not.

256 I.

257 I can't see the rest of my exhibit right here.

258 I don't recall there being a well there.

259

260  **Pecos Hall** 56:51

261 Music.

262 South.

263 Half SE quarter of 18.

264 And we noticed EOG for as record title owners.

265

266  **Braxton Blandford** 57:07

267 As well as other parties, it looks like.

268

269  **Pecos Hall** 57:08

270 As well as our. Yes, some other parties as well.

271

272  **McClure, Dean, EMNRD** 57:17

273 Is it mewborn's assertion that there are no working interest owners there and only
274 record title owners?

275 Mr. Branford.

276

277  **Braxton Blandford** 57:34

278 I.

279 I don't.

280 I.

281 I mean, I'm sure there are some working interest owners. I I'm not familiar with the
282 with the title in that tracked.

283

284  **McClure, Dean, EMNRD** 57:51

285 I guess, Mr. Branford, if I were to ask you to provide me with the working interest
286 owners for each of those tracks, do you understand what I'm asking for?

287

288  **Braxton Blandford** 57:56

289 You can.

290 Yes, Sir.

291

292  **Pecos Hall** 58:11

293 Even is that even if it's not a mubaran operated?

294 Tracked.

295

296  **McClure, Dean, EMNRD** 58:22

297 Miss McLean, the rule you're correct. If it's not a mubar operating tract.

298 Let me back up. If newborn is the operator of record, then it has to notice has to be
299 divided to the working interest owners.

300 If newborn is not the operator record, then the operator record is who needs to be
301 provided the notice for those tracks.

302

303  **Pecos Hall** 58:50

304 So I think I guess.

305 The these tracks I don't believe have an operator currently.

306 And that's why Mubar noticed record title owners.

307 So is there for those non mubaran operated?

308 Tracks that there is currently no other operator.

309 Do we need to notice working interest owners?

310

311  **McClure, Dean, EMNRD** 59:23

312 Mr. Herring, examiner, do you think it's appropriate to have the conversation of Miss
313 McLean about requirements and rule after I finish questioning the land man? Or
314 what's your thoughts there?

315

316  **Pecos Hall** 59:34

317 Well, are you finished questioning the land man?

318

319  **McClure, Dean, EMNRD** 59:37

320 I'm not.

321

322  **Pecos Hall** 59:38

323 Oh, you're not OK.

324

325  **McClure, Dean, EMNRD** 59:39

326 No.

327

328  **Pecos Hall** 59:39

329 Why don't you finish your questions for the Landman?

330

331  **McClure, Dean, EMNRD** 59:42

332 OK.

333 Thank you, Mr. Herring. Examiner, Mr. Branford, it appears that you have listed.

334 Let me see if I can find the page.

335 It appears that you have listed page 19 of 127.

336 For the.

337 South.

338 Half of the southwest corner of section 18 Township 18 S.

339 30 E.

340 You see where I'm referring to.

341

342  **Braxton Blandford** 1:00:09

343 I do.

344 Yes, Sir.

345

346  **McClure, Dean, EMNRD** 1:00:16

347 I guess I'm.

348 Not seeing it completely on the shared screen, but if you see it, Mr. Branford, that's

349 fine.

350

351 **PH** **Pecos Hall** 1:00:23

352 Is it that sorry.

353

354  **McClure, Dean, EMNRD** 1:00:23

355 The third.

356 I'm looking at.

357 Below a little bit below if you want Miss McLean.

358 It has the working interest on is listed.

359

360 **PH** **Pecos Hall** 1:00:37

361 Oh, OK.

362 Sorry, yes, OK.

363

364  **McClure, Dean, EMNRD** 1:00:38

365 Yeah, the very or kind of the two or like a third of the OR 2/3 of the way down. Mr.

366 Branford, do you see where it has like #3 listed there, Blue Store oil and Gas LLC?

367

368 **PH** **Pecos Hall** 1:00:45

369 Yes, I see.

370

371 **BB** **Braxton Blandford** 1:00:52

372 I do.

373

374  **McClure, Dean, EMNRD** 1:00:54

375 Was this person provided notice of this application?

376

377 **BB** **Braxton Blandford** 1:00:58

378 They were.

379

380  **McClure, Dean, EMNRD** 1:01:02

381 Yeah, I guess I'll have some questions for Mr. Clean afterwards then.

382

383 **PH** **Pecos Hall** 1:01:02

384 And I think I can.

385 I can.

386 Yeah, I can clarify that for you, Mr. McClure.

387

388  **McClure, Dean, EMNRD** 1:01:10

389 OK.

390 Well, we'll touch base with that a little bit more later in a bit.

391 Mr. Branford, if I can.

392 Draw your attention down to the next page where it's South half S half of section 14.

393 The 6th person down.

394

395  **Braxton Blandford** 1:01:29

396 OK.

397

398  **McClure, Dean, EMNRD** 1:01:32

399 You see the WPX there, Mr. Branford.

400

401  **Braxton Blandford** 1:01:35

402 I I do.

403

404  **McClure, Dean, EMNRD** 1:01:37

405 Was this person provided notice of this application?

406

407  **Braxton Blandford** 1:01:41

408 Yes.

409

410  **McClure, Dean, EMNRD** 1:01:44

411 Yeah, but there's probably another one on the additional players for Miss McLean on.

412 Thank thank you, Mr. Brunford.

413 I think I'm done asking questions of this expert witness, Mr. Henning Examiner. And if

414 I could ask Miss McLean, I guess questions.

415

416  **Pecos Hall** 1:01:55

417 Alright, yes, go right ahead.

418

419  **McClure, Dean, EMNRD** 1:01:59

420 Hi, thank you, Mr. Herring Examiner M's McLean.
421 You referenced earlier that you may have additional.
422 Clarity on the notice provided to Blue Star oil and Gas LLC.
423 What is that additional clarity?

424

425  **Pecos Hall** 1:02:14

426 Yes.
427 Blue Star and Vladimir one in the same.
428 They're the same entity and what happened was.
429 On the envelope, when we were inputting all of the addresses into the spreadsheet,
430 we had Vladimir and then one address.
431 Well, it just sent it to vladim.
432 IR Blandford can also provide testimony that they are the same. He's been in contact
433 with.
434 Flatten blue star.
435 They have the same address and they are.
436 They've been given notice through Vladimir.

437

438  **McClure, Dean, EMNRD** 1:02:54

439 Is the I guess. Do you have additional clarity in regards to WPX Energy Permian as
440 well? M's McLean.

441

442  **Pecos Hall** 1:03:02

443 I do.
444 For WPX.
445 I'm sorry. Let me.
446 My share screen button is getting in my way here.
447 If you see the on the cover sheet, the notice of admitted exhibit packet.
448 Our exhibit A8 we have included.
449 And I'm just gonna try and get over there.
450 We have included a.
451 E-mail.
452 With.
453 WP.
454 X where's the?

455 That shows that they were provided. Oh, here it is. Sorry.
456 This.
457 Is.
458 The e-mail with from Mr. Blandford to Andy Bennett Devin, which is.
459 WPX and another entity of Devon and.
460 Mr.
461 Brunsman I guess replies back that WPX 7 has no objection to mubarakation in the
462 IOU unit.
463 So we have included that to demonstrate notice.
464 To WPX.

465

 **McClure, Dean, EMNRD** 1:04:32

467 So was written notice ever provided to Devin or WPX?

468

 **Pecos Hall** 1:04:37

470 Just via e-mail.

471

 **McClure, Dean, EMNRD** 1:04:50

473 A Mr. hearing examiner.

474 Do you think it would be best for myself to ask questions of Mr. Blandford in regards
475 to the relationship between Evaden and?

476 Blue store or allow Miss McLean to just do cross exam.

477 Ine on that.

478

 **Pecos Hall** 1:05:12

480 Well, I think you should ask the questions and then if Miss McLean wants to redirect,
481 she can.

482

 **McClure, Dean, EMNRD** 1:05:20

484 To her and examiner Mr. Blandford. Are you still with us?

485

 **Braxton Blandford** 1:05:27

487 Yes, Mr. McClure, I'm still here.

488

 **McClure, Dean, EMNRD** 1:05:29

490 Mr. Blandford, what is the relationship between?

491 That and LLC and Blue Star oil and Gas LLC.

492

493  **Braxton Blandford** 1:05:40

494 They it's run by the the same person. I have the same point of contact.

495 Between the the two entities use the same address for any mailings that I do.

496 So.

497

498  **McClure, Dean, EMNRD** 1:06:00

499 OK.

500

501  **Braxton Blandford** 1:06:01

502 Notice notice was sent to each of the parties at the same address.

503

504  **McClure, Dean, EMNRD** 1:06:09

505 Now, M's McLean referenced that the the envelope might only had on it.

506 Was the contents of that envelope. Did it include a letter to each of the persons or

507 just Varden?

508

509  **Pecos Hall** 1:06:26

510 I think I could answer that one because we send out those letters.

511

512  **McClure, Dean, EMNRD** 1:06:32

513 OK, that same question to you M's McLean, I guess.

514

515  **Pecos Hall** 1:06:35

516 Yes, thank you.

517 We send out. We don't directly address the letters to any particular party.

518 So it was the same same letter and the application.

519

520  **McClure, Dean, EMNRD** 1:06:48

521 OK, thank thank you, Miss McLean.

522 Thank you, Mr. Blandford.

523 Mr. herring examiner.

524 I don't have any further questions other than if we want to talk about required
525 notice, I guess.

526

527  **Pecos Hall** 1:07:03

528 OK.

529 Go ahead.

530

531  **McClure, Dean, EMNRD** 1:07:05

532 M's McLean do you by chance have the rules in front of you by any chance?

533

534  **Pecos Hall** 1:07:14

535 I do not, but I could pull them up.

536

537  **McClure, Dean, EMNRD** 1:07:18

538 Yeah, I'm just looking at the definition for affected persons.

539

540  **Pecos Hall** 1:08:21

541 I'm pulling it up.

542 OK.

543

544  **McClure, Dean, EMNRD** 1:09:05

545 I'm looking at the little B for affected persons.

546 The very start of that in in the absence of an operator.

547

548  **Pecos Hall** 1:09:33

549 OK.

550

551  **McClure, Dean, EMNRD** 1:09:36

552 I guess.

553 Do you see what I'm referring to where we would need to?

554 Well, not we, but.

555 The applicant would need to provide notice to the working interest owners in any

556 track in which it is the operator or in which there is no operator of record.

557 Are you in agreement with my assessment?

558

559 **PH Pecos Hall** 1:09:55

560 Yeah, I I do see that. I think the issue.

561 Becomes.

562 Knowing knowing the working interest owners in a track that is not currently
563 operated.

564 Because people don't always have title for that.

565 And so a lot of times with NSPS, we've just been providing notice to the record title
566 owners, because we do know that.

567

568  **McClure, Dean, EMNRD** 1:10:45

569 I guess I'm not aware of any.

570 I'm not aware I guess of the division having the policy of exception from this rule.

571 I guess is it correct that operators tend to either employ land men whose job it is to
572 look for these records, or or hire third party consultants to do so.

573

574 **PH Pecos Hall** 1:11:10

575 I mean, I'm not an oil and gas company or land man.

576 So I I don't know.

577 This is how I'd like to proceed.

578 So, Mr. McClure, it sounds like you need additional information before you can
579 approve or deny this application.

580 What is it that you want from Miss McLean and from Mr. Blandford.

581

582  **McClure, Dean, EMNRD** 1:11:39

583 If if M's McLean, if we can go ahead and submit an amended exhibit A3 in which we
584 will, in which MUBAR provides the working interest owners for each of those tracks, I
585 guess if newborn wishes to ask for an exception from this rule, I guess you.

586 Could also ask for that.

587 Somewhere in there add a supplemental exhibit where you're asking for that.

588 I don't know what our thought process would be and whether we need new notice in
589 regards to that.

590 In addition to that, if you do end up needing to.

591 Update your notice or conduct new notice. Then we'll need to go ahead and take
592 care of that to cure notice.

593 Do you understand what I'm asking about?

594 About curing notice I guess.

595

596  **Pecos Hall** 1:12:32

597 Yeah. So I I just want to make sure that.

598

599  **McClure, Dean, EMNRD** 1:12:35

600 Mm-hmm.

601

602  **Pecos Hall** 1:12:37

603 I understand exactly what you're asking for.

604 The so on the current exhibit A3, any tracks that are not listed as Mubarn operated.

605 You want a list of the working interest owners.

606

607  **McClure, Dean, EMNRD** 1:12:57

608 Let me no let me back up, I guess.

609 I need the operator of record for each of the surrounding track.

610 I believe you currently have that, but I need what I what I need. The final exhibit

611 needs to have either the operator of record for each track.

612

613  **Pecos Hall** 1:13:10

614 OK.

615

616  **McClure, Dean, EMNRD** 1:13:20

617 Or if there is no operator record or the track is operated by mubar, I need the.

618 Working interest on this for that track.

619

620  **Pecos Hall** 1:13:37

621 OK.

622

623  **McClure, Dean, EMNRD** 1:13:40

624 And then if and then I also would like newborn to review its notice and confirm that
625 notice was provided to each of those working interest owners.

626 And if not then notice will need to be cured.

627

628 **PH Pecos Hall** 1:14:00

629 All right. Is there anything else, Miss McLean?

630 Not for I just.

631 And then how should we let you know?

632 Should we just e-mail the division and let you know that, OK?

633 We'll e-mail the hearing examiner and let him know that notice has been provided to everyone.

635 'Cause, I'm assuming it's probably gonna be the same people around there and.

636 Then we will submit that emitted exhibit packet and do we need to come back again?

637 Don't know yet.

638 Let's wait until you find out what you find out.

639 OK, let me know.

640 Please copy Dean on the e-mail and copy Freya as well.

641 And we'll take it from there.

642 Hopefully OK won't have to come back, but.

643 No one knows, all right.

644 Is there anything else, Miss McLean? No, that's it.

645 Thank you, Mr. McClure.

646

647  **McClure, Dean, EMNRD** 1:14:48

648 Nothing for me, Mr. Examiner.

649

650 **PH Pecos Hall** 1:14:50

651 All right.

652 Thank you.

653 And when you do provide an amended please cover page, you know the whole night. Thanks very much.

655 Thank you.

656 All right, we're off the record. In that case, let's get back to our docket.

657 We had two novs from a couple weeks ago that we are.

658 Coming back on, let me open up that.

659 Now that I have a Internet connection again.

660 I'm calling case numbers.

661 Gosh, I can't see them. Hold on.

662 25894 and two. Well, I'll do them one at a time. 25894 inches of appearance, please.

663 This is Jesse Tremaine for the New Mexico Oil Conservation division.

664 Good morning, Mr. Tremaine.

665 Do we have the respondent?

666

667 **F Frank** 1:15:38

668 Yes, your honor.

669 I mean, Mr. Henry, Senator Frank Lyon for grand banks energy.

670

671 **PH Pecos Hall** 1:15:43

672 Yeah. Mr. Lyons once again, I can't hear you either.

673 Something's wrong with your mic or the volume's not turned up. So please say it

674 again very loudly and right next to the microphone point point of order, Mr.

675 Lyons, in the next case you you called 29895. I did. You did.

676 That's right. Apologies, Mr. Muhlenberg.

677 No, I I got turned around I.

678

679 **ML Moellenberg, Dalva L.** 1:16:06

680 Yeah, sorry.

681 Sorry about that.

682 I got mixed up on the case numbers too.

683 Dale Muhlenberg from Gallagher and Kennedy for Buckeye disposal.

684

685 **PH Pecos Hall** 1:16:16

686 I.

687 I messed it up.

688 My apologies. Buckeye is 94, so we're good.

689 So it is Mr. Muhlenberg.

690 So everything's fine now.

691 Good morning, Mr. Muhlenberg.

692 I can hear you clearly, where Mr. Muhlenberg, where are we on this case?

693

694 **ML Moellenberg, Dalva L.** 1:16:32

695 Mr. Hearing examiner, Mr. Tremaine and I have exchanged some messages.

696 And from Buckeye's perspective, I think this case is ready for you to go to an order.

697 It's possible that there may be a couple of points.
698 That Mister Tremaine and I need to discuss.
699 And and if that's the case, we can figure out how to pass.
700 Pass that on to you, but otherwise I think I don't anticipate this case settling before it
701 goes to an order.
702 So if you have any questions about that, let me know.
703 Otherwise, I think that's where we're at, we're at.

704

705 **PH** **Pecos Hall** 1:17:18

706 I don't have any questions for you, Mr. Molenberg.
707 Mr. Tremaine, how do you want to proceed?
708 I agree with Mr. Muhlenberg.
709 We have discussed the case in the intervening week and 1/2.
710 We don't believe that we're able to settle unless something shifts substantially. So we
711 would move forward with a request for.
712 Findings of violations, issuance of the civil penalties, any other sanctions listed listed
713 4th in the in the pre hearing statement.
714 When we were at hearing last, Mr. Garcia, the technical examiner, did ask for some
715 clarification on that on on the list of the sanctions requested. I did not provide that.
716 We were having some of these discussions as of yesterday, so I'm happy to follow up
717 in that form.
718 Or submit a proposed order. However, the hearing examiner was proceed OK, I'm
719 not sure.
720 How Mr. Garcia's requests.
721 Working with the final order that I have to review before sending to the director, so
722 I'll leave that between you and Mr. Garcia to work out. And how long will it take for
723 you to provide a proposed order?
724 In a vacuum, I have a major filing due next week, so I would ask for the end of the
725 week after the 20th.
726 So I'd ask for the 27th.
727 Perfect 27th is fine.
728 Would you pass the order by Mr. Muhlenberg so we can approve it as the form?
729 Before you send it to me, yes, alright. Fantastic.
730 OK, Mr. Muhlenberg.
731 Anything else before we go off the record in this case?

732

733 **ML** **Moellenberg, Dalva L.** 1:19:03

734 Nothing more.

735 Thank you very much.

736

737 **PH** **Pecos Hall** 1:19:05

738 All right. Mr. Garcia, is there anything from you?

739

740 **GE** **Garcia, John, EMNRD** 1:19:09

741 Nothing at this time.

742

743 **PH** **Pecos Hall** 1:19:11

744 Thank you, Mr. Garcia.

745 Alright, we're off the record. In that case, let's call 25895.

746 This is grand banks energy.

747 Entries of appearance please.

748 Jesse Tremaine for the Oil Conservation division.

749

750 **F** **Frank** 1:19:27

751 Frankly, for grand banks energy.

752

753 **PH** **Pecos Hall** 1:19:30

754 OK.

755 I.

756 I guess.

757 I guess we're not going to be able to hear you, Mr.

758 Mr. Lyons, do me a favor and try raising your voice louder and tell me where we are
759 in this case.

760

761 **F** **Frank** 1:19:45

762 All right, I'll, I'll try to talk louder.

763 My microphone shows it's turned up as loud as it'll go.

764 Can you hear me now?

765

766 **PH** Pecos Hall 1:19:51

767 I can, yes, go right ahead.

768

769 **F** Frank 1:19:53

770 All right. So, Mr. Tremaine and I have worked out a settlement agreement.

771 That, I believe is final, and it provides that basically grand banks is going to cease
772 being an operator and turn over all of its available cash.

773 To the state which is going to be in the neighborhood of \$375,000.

774 And then if we can sell a property in Texas.

775 Is there will probably be another \$40,000 or so.

776

777 **PH** Pecos Hall 1:20:28

778 OK.

779 Thank you, Mr. Lyons.

780 Mr. Tremain, I agree with Mr. Lyons description.

781 We have hammered out what I believe to be a settlement in the best interest of the
782 state. Given this, the you know the fact pattern on the ground and operators financial
783 situation, I appreciate Mr. Lyons.

784 Efforts in moving this along, since he's joined the case, we haven't submitted that yet.

785 We're just waiting on final signatures. I would suggest that we vacate the hearing. I
786 don't believe that having another date set.

787 Is necessary or helpful to move this along?

788 I think we're gonna have this turned around in a day or two and I'll file the formal
789 motion with a copy of the order.

790 So procedurally, we didn't have a hearing two weeks ago.

791 We basically had a status conference. The parties advised the hearing Bureau and the
792 division that they were close to an agreement and it sounds like they're closer than
793 they were before.

794 We are, I believe, imminent.

795 I'm. I'm waiting on wet ink. OK. So in other words, you have a settlement in principle
796 and you're just reducing it to a writing and signatures.

797 I would say we have.

798 We have a final settlement and specificity.

799 Yes, OK.

800 Perfect. If for some reason it doesn't move forward.
801 Mr. Tremaine, please let us know so we can get it back on the next Nov docket to
802 hear it on the merits.
803 Absolutely. All right.
804 Well, good luck, Mr. Lyons and Mr. Tremaine.
805 We're off the record in that case.
806 Let's try to get some of these.
807 Mr. Hall's cases done.
808 Before the 9:45 break, I'm gonna call 25920.

809

810 **HE** **Hall, Michael, EMNRD** 1:22:21

811 Thank you, Mr. hearing examiner Michael Hall, on behalf of New Mexico Oil
812 Conservation Division president and ready to proceed.

813

814 **PH** **Pecos Hall** 1:22:31

815 Thank you, Sarah.
816 Do we have respondent action oil with us?
817 Mr. Hall was action oil, given notice of today's hearing.

818

819 **HE** **Hall, Michael, EMNRD** 1:22:43

820 They were, according to the information, both electronic mail and address.
821 Provided to OCD. However, both of those came back undeliverable and so yes,
822 proper notice was provided.
823 However, I can't.
824 I can't say that they're aware of the hearing because they have not updated that
825 information in a manner that OCD apparently can give them.

826

827 **PH** **Pecos Hall** 1:23:13

828 OK.

829

830 **HE** **Hall, Michael, EMNRD** 1:23:14

831 Information.

832

833 **PH** **Pecos Hall** 1:23:15

834 OK, Mr. Hall. And and and since we have a a bunch of cases and this may be the fact

835 pattern for more than just action oil. If you just tell me that yes, they were provided
836 proper legal notice.

837 Under due process. Then I'll just assume that what you said applies to other parties.

838 So how do you want to proceed?

839

840 **HE** Hall, Michael, EMNRD 1:23:37

841 Fair enough.

842

843 **PH** Pecos Hall 1:23:38

844 How do you want to proceed in this case?

845

846 **HE** Hall, Michael, EMNRD 1:23:40

847 In this case, we have provided.

848 Affidavits and evidence.

849 Namely, exhibits 123 and four attached to OC DS pre hearing statement. We would

850 move for admission of those.

851

852 **PH** Pecos Hall 1:23:57

853 OK.

854 They're admitted without exception and there is no objection. Continue.

855

856 **HE** Hall, Michael, EMNRD 1:24:02

857 Thank you.

858 This is a case with one well that that we need an order.

859 That OCD may may have plugging authority for that well. In addition, a \$450 civil
860 penalty.

861

862 **PH** Pecos Hall 1:24:19

863 OK.

864 So are you. Is there anything else?

865 That we need to do during the evidentiary part of this hearing.

866

867 **HE** Hall, Michael, EMNRD 1:24:29

868 Not that I'm aware of, Mr. hearing officer.

869

870 **PH Pecos Hall** 1:24:31

871 All right then.

872 Are you gonna provide a proposed order?

873

874 **HE Hall, Michael, EMNRD** 1:24:36

875 Yes, happily.

876

877 **PH Pecos Hall** 1:24:38

878 All right, what's a reasonable time frame?

879

880 **HE Hall, Michael, EMNRD** 1:24:41

881 I have the same time frame as Mr. Tremaine, so I would also and there may be
882 several of these, but approximately March 27th would work for me.

883

884 **PH Pecos Hall** 1:24:52

885 OK. OK, perfect.

886 Then that's what we'll look for.

887 Thank you.

888 We're off the record.

889 In that case, let's call Bill L Miller.

890 This is case 25921.

891

892 **HE Hall, Michael, EMNRD** 1:25:05

893 OCD's present and ready to proceed, your Honor.

894

895 **PH Pecos Hall** 1:25:09

896 Thank you.

897 Is there anyone here representing respondent Bill L Miller?

898 OK.

899 Please proceed, Mr. Hall.

900

901 **HE Hall, Michael, EMNRD** 1:25:21

902 What Mr. hearing examiner?

903 I believe Mr. Roy Bain.

904 May be the registered.

905 Representative of Bill Miller and he is present.

906

907 **PH** Pecos Hall 1:25:33

908 OK, I didn't hear.

909 Mr.

910 I didn't hear anything. Mr. Bain, do you know how to unmute your microphone? OK.

911

912 **RB** Roy Bain 1:25:39

913 There we go.

914 I did it Roy Bane for the for the Bill Miller issue.

915

916 **PH** Pecos Hall 1:25:45

917 OK, perfect. All right, very good.

918

919 **RB** Roy Bain 1:25:47

920 Sorry about that, Sir.

921

922 **PH** Pecos Hall 1:25:47

923 What's your relation with? All right, Mr. Bayne? For for the AI transcript to be able to
924 record what we're saying.

925

926 **RB** Roy Bain 1:25:48

927 I couldn't get my computer to work.

928

929 **PH** Pecos Hall 1:25:56

930 Please wait until I'm done and I'll wait and I'll wait till you're done.

931 How do you what's your relationship to Bill L Miller?

932

933 **RB** Roy Bain 1:26:07

934 Hey.

935 I don't know what you would call it. Purchased his leases.

936

937 **PH** Pecos Hall 1:26:17

938 Are you a success or an interest?

939

940 **RB** Roy Bain 1:26:24

941 I was a pumper for him and then he decided to get rid of them and we went in to
942 talks about it. And then he passed away and I finished off with his wife to take.

943

944 **PH** Pecos Hall 1:26:36

945 OK.

946

947 **RB** Roy Bain 1:26:38

948 Possession.

949

950 **PH** Pecos Hall 1:26:38

951 OK.

952 So. So you're the responsible party for these wells?

953

954 **RB** Roy Bain 1:26:44

955 Yes and no.

956

957 **PH** Pecos Hall 1:26:46

958 OK, fine. Legally I won't go any further with that Mister Tremaine.

959 Mr. Tremaine. Mr. Hall, please. So so. So let me ask a few more questions.

960

961 **HE** Hall, Michael, EMNRD 1:26:53

962 Huh.

963

964 **PH** Pecos Hall 1:26:57

965 So Mr. Bain, have you been provided with the notice of violation?

966

967 **RB** Roy Bain 1:27:03

968 Yes, Sir.

969

970 **PH** Pecos Hall 1:27:04

971 OK.

972 Very good.

973 And you obviously were given the date and time of today's hearing.

974 Do you admit to the violations?

975

976 **RB** Roy Bain 1:27:18

977 I.

978 I guess I have no choice but to, but from what I understood, Bill had taken care of all
979 that.

980 But as I'm finding out, it was not taken care of, Sir. And I did not know that.

981

982 **PH** Pecos Hall 1:27:29

983 OK.

984 OK. And and that's fair.

985 That's fair.

986 OK, Mr. Hall.

987 How do you want to proceed?

988

989 **HE** Hall, Michael, EMNRD 1:27:38

990 Mr.

991 Hearing examiner, if I could just ask Mr. Band a couple of follow up questions.

992 I think only a couple. I think we may be able to clear this up and and resolve it.

993

994 **PH** Pecos Hall 1:27:48

995 Go ahead.

996

997 **HE** Hall, Michael, EMNRD 1:27:49

998 Thank you, Mr. Bain.

999 You and I have spoken before, correct?

1000

1001 **RB** Roy Bain 1:27:54

1002 Yes.

1003

1004 **HE** Hall, Michael, EMNRD 1:27:55

1005 And is it correct that you told me paper that that the one, well, that's subject to this

1006 Nov?

1007 You you told me that paperwork had been provided.
1008 To the Bureau of Land Management, in other words, with federal entity.
1009

1010 **RB** Roy Bain 1:28:12

1011 Yes, Sir.
1012 Yes, Sir.

1013

1014 **HE** Hall, Michael, EMNRD 1:28:14

1015 OK.

1016

1017 **RB** Roy Bain 1:28:15

1018 What?

1019

1020 **HE** Hall, Michael, EMNRD 1:28:16

1021 And are you in agreement that you did not you or your predecessor in interest did
1022 not provide paperwork seeking approval of plugging of the well from OCD, nor did
1023 you submit paperwork showing the well had been plugged to OCD.

1024

1025 **RB** Roy Bain 1:28:35

1026 No, Sir, I did not.

1027 I do not know what Bill sent.

1028 I have no clue.

1029 I have no access to it.

1030 Nothing like that.

1031 So I don't know.

1032 I don't know what was actually done.

1033 So I'm kind of at a loss on this.

1034

1035 **HE** Hall, Michael, EMNRD 1:28:47

1036 Sure.

1037 OK. And so would you agree that as an operator you're you're required to provide
1038 the proper paperwork regarding plugging to OCD?

1039

1040 **RB** Roy Bain 1:29:02

1041 Yes, yes.

1042

1043 **HE** Hall, Michael, EMNRD 1:29:03

1044 OK.

1045 And you, you don't know if that's happened.

1046 Do you have any reason to dispute?

1047

1048 **RB** Roy Bain 1:29:08

1049 No, Sir.

1050

1051 **HE** Hall, Michael, EMNRD 1:29:11

1052 Are you aware of Mr. Jackson's affidavit that he filed in this matter?

1053

1054 **RB** Roy Bain 1:29:11

1055 I.

1056

1057 **HE** Hall, Michael, EMNRD 1:29:16

1058 When he said that it that paperwork was not submitted.

1059

1060 **RB** Roy Bain 1:29:22

1061 I believe I have a copy of it.

1062 Oh, I mean, I I don't know.

1063 I, like I said, I didn't know nothing about it until, you know, I got stuff from you the

1064 other day. So.

1065

1066 **PH** Pecos Hall 1:29:36

1067 So Mr. Hall, hold on just a second, OK?

1068

1069 **HE** Hall, Michael, EMNRD 1:29:36

1070 Well, sure.

1071

1072 **PH** Pecos Hall 1:29:39

1073 So. So Mr. Bain, let me explain what's going on here, because I think it's important

1074 for you to understand what your rights are.

1075 During this evidentiary hearing and I'm going to need to take a break at 9:45. So I'm

1076 just letting the parties know that we may have to come back on the record in a little
1077 bit. But anyway, Mr. Hall, you've been provided with an Nov.

1078

1079 **HE** **Hall, Michael, EMNRD** 1:29:56

1080 Mm.

1081

1082 **PH** **Pecos Hall** 1:30:00

1083 The Nov basically says to you.

1084 There are certain violations.

1085 That you, as the successor and interest to these to these assets are liable for you
1086 have the right to present evidence at this hearing and if you need a continuance
1087 because you have not understood your rights and you wanna get a witness or you
1088 have documents or somet.

1089 To show.

1090 That the allegations are not true. I will give you that.

1091 Time to do that since you have showed up. However, if you have read through the
1092 notice of of violations and you weren't aware of the violations, but now you are
1093 aware of them and and you don't have any evidence that shows you're not liable for
1094 the violations, then.

1095 Proceed today.

1096 You also have the right to cross examine the witnesses that the state provides in this
1097 case.

1098 So in this case there are actually 3 or 4 witnesses.

1099 I I don't remember how many there are and you have the right to cross examine
1100 them to see whether you know what they're saying is.

1101 Factually correct or not?

1102 And so you have that right as well.

1103 So I wanted to make sure you understand.

1104 Your rights before we proceed any further.

1105

1106 **RB** **Roy Bain** 1:31:35

1107 OK.

1108 I don't know.

1109 I'm still lost in all this.

1110

1111 **PH Pecos Hall** 1:31:44

1112 Mr. Hall, what are Mr. Hall?

1113 What are the allegations?

1114

1115 **HE Hall, Michael, EMNRD** 1:31:47

1116 The allegations are.

1117 Bill Miller has one inactive will, which needs a plugging order. Mr. Band has.

1118 Represented to me that it has been plugged, however.

1119 That paperwork has not been submitted to OCD.

1120 We have also asked for a \$450 civil penalty so that the allegations are that either

1121 through the yeah, OK.

1122

1123 **PH Pecos Hall** 1:32:13

1124 All right.

1125 OK, I heard.

1126 I heard Mr. Hall and Mr. Hall. Is there a paperwork requirement here that hasn't been

1127 met?

1128 Is that the idea?

1129

1130 **HE Hall, Michael, EMNRD** 1:32:23

1131 Absolutely.

1132

1133 **PH Pecos Hall** 1:32:25

1134 All right. So Mr. Bain, did you hear that?

1135

1136 **RB Roy Bain** 1:32:29

1137 I did.

1138 And like I said, I didn't know that this paperwork wasn't filed.

1139 You know.

1140

1141 **PH Pecos Hall** 1:32:34

1142 That's OK, Mr. Bain. We're not.

1143 We're not disputing whether you knew it or not.

1144 The question is it if the well is plugged and you haven't provided or someone hasn't

1145 provided the paperwork to this division, then they must do so.

1146 It's it's a violation of the law not to do that.

1147

1148 **RB** Roy Bain 1:32:52

1149 I understand that, Sir. I just.

1150 Nobody you know, I don't know.

1151 Like I said, I thought it was all done, taken care of over and forgot about.

1152 And then this all pops up again so.

1153

1154 **PH** Pecos Hall 1:33:09

1155 So. So Mr. Bain, is it your contention that the well in question, the single well in
1156 question has been plugged?

1157

1158 **RB** Roy Bain 1:33:18

1159 Yes, Sir, I have.

1160

1161 **PH** Pecos Hall 1:33:19

1162 And you know that for you know that for a fact.

1163

1164 **RB** Roy Bain 1:33:22

1165 Yes, Sir. I have been on location.

1166

1167 **PH** Pecos Hall 1:33:24

1168 OK.

1169

1170 **RB** Roy Bain 1:33:25

1171 In fact, just a little back story here, BOM called me about it sent me notice on it that
1172 the well hadn't been cleaned up.

1173 You know, still had to pump Jack in the tank, stuff like that on it.

1174 And I said, well, OK, I didn't know this because like I said, Bill plugged it prior to me
1175 taking possession of the other wells.

1176 So he told me, he says. Well, where's?

1177 How do I get ahold of Bill and I said.

1178 In the graveyard.

1179 So I went cleaned it all up as of the.
1180 18th for 18 of 22 I had it cleaned up.

1181

1182 **PH Pecos Hall** 1:34:12

1183 Mr. Bain, can I interrupt you for a moment?

1184

1185 **RB Roy Bain** 1:34:14

1186 Yes.

1187

1188 **PH Pecos Hall** 1:34:15

1189 When did you buy this well.

1190

1191 **RB Roy Bain** 1:34:19

1192 That's what I was looking, Sir. That's what I was trying to find through here.

1193

1194 **PH Pecos Hall** 1:34:25

1195 General among a year. Is there a general year or month that you can point to?

1196 It doesn't have to be an exact date.

1197

1198 **RB Roy Bain** 1:34:38

1199 I wanna say it was in August.

1200 Of.

1201 20.

1202 No.

1203 December of 21.

1204

1205 **PH Pecos Hall** 1:35:03

1206 OK.

1207 Now let me ask you another question.

1208 Do you know when the well was plugged?

1209 Was it before or after you bought it?

1210

1211 **RB Roy Bain** 1:35:10

1212 Before it was plugged.

1213

1214 **PH Pecos Hall** 1:35:11

1215 Before it was clubbed.

1216

1217 **RB Roy Bain** 1:35:13

1218 I'm I'm thinking and and like I said, I don't have anything to document it, but I wanna

1219 say it was May of 21.

1220

1221 **PH Pecos Hall** 1:35:23

1222 OK.

1223 Fine. So then you bought the well after it was plugged. Is what you're telling me. OK,

1224 now you're not.

1225

1226 **RB Roy Bain** 1:35:29

1227 Yes, yes, because it was.

1228

1229 **PH Pecos Hall** 1:35:30

1230 You're not. You're not underoath.

1231 So this isn't evidence, but you are there.

1232

1233 **RB Roy Bain** 1:35:34

1234 OK.

1235

1236 **PH Pecos Hall** 1:35:36

1237 There is a. Yes. OK, so.

1238 So I mean, I guess it might be anyway.

1239 Do you know what company plugged it?

1240

1241 **RB Roy Bain** 1:35:48

1242 From what I can remember it's BCM.

1243 The Undertaker is what they called it, and now it is called JMR.

1244 I believe Sir 'cause. When? When I when I Google BCM, it brought me to.

1245

1246 **PH Pecos Hall** 1:36:01

1247 OK.

1248

1249 **RB** Roy Bain 1:36:07

1250 JMR services out of Midland, TX.

1251

1252 **PH** Pecos Hall 1:36:11

1253 OK.

1254 All right, hold on one second.

1255 Let me think about that.

1256 You know that company may have the records.

1257

1258 **RB** Roy Bain 1:36:18

1259 Well, that was my my thoughts was gonna try to get ahold of them and see if if they

1260 knew by chance.

1261

1262 **PH** Pecos Hall 1:36:24

1263 OK.

1264

1265 **HE** Hall, Michael, EMNRD 1:36:26

1266 Mr. Hearing examiner, could I interject for one second?

1267

1268 **PH** Pecos Hall 1:36:26

1269 OK.

1270 Yes, Mr. Hall. Yes, go ahead.

1271

1272 **HE** Hall, Michael, EMNRD 1:36:31

1273 I just want to share your your position that we're happy to grant a short continuance

1274 if that, you know, this is a paperwork issue. We would like to get that resolved and

1275 and in the spirit of administrative economy. So. So I just want to make that clear that.

1276

1277 **PH** Pecos Hall 1:36:37

1278 Perfect.

1279 Right.

1280 Perfect.

1281 OK.

1282

1283 **HE** **Hall, Michael, EMNRD** 1:36:48

1284 OCD doesn't doesn't object to that.

1285

1286 **PH** **Pecos Hall** 1:36:51

1287 All right. So, Mr. Bain, here's what we're gonna do.

1288 Because you did appear and you are trying to.

1289 I believe you're being truthful.

1290 So far, and it seems like we may have a way to work this out with you without having
1291 to go further.

1292 We're gonna continue this case for one month.

1293 We have another docket on April 15 that we're gonna hear more notices of violation.

1294 So I'm gonna give you a month.

1295 To work with Mr. Hall, do you have Mr. Hall, like, obviously you've been in contact

1296 with Mr. Hall, so I'm gonna give you. I'm gonna give you a month and then Mr. Hall,

1297 in a month, please have this case continued to the April 15 docket. We'll put it.

1298

1299 **RB** **Roy Bain** 1:37:26

1300 Yes, Sir.

1301

1302 **PH** **Pecos Hall** 1:37:36

1303 On the first one of the docket, so Mr. Baynard will be the number one case we call
1304 that day.

1305 So you won't have to wait to to hear other cases.

1306 And then we can see how we're gonna proceed at that time.

1307

1308 **HE** **Hall, Michael, EMNRD** 1:37:51

1309 Excellent. Happily, and I don't need it till the 27th for that.

1310 I'll get that out to to Mr. Bayn and yourself shortly.

1311

1312 **PH** **Pecos Hall** 1:38:00

1313 I'm not sure what.

1314 What did you mean by the 27th?

1315 I didn't understand that.

1316

1317 **HE** **Hall, Michael, EMNRD** 1:38:03

1318 Sorry, that's the date we were talking about on orders.

1319 I can get an emotion for continuance and an order to you.

1320

1321 **PH** **Pecos Hall** 1:38:09

1322 Oh, you don't need a motion to continue.

1323 It's already continued.

1324

1325 **HE** **Hall, Michael, EMNRD** 1:38:13

1326 Of Vegas.

1327

1328 **PH** **Pecos Hall** 1:38:14

1329 Yeah, yeah. The case is continued.

1330 And Mr. Bain, thank you for appearing today.

1331 Yeah, it goes a long way when you appear, and especially when you try to be truthful
1332 and helpful. So thank you.

1333 We're gonna be off the record for the next.

1334 I'm gonna say one hour, so we'll come back at 10:45.

1335 And continue the novs.

1336 So.

1337 Thank you.

1338

1339 **HE** **Hall, Michael, EMNRD** 1:38:41

1340 Thank you.

1341

1342 **RB** **Roy Bain** 1:38:46

1343 For my am I? Yes.

1344

1345 **HE** **Hall, Michael, EMNRD** 1:38:47

1346 Mr. Mr. Band, call me or e-mail me, OK?

1347

1348 **RB** **Roy Bain** 1:38:51

1349 OK.

1350 Well, like I said, I am I done.

1351

1352 **HE** **Hall, Michael, EMNRD** 1:38:52

1353 All right.

1354

1355 **RB** **Roy Bain** 1:38:53

1356 Do I need to come back or?

1357

1358 **HE** **Hall, Michael, EMNRD** 1:38:55

1359 No, no, you don't need to come back until the 15th of April.

1360

1361 **RB** **Roy Bain** 1:38:56

1362 OK.

1363 15th of April OK.

1364

1365 **HE** **Hall, Michael, EMNRD** 1:39:01

1366 But get in touch with me before that, OK?

1367

1368 **RB** **Roy Bain** 1:39:04

1369 I will probably probably be tomorrow, but if that's all right, if you're not busy
1370 tomorrow.

1371

1372 **HE** **Hall, Michael, EMNRD** 1:39:05

1373 All right.

1374 Perfect. Give me a call tomorrow or an e-mail.

1375

1376 **RB** **Roy Bain** 1:39:12

1377 OK.

1378 I hope you get.

1379

1380 **HE** **Hall, Michael, EMNRD** 1:39:14

1381 All right.

1382

1383 **RB** **Roy Bain** 1:39:15

1384 I hope you get the feeling better.

1385

1386 **HE** **Hall, Michael, EMNRD** 1:39:16

1387 Thank you.

1388 I appreciate that.

1389 Talk to you soon.

1390

1391 **RB** **Roy Bain** 1:39:21

1392 Help you soon.

1393 MMM.

1394

1395 **PH** **Pecos Hall** 2:32:54

1396 It is 10:40 AM. We're back on the record. Mr. Hall, are you with us?

1397

1398 **HE** **Hall, Michael, EMNRD** 2:33:01

1399 Yes, Mr. hearing examiner.

1400

1401 **PH** **Pecos Hall** 2:33:03

1402 All right, we're gonna call case number six on the docket.

1403 This is oil conservation division versus Barry D Lee.

1404 DBA Barry D Lee. Investments entries please.

1405

1406 **HE** **Hall, Michael, EMNRD** 2:33:19

1407 Michael Hall, on behalf of OCD President and Reddy.

1408

1409 **PH** **Pecos Hall** 2:33:23

1410 Perfect. Thank you.

1411 And do we have a representative from Barry D Lee?

1412 Mr. Hall, have you had any communication with Barry D Lee?

1413

1414 **HE** **Hall, Michael, EMNRD** 2:33:35

1415 So excuse me, I'm just shutting my door here.

1416 I received, I believe it was last Thursday.

1417 After I filed the pre hearing statement, I don't know.

1418 It's not a person associated on OCD permitting, but someone by the name of Charity

1419 Lee. And in fact, I saw that name pop up on one of the screens.

1420 In in the earlier session today so, so the answer is yes. I received a short notice.
1421 Last Thursday.

1422

1423 **PH Pecos Hall** 2:34:14

1424 OK. And when you say you received a short notice, what do you mean by that?

1425

1426 **HE Hall, Michael, EMNRD** 2:34:18

1427 I will read it to you.

1428

1429 **PH Pecos Hall** 2:34:20

1430 Oh, OK.

1431

1432 **HE Hall, Michael, EMNRD** 2:34:21

1433 It says notice to whom it may concern bear. The investment was closed in 2023 due
1434 to hardships caused by events of state shutdown policies, which caused support
1435 businesses in the region to also be closed. Many support businesses also closed
1436 during the COVID-19 pandemic during that.

1437 Time the Department of Interior BLM Onrr took control of the cash bond held for
1438 operations.

1439 With the addition of accrued fines, penalties and interest, the operations by Barry Lee
1440 Investments were relinquished to the Department of the Interior BLM.

1441 Also, the sure there's a little more. Yeah, OK.

1442

1443 **PH Pecos Hall** 2:35:01

1444 OK.

1445 Thank you. OK.

1446 I get the point.

1447 That's OK.

1448 I get the.

1449 I get the point.

1450 So how do you want to proceed with this case?

1451

1452 **HE Hall, Michael, EMNRD** 2:35:09

1453 Well, and I I just noticed Mr. hearing examiner that someone now it's not charity
1454 lead. Barry Lee pops popped up on the screen.

1455

1456 **BL Barry Lee** 2:35:11

1457 I do.

1458 Yes.

1459

1460 **HE Hall, Michael, EMNRD** 2:35:19

1461 So I I would like to proceed seeking.

1462 I believe this is one well seeking six. Well, excuse me.

1463 That are out of compliance. Seeking a plugging order and civil penalties.

1464

1465 **PH Pecos Hall** 2:35:34

1466 All right. So, Mr. Lee, are you with us?

1467

1468 **BL Barry Lee** 2:35:38

1469 Yes, I am here.

1470

1471 **PH Pecos Hall** 2:35:39

1472 Oh, you are there. OK.

1473 Very good.

1474 I called this case.

1475 Did you hear me call the case?

1476

1477 **BL Barry Lee** 2:35:44

1478 No, we were just a minute or two out I guess.

1479

1480 **PH Pecos Hall** 2:35:46

1481 No worries, no worries.

1482 I'm gonna call the case again.

1483 So hold on one second. Let me.

1484 We find that document here.

1485 OK.

1486 I called state of New Mexico oil conservation division versus respondent Barry

1487 Deeley.

1488 It's case number 25923.

1489 And I asked for entries of appearance.
1490 So are you appearing on behalf of Barry D Lee?
1491
1492 **BL Barry Lee** 2:36:15
1493 Yes, I am.
1494
1495 **PH Pecos Hall** 2:36:16
1496 OK, perfect. And would you state your name?
1497
1498 **BL Barry Lee** 2:36:19
1499 My name is Barry D Lee.
1500
1501 **PH Pecos Hall** 2:36:21
1502 All right.
1503 Thank you, Sir.
1504 Did you receive the notice of violation?
1505
1506 **BL Barry Lee** 2:36:26
1507 Yes, by e-mail, yes.
1508
1509 **PH Pecos Hall** 2:36:27
1510 OK.
1511 Very good, very good. OK.
1512 So, do you know why we're here today?
1513
1514 **BL Barry Lee** 2:36:34
1515 Yes, I have six wells that the OCD is I guess.
1516 Put me under notice of a violation, which I am.
1517 Yes, so.
1518
1519 **PH Pecos Hall** 2:36:45
1520 OK.
1521 All right, all right.
1522 Very good.
1523 So let let me just explain why we're here today.

1524 We're here today for an evidentiary hearing and what that means is you have the
1525 right to cross examine the state's witnesses and you have a right to present your own
1526 witnesses or evidence as you see fit to disprove the violations.

1527 Do you understand that?

1528

1529 **BL Barry Lee** 2:37:08

1530 I understand.

1531

1532 **PH Pecos Hall** 2:37:09

1533 All right, very good.

1534 So let me let me start.

1535 Do you have any witnesses?

1536

1537 **BL Barry Lee** 2:37:15

1538 No, I do not.

1539

1540 **PH Pecos Hall** 2:37:16

1541 All right, very good.

1542

1543 **BL Barry Lee** 2:37:17

1544 I do not.

1545 I do not refute the claims.

1546

1547 **PH Pecos Hall** 2:37:19

1548 Oh, OK.

1549 Very good.

1550 All right.

1551 So then you admit that the violations occurred.

1552 OK. Did you happen to see the civil penalty?

1553

1554 **BL Barry Lee** 2:37:27

1555 Yes.

1556

1557 **PH Pecos Hall** 2:37:28

1558 You saw that too, OK?

1559 And you what do you have to say about the civil penalty?

1560

1561 **BL Barry Lee** 2:37:34

1562 Just put.

1563 I'll put you in line with the with the, with the BLM. They've got me for like 6,000,000

1564 so.

1565

1566 **PH Pecos Hall** 2:37:44

1567 I understand now. OK, very good.

1568 Alright, so, Mr. Hall, do you wanna enter your exhibits into evidence?

1569

1570 **HE Hall, Michael, EMNRD** 2:37:52

1571 Yes, I would offer exhibits 123 and four attached to OC DS pre hearing statement.

1572

1573 **PH Pecos Hall** 2:38:01

1574 OK, Mr.

1575 Mr. Lee, have you had a chance to review those exhibits?

1576

1577 **BL Barry Lee** 2:38:07

1578 Yes, I'll admit the exhibits.

1579

1580 **PH Pecos Hall** 2:38:10

1581 OK.

1582 Very good.

1583 So, Mr. Hall, your exhibits are admitted without objection.

1584

1585 **HE Hall, Michael, EMNRD** 2:38:14

1586 Thank you.

1587

1588 **PH Pecos Hall** 2:38:16

1589 Mr. Lee, did you have a chance to discuss this case with Mr. Hall?

1590

1591 **BL Barry Lee** 2:38:25

1592 No, I have not.

1593

1594 **PH Pecos Hall** 2:38:26

1595 Oh, OK, all right.

1596 Do you think there is any point in trying to reach some sort of a voluntary settlement
1597 in this case?

1598

1599 **BL Barry Lee** 2:38:37

1600 LCD.

1601 No, Sir.

1602

1603 **PH Pecos Hall** 2:38:38

1604 OK, I didn't think so.

1605 I just thought I'd give you the opportunity to put that on the record, OK.

1606 So, Mr. Hall, do you want to draft a final order in this case?

1607

1608 **HE Hall, Michael, EMNRD** 2:38:51

1609 Yes, Mr. hearing examiner.

1610

1611 **PH Pecos Hall** 2:38:52

1612 Alright, very good.

1613 So Mr. Lee, basically, we're done.

1614 There was no. The only evidence that came in during the evidentiary hearing was, of
1615 course, the exhibits that the OCD sent to you.

1616 And there was nothing to refute those exhibits.

1617 So now what?

1618 The process now is that Mister Hall will draft a final order.

1619 And he, Mr. Hall, are you gonna send Mr. Lee the final order so he can see it?

1620

1621 **HE Hall, Michael, EMNRD** 2:39:24

1622 I received an e-mail from a charity Lee and obviously I have the information in OCD
1623 permitting. I would just ask that Mister Lee, if there, if there's a better.

1624 Address inform me of that.

1625

1626 **BL Barry Lee** 2:39:39

1627 No, that's fine.

1628 What you have is fine.

1629

1630 **HE** **Hall, Michael, EMNRD** 2:39:43

1631 OK.

1632

1633 **PH** **Pecos Hall** 2:39:45

1634 OK.

1635 So Mr. Lee, is there anything else before we go off the record in this case?

1636

1637 **BL** **Barry Lee** 2:39:50

1638 Only that you can look at my record in the past and stuff before all the things and I

1639 had plugged many wells, five or six, I believe.

1640 During the previous years as an operator.

1641 But that's nor here nor there so.

1642

1643 **PH** **Pecos Hall** 2:40:07

1644 Yeah, you know your your character's not in in question here, Mr. Lee.

1645 It's just the question is, were there violations and if so, what is the civil penalty for
1646 those?

1647

1648 **BL** **Barry Lee** 2:40:12

1649 Yes.

1650

1651 **PH** **Pecos Hall** 2:40:18

1652 And so that that's really the only issue here before me today.

1653

1654 **BL** **Barry Lee** 2:40:23

1655 Very well.

1656

1657 **PH** **Pecos Hall** 2:40:25

1658 All right.

1659 Well, Mr. Lee, thank you for participating and I wish you the best.

1660

1661 **BL Barry Lee** 2:40:29

1662 Thank you.

1663

1664 **PH Pecos Hall** 2:40:30

1665 All right, all right.

1666

1667 **HE Hall, Michael, EMNRD** 2:40:31

1668 Thank you, Mr. Lee.

1669

1670 **PH Pecos Hall** 2:40:32

1671 Yes, Sir. We're off the record. In that case, let's move to #7 on our docket.

1672 This is the oil conservation division versus respondent.

1673 B2J entries please.

1674

1675 **HE Hall, Michael, EMNRD** 2:40:46

1676 Michael Hall, on behalf of OCD, President and ready.

1677

1678 **PH Pecos Hall** 2:40:50

1679 Thank you, Sir.

1680 Do we have anyone from respondent B2J?

1681 Not hearing anyone. Mr. Hall, please go ahead.

1682

1683 **HE Hall, Michael, EMNRD** 2:41:03

1684 Yes.

1685 We would offer exhibits 123 and four attached to OC DS pre hearing statement.

1686

1687 **PH Pecos Hall** 2:41:12

1688 Admitted without exception.

1689

1690 **HE Hall, Michael, EMNRD** 2:41:14

1691 Thank you. And I will be happy to draft an order, but yes, we're we're seeking the
1692 relief set out, namely.

1693 Plugging order on the three wells operated by B2J, as well as a civil penalty of \$1350.

1694

1695 **PH Pecos Hall** 2:41:36

1696 OK.

1697 All right. Well, if there's nothing else, then we're off the record.

1698 In that case, let's move on to oil conservation division versus Respondent Black
1699 Mountain operating.

1700 This is case number 25925, number 8 on our docket.

1701

1702 **HE Hall, Michael, EMNRD** 2:41:57

1703 President, ready on behalf of the Oil Conservation Division.

1704

1705 **PH Pecos Hall** 2:42:01

1706 Thank you, Mr. Hall.

1707 Do we have anyone from Black Mountain operating?

1708 Mr. Hall, had you ever communicated with Black Mountain operating?

1709 No, you have not.

1710

1711 **HE Hall, Michael, EMNRD** 2:42:12

1712 Don't believe so.

1713 Unless there's something I don't recall and recollect, I don't don't believe I have.

1714

1715 **PH Pecos Hall** 2:42:17

1716 OK.

1717 OK.

1718 Please proceed.

1719

1720 **HE Hall, Michael, EMNRD** 2:42:21

1721 Yes, it would offer exhibits 123 and four attached to OC DS pre hearing statement.

1722

1723 **PH Pecos Hall** 2:42:28

1724 OK.

1725 Those are admitted without exception.

1726

1727 **HE Hall, Michael, EMNRD** 2:42:30

1728 Thank you.

1729 I will seek a plug in order on the warm well operated by respondent as well as a civil
1730 penalty of \$450.

1731

1732 **PH Pecos Hall 2:42:40**

1733 OK.

1734 Thank you, Mr. Hall.

1735 We'll look for your proposed order in the coming weeks.

1736 We're off the record.

1737

1738 **HE Hall, Michael, EMNRD 2:42:47**

1739 Yes, Sir.

1740

1741 **PH Pecos Hall 2:42:47**

1742 In that case, let's go on to case number 25927.

1743 That's the oil conservation division versus respondent C&D management doing
1744 business as freedom ventures.

1745

1746 **HE Hall, Michael, EMNRD 2:43:02**

1747 Michael Hall, on behalf of OCD, President, ready to proceed?

1748

1749 **PH Pecos Hall 2:43:06**

1750 Thank you. Anyone from freedom ventures.

1751 No. OK. Mr. Hall, I'm gonna ask you the same question. So you might as well just tell
1752 me. Have you ever communicated with anyone from this organization? No. OK.

1753

1754 **HE Hall, Michael, EMNRD 2:43:22**

1755 Don't believe so.

1756

1757 **PH Pecos Hall 2:43:23**

1758 Very good. Please proceed.

1759

1760 **HE Hall, Michael, EMNRD 2:43:25**

1761 Yes, would offer exhibits 123 and four attached to OC DS pre hearing statement.

1762

1763 **PH** Pecos Hall 2:43:33

1764 They're admitted without exception.

1765

1766 **HE** Hall, Michael, EMNRD 2:43:35

1767 Thank you.

1768 This operator.

1769 Operates 7 wells, all of which are inactive under the rules, so we would seek a

1770 plugging order for all seven wells as well as a civil penalty of 3150 dollars.

1771

1772 **PH** Pecos Hall 2:43:51

1773 OK.

1774 We'll look for that.

1775

1776 **HE** Hall, Michael, EMNRD 2:43:56

1777 Nothing further from OCD. Yep.

1778

1779 **PH** Pecos Hall 2:43:58

1780 OK.

1781 Fantastic. Thank you.

1782 Let's go on to the next case in our docket.

1783 This is responding Caprock exploration case number 25929.

1784 Entries of appearance.

1785

1786 **HE** Hall, Michael, EMNRD 2:44:13

1787 Michael Hall, on behalf of OCD.

1788

1789 **PH** Pecos Hall 2:44:16

1790 All right. And is there anyone here from Caprock exploration?

1791

1792 **HE** Hall, Michael, EMNRD 2:44:17

1793 President ready.

1794

1795 **PH** Pecos Hall 2:44:23

1796 Has there been any contact with this organization?

1797

1798 **HE** **Hall, Michael, EMNRD** 2:44:25

1799 There actually has. This one's a little different, Mr. hearing examiner.

1800 They have been extremely responsive.

1801 It's my understanding that the former operator has passed away.

1802 They have already paid the \$450 civil penalty and are in the process of.

1803

1804 **PH** **Pecos Hall** 2:44:37

1805 Mm-hmm.

1806

1807 **HE** **Hall, Michael, EMNRD** 2:44:45

1808 Finding a plug is what they've represented to me. So so I want to commend Caprock
1809 for that.

1810 I did reach out and ask them for an update on that and whether they need more
1811 time.

1812 I did not hear back.

1813 Back on that.

1814 So OCD wants to acknowledge the payment of the \$450 civil penalty associated with
1815 this Nov.

1816

1817 **PH** **Pecos Hall** 2:44:58

1818 OK.

1819

1820 **HE** **Hall, Michael, EMNRD** 2:45:06

1821 We do seek a plugging order, but but we're hopeful that Caprock can continue the
1822 process of finding their own plugger and OCD won't be forced. However, we would
1823 ask for a plugging order in the event the state is ultimately required to to to plug
1824 that well.

1825

1826 **PH** **Pecos Hall** 2:45:23

1827 OK, Mr. Hall.

1828 So will the proposed order still be in the general format of these are the these are
1829 the violations.

1830 Here is the evidence and here is the. And here is the proposed resolution and
1831 remedy.

1832

1833 **HE** Hall, Michael, EMNRD 2:45:42

1834 Yes, other than I, I would acknowledge payment of the civil penalty and not ask for
1835 any further funds from from this operator.

1836

1837 **PH** Pecos Hall 2:45:50

1838 Perfect. OK.

1839 Anything further on this case, Mr. Hall?

1840

1841 **HE** Hall, Michael, EMNRD 2:45:53

1842 I don't know if I offered exhibits 123 and four attached to OC DS pre hearing
1843 statement.

1844 If I did not, I do so now.

1845

1846 **PH** Pecos Hall 2:46:02

1847 OK. And I don't remember if you did or not, but if you did, I would have admitted
1848 them without exception as I am now.

1849

1850 **HE** Hall, Michael, EMNRD 2:46:07

1851 OK.

1852 Thank you.

1853

1854 **PH** Pecos Hall 2:46:09

1855 So thank you, Mr.

1856

1857 **HE** Hall, Michael, EMNRD 2:46:10

1858 Thank you.

1859

1860 **PH** Pecos Hall 2:46:11

1861 Thank you, Mr. Hall.

1862 Good catch.

1863 We're off the record.

1864 In that case, let's move on to chestnut exploration 25930.

1865

1866 **HE** **Hall, Michael, EMNRD** 2:46:22

1867 On behalf of OCD, present and ready to proceed.

1868

1869 **PH** **Pecos Hall** 2:46:25

1870 Thank you.

1871 Do we have anyone from chestnut exploration?

1872 Mr. Hall, have you communicated with chestnut exploration?

1873

1874 **HE** **Hall, Michael, EMNRD** 2:46:34

1875 I don't believe so, Mr. hearing examiner.

1876

1877 **PH** **Pecos Hall** 2:46:36

1878 OK.

1879 All right.

1880 Well, I'm not hearing anyone here today.

1881 So why don't you proceed?

1882

1883 **HE** **Hall, Michael, EMNRD** 2:46:42

1884 Sure. We would offer exhibits 123 and four attached to OC DS pre hearing statement.

1885

1886 **PH** **Pecos Hall** 2:46:52

1887 OK. And they're admitted without exception.

1888

1889 **HE** **Hall, Michael, EMNRD** 2:46:54

1890 Thank you.

1891 Yes, the relief we're seeking is a plugging order for all three wells which are inactive,
1892 operated by Chestnut as well as a civil penalty in the amount of \$1350.

1893

1894 **PH** **Pecos Hall** 2:47:10

1895 OK.

1896 Thank you, Mr. Hall.

1897 We're off the record in that case, and now we're on our final case, number 12, on the

1898 docket 25941.

1899

1900 **HE** **Hall, Michael, EMNRD** 2:47:14

1901 Thank you.

1902

1903 **PH** **Pecos Hall** 2:47:19

1904 This is oil conservation division versus respondent Collier Pet Corporation.

1905

1906 **HE** **Hall, Michael, EMNRD** 2:47:26

1907 Michael Hall, on behalf of OCD President and and ready to proceed.

1908

1909 **PH** **Pecos Hall** 2:47:32

1910 Thank you.

1911 Is there anyone from Collier or Collier Pet Corporation?

1912 Mr. Hall, any communication with these individuals.

1913

1914 **HE** **Hall, Michael, EMNRD** 2:47:43

1915 Don't believe so.

1916

1917 **PH** **Pecos Hall** 2:47:45

1918 OK then please proceed.

1919

1920 **HE** **Hall, Michael, EMNRD** 2:47:49

1921 We would offer exhibits 123 and four attached to OC DS pre hearing statement in
1922 this matter.

1923

1924 **PH** **Pecos Hall** 2:47:56

1925 OK.

1926 They're admitted without exception.

1927

1928 **HE** **Hall, Michael, EMNRD** 2:47:59

1929 Thank you.

1930 This operator has one well, which is an active we seek a plugging order for that as
1931 well as a \$450 civil penalty.

1932

1933 **PH** **Pecos Hall** 2:48:08

1934 Alright, Mr. Hall, thank you. OK.

1935 We're off the record in that case, and that completes our docket for today.

1936 Is there anything further, Mr. Hall?

1937

1938 **HE** **Hall, Michael, EMNRD** 2:48:21

1939 No, thank you for thank you for your attention to these matters.

1940

1941 **PH** **Pecos Hall** 2:48:24

1942 All right. And thank you for yours. Have a good day.

1943

1944 **HE** **Hall, Michael, EMNRD** 2:48:27

1945 You too.

1946 Thank you.

1947

1948 **PH** **Pecos Hall** stopped transcription