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6 **OCD Special Docket August 18, 2026-** 7 **20260818_141728UTC-Meeting Recording**

8 August 18, 2026, 2:17PM

9 42m 28s

10
11 **PH Pecos Hall 14:14**

12 Good morning.

13 This is a special docket.

14 August 18 we had a contested hearing and settled at the last minute, so at this point
15 we have a couple of status conferences and a few hearing by affidavits.

16 Today we have.

17 A technical examiner. Andrew Fordyce.

18 I believe he's with us.

19 I see him there.

20 So let's go on the record with case number 25894.

21 This is the oil conservation division versus Buckeye.

22 Disposal it is a status update. We heard this case in March.

23 Entries of appearance please.

24 Michael Hall here, on behalf of Oil Conservation Division.

25 Good morning, Mr. Hall. Good morning.

26
27 **ML Moellenberg, Dalva L. 14:58**

28 Good morning, Dale Muhlenberg, on behalf of Buckeye disposal.

29
30 **PH Pecos Hall 15:02**

31 Good morning, Mr. Muhlenberg.

32 Mr. Muhlenberg, from your clients perspective, where is this case?

33
34 **ML Moellenberg, Dalva L. 15:09**

35 We're waiting to see a proposed form of order from the division, per the.

36 Conclusion of the March hearing.

37

PH Pecos Hall 15:20

39 Right. OK.

40 Mr. Hall.

41 Yes, I'm planning a little catch up here, but that's my understanding, Mr. Tremaine's.

42 On vacation, he's been handling this, but he wanted me to let you know that that

43 order should be forthcoming when he gets back, basically.

44 So that's that.

45 Mr. Muhlenberg, he he correctly stated.

46 I think it's the divisions. The balls in our court to get him in order.

47 OK, Mr. Muhlenberg, in your communications with Mr. Tremain, has there been any?

48 I mean, have you been? Are there any recent communications with him?

49

ML Moellenberg, Dalva L. 16:05

51 We've had a couple of brief communications in passing while we were discussing

52 other matters, and it's my understanding that that the division has just been working

53 on the proposed form of order.

54 I don't really have any more details than that.

55

PH Pecos Hall 16:21

57 Alright. OK, Mr. Muhlenberg.

58 Well, hopefully we'll get you something in the very near future.

59 This case has been five months now since the since we didn't really even have a

60 hearing.

61 I know that your client basically admitted to the violations, but was hoping to reduce
62 the penalty.

63 Is that recollection correct?

64

ML Moellenberg, Dalva L. 16:46

66 Yeah, that's that's pretty much correct.

67

PH Pecos Hall 16:49

69 Alright.

70 All right. So, Mr. Hall, would you please communicate with Mr. Tremain and let him

71 know that we're all waiting for eagerly waiting for the order?

72 I will thank you. Thank you.
73 OK, Mr. Muhlenberg.
74 Is there anything else on that case?

75

7 **ML Moellenberg, Dalva L.** 17:05

77 Nothing more.

78 Thank you.

79

8 **PH Pecos Hall** 17:06

81 All right.

82 Thank you.

83 Have a good morning.

84

8 **ML Moellenberg, Dalva L.** 17:07

86 You too.

87 Bye bye.

88

8 **PH Pecos Hall** 17:09

90 Thank you, Mr. Hall.

91 I'm now going to call 25895. This is oil conservation division versus grand bakes
92 energy entries of appearance please.

93 Michael Hall for OCD. Thank you.

94 And Mr. Hall, who represents grand banks? Gosh.

95 Let me pull out my phone. It says it says law office of Frank Lyon. Yes, that's correct.

96 Sorry, yes, I believe that's correct.

97 Sorry, I'm catching up on this one too.

98 I have not communicated Mr. Lyon, but I believe Mr. Tremaine has and I think
99 recently sent him a SFO to review.

100 So I think that's agreement, yes. Yes, Sir.

101 So I believe that's the status.

102 Fred, did we send this docket to Frank Lyon?

103 I don't believe I sent the docket specifically, but I did send him an e-mail letting him
104 know that this case was on today's docket.

105 Did you hear back from Mr. Lyon? I did not.

106 Do you have contact information for him, like a phone number?

107 I.
108 I'm sure that I do.
109 I've been in communication in the past via e-mail, so I'll look up an e-mail or a phone
110 number.
111 All right. What I'm gonna do is I'd like to hear from Mr. Lion and Mr. Hall.
112 You don't have to wait downstairs if you want to go back upstairs and and attend
113 virtually. We'll. I'm gonna recall this case at the end of our docket, which is probably
114 about 20 minutes. Half an hour or so. I want to hear from Mr. Lyon and find out.
115 What's going on from his client's perspective? Thank you.
116 All right.
117 Thank you, Mr. Hall.
118 We'll send you a message to teams when we're gonna recall the case. OK. Very good.
119 Thank you. Thank you.
120 Have a good morning.
121 You too. So Frey, if you could give Mr. Lyon a call and tell him we want his, we want
122 his appearance today for this status conference.
123 Yes, alright, thank you.
124 Alright, let's go and recess on case 25895.
125 Let's call Mubar oil case.
126 I don't know if these are connected or not, so I'm gonna call them individually.
127 Miss Hardy 26158. Good morning. Dana Hardy, on behalf of New Bern and this can
128 be joined with case 261826158.
129 The numbers don't go in order, but it's 26162 and 26158. OK, so I called 5/8.
130 I'll now call 26162. OK, so they're joined together.
131 OK.
132 Thank you, miss Hardy.
133 Are there any other parties that you know of?
134 Not go right ahead. Thank you.
135 We presented this case by affidavit on the last docket, and OCD had requested
136 updated ownership breakdown information from you born and we did file that. So I
137 would ask that the exhibits be admitted and that the case be taken under
138 advisement.
139 Is it Mr. McClure?
140 Who's the technical examiner for your cases?

141 I believe it was Mr. McClure.

142 Yes, Mr. McClure.

143

144 **FE Fordyce, Andrew, EMNRD 20:08**

145 Mr. hearing examiner.

146

147 **PH Pecos Hall 20:09**

148 Yes, Mr. Fordyce.

149

150 **FE Fordyce, Andrew, EMNRD 20:12**

151 If it's all right, Mr. Technical Examiner McClure spoke with me late yesterday
152 afternoon.

153 And asked if I could request.

154 An amended exhibit for these new born cases.

155

156 **PH Pecos Hall 20:28**

157 OK.

158 Go right ahead.

159

160 **FE Fordyce, Andrew, EMNRD 20:30**

161 Umm.

162

163 **PH Pecos Hall 20:31**

164 So first of all, let me admit, let me admit the amended exhibits into evidence.

165 Which exhibit are you referring to, Mr. Fordyce?

166

167 **FE Fordyce, Andrew, EMNRD 20:40**

168 As related to land man exhibit, I believe it's exhibit A3.

169 It's on page 16.

170

171 **PH Pecos Hall 20:49**

172 Would you bring up page 60? Yes.

173 And this is of the amended exhibit packet, Mr. Fordyce.

174

175 **FE Fordyce, Andrew, EMNRD 21:09**

176 That's correct.

177

178 **PH Pecos Hall 21:16**

179 OK.

180 OK. And you said page 16.

181

182 **FE Fordyce, Andrew, EMNRD 21:31**

183 Page 16.

184 Yes, that's correct.

185

186 **PH Pecos Hall 21:35**

187 OK.

188

189 **FE Fordyce, Andrew, EMNRD 21:38**

190 So at the at the top of this page is the.

191 Unit summary or recapitulation and as you see the owners, the first one is listed as

192 newborn oil company ET all.

193 Mr. Markle request that the ET all be removed and a full list of the owners.

194 Be identified in this table.

195

196 **PH Pecos Hall 22:06**

197 OK and.

198 To be clear, they are all listed by tracked down below.

199 I understand what Mr. McClure wants, so I think we can do that.

200 What are you showing us?

201

202 **FE Fordyce, Andrew, EMNRD 22:21**

203 Yeah, he would prefer that the in the unit recapitulation.

204 Is fully summarized with a full list of owners and their percent of leasehold interest.

205

206 **PH Pecos Hall 22:32**

207 OK, we can do that.

208 I would.

209

210 **FE Fordyce, Andrew, EMNRD 22:35**

211 And.

212

213 **PH Pecos Hall 22:38**

214 I would say since this is a second time we'll submit amended exhibits, I would hope
215 that we could do that today and have the case taken under advisement rather than
216 coming back again because the ownership breakdown is provided in detail by tract
217 below.

218 So would you just so hold on, Mr. Fordice, let me understand something. So, so. M's
219 Hardy.

220 Can you go back up for a moment?

221 Yes, where it says 98 OK, where it says up here, 98.816 blah blah blah.

222 Leasehold interest. You're saying that that 98.8?

223 Broken down below, right?

224 Can you show me is it ownership by track?

225 Yes, OK.

226 So then it says here ownership by track Section 7.

227 And then.

228 A part of so these are.

229 How? How is this take?

230 How are these next three tables?

231 Help me understand the next three tables.

232 Sure. So the tracks are listed here up above, I see.

233 So then the list below identifies the ownership percentages. Each of those tracks.

234 But but this first one.

235 This N half NE quarter of.

236 Section 7 doesn't have a track number next to it.

237 So which which one is this?

238 So the north A.

239 Of the Northeast quarter of Section 7.

240 It's going to be tracked 1 so on your when you amend this exhibit, will you put
241 tracked 1 here?

242 Yes, OK.

243 Then can you keep going down?

244 I want to just understand the rest of this and then Mr. Fordez will come back to you.
245 I just want to understand this and then this says here Lot 1.
246 So then why does this one say N lot 1 here?
247 Because this is an irregular section.
248 So some of the 40 acre tracks are lost.
249 In the surveyor.
250 So if you look at the C-102's.
251 I was just looking at that diagram you showed me before.
252 Yeah, 1-2 and three up on top. Right, right, that one said.
253 That one seemed pretty simple.
254 Oh sorry. Tracked 1-2 and three.
255 And then below you were saying, hey, the interests are already identified and I was
256 trying to match these to that.
257 Right, so tracked this to the next.
258 The next list is that would be track 2 and so this tracked includes a lot. I see, yeah.
259 OK.
260 So you're saying you're just gonna take this information that's already here in these
261 tables and somehow incorporate it up above?
262 Where it says 98.8, you're going to break that out, right?
263 Right. Is that OK, Mr. Fordyce?

264

265 **FE Fordyce, Andrew, EMNRD 25:27**

266 Yeah, that's that's what we're asking for.
267 An accurate breakdown for the the unit as a whole as it's made-up by these 3 tracks.
268 Where newborn doesn't basically lump together their interest with everyone, they're
269 saying that's committed.
270 Yet we want an accurate summary of the unit.
271 I guess is a good way of saying it.

272

273 **PH Pecos Hall 25:50**

274 OK.
275 And you can do that today. We can do that today.

276

277 **FE Fordyce, Andrew, EMNRD 25:55**

278 That would be great and I will just advise that would be the same request for.

279 Case 26162.

280 And probably the next two newborn cases that haven't been called yet.

281 So we'll take those in turn, I guess.

282

283 **PH Pecos Hall 26:11**

284 Thank you, Mr. four days. Understood. Any other questions, Mr. Fordez?

285

286 **FE Fordyce, Andrew, EMNRD 26:16**

287 No Mr. hang exam.

288 There are no other questions for these cases.

289

290 **PH Pecos Hall 26:17**

291 All right.

292 Mr. Fortes, can you communicate since this case is these two cases are not assigned
293 to you necessarily.

294 Can you communicate with Mr. McClure and make sure that if I leave the record
295 open till 5:00 PM today that works for him, that we can take these under advisement
296 at that time?

297

298 **FE Fordyce, Andrew, EMNRD 26:40**

299 Yeah, I can have him.

300 Send me a note right now, I believe.

301

302 **PH Pecos Hall 26:49**

303 Hardy, if you can provide a new exhibit, a three with a cover letter explaining what
304 you did.

305 We will leave the record open to 5:00 PM and then take the two cases under
306 advisement.

307 Perfect. Thank you. Thank you.

308

309 **FE Fordyce, Andrew, EMNRD 27:08**

310 And Mr. hearing examiner technical examiner McClure said he's perfectly fine with
311 that.

312

313 **PH Pecos Hall 27:13**

314 Excellent. Well, please take Mr. McClure and we'll we'll go off the record. In those two
315 cases.

316 Let's now call some more mubaran oil cases.

317 Well, just two more because it looks like Miss Vance is representing newborn. In
318 other cases, we're gonna call 26812 and 26814.

319 Dana Hardy, on behalf of Mubar.

320 Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland
321 and Hart, on behalf of MRC Delaware Resources, and we are just.

322 Monitoring. Thank you.

323 Go right ahead, Miss Hardy.

324 We're in the same situation on these cases where we presented the updated
325 ownership breakdown. I see following the last hearing.

326 So you submitted new exhibits and you'd like them to be accepted into the record.
327 They are without exception, and Mr. Fordice, are these your cases or Mr. McClure's
328 cases?

329

330 **FE Fordyce, Andrew, EMNRD 28:02**

331 These two cases are Mr. McClure's, and he has the same request.

332 For the land exhibit in these two cases.

333 Dealing with a unit summary recapitulation.

334 To remove the viewpoint at all and summarize the unit.

335 With all owners in their interest.

336

337 **PH Pecos Hall 28:27**

338 Understood. We can do that today.

339 Thank you.

340 All right, Mr. Ford, I said.

341 There's nothing else on these two cases.

342 We'll leave the record open until 5:00 PM and take them under advisement. As long
343 as Miss Hardy submits the reformatted A3 with cover letter.

344

345 **FE Fordyce, Andrew, EMNRD 28:47**

346 Very well.

347

348 **PH Pecos Hall 28:48**

349 All right. Excellent.

350 Well, thank you, Miss Hardy. Thank you.

351 Thank you, Mr. Ford.

352 Nice. All right, let's move on to some other meborn cases. While they're all four of
353 them are joined together for Miss Vance to 635-0515 to and 5/3.

354 Good morning, Mr. hearing examiner Paula Vance with the Santa Fe Office of Holland
355 and Hart, on behalf of the applicant, Mubarn Oil company.

356 Good morning. And Dana Hardy with Hardy McLean on behalf of COG operating in
357 Conjo oil and gas.

358 And we are just monitoring these cases.

359 Thank you, miss Hardy.

360 Go right ahead, Miss Vance.

361 So in all of these cases, the acreage involved is in Township 18 S, range 33 E and
362 that's Lee County, New Mexico. In the sections are 13 and 24.

363 All of this is in the Bone Spring.

364 These are separated out, moving, you know individual swim lanes.

365 So it is West half of the West, half E half.

366 East.

367 Half of the West, half W, half of the east half and E half of the east half.

368 I won't go through all of the specifics, but just for awareness there.

369 We have provided the standard exhibits in each of our hearing packets, and then our
370 two are two experts, Landman Brock Dixon and Charles Crosby have both previously
371 testified before the division.

372 Charles Crosby is not available today, but we do have Tyler Hill.

373 Who has previously testified available? Should the examiner have any questions?

374 And and then also included in the hearing packets are my are the self affirm
375 statements of notice which include a sample copy of the letter.

376 Notice that was timely mailed and then along with an affidavit of notice of
377 publication that was timely.

378 And two of these cases, I believe it's 26351 and 26352. Both include the exhibits for
379 the overlap.

380 Because there were existing spacing units. So that's the one additional exhibit in
381 those hearing packets.

382 Unless there are any questions, I would ask that the exhibits and sub exhibits be
383 admitted into the record and that these cases be taken under advisement at this

384 time.

385 Exhibits are admitted without exception. Mr. Fordex, are these your cases?

386

387 **FE Fordyce, Andrew, EMNRD 31:13**

388 They are Mr. Herring's enter.

389

390 **PH Pecos Hall 31:15**

391 Would you like to question any witnesses?

392

393 **FE Fordyce, Andrew, EMNRD 31:17**

394 I have a question for the line man.

395

396 **PH Pecos Hall 31:19**

397 Thank you.

398 Is it Mr. Hill?

399 It should be Mr. Dixon.

400 Excuse me, Mr. Dixon.

401 OK, Mr. Dixon, please raise your right hand.

402 You swear affirm under penalty of perjury, the testimony you're about to give is the

403 truth, the whole truth, and nothing but the truth.

404

405 **BD Brock Dixon 31:42**

406 Yes, Sir, I do.

407

408 **PH Pecos Hall 31:44**

409 Thank you.

410 Please spell your name.

411

412 **BD Brock Dixon 31:46**

413 Brock Dixon, BROCKDIXON.

414

415 **PH Pecos Hall 31:51**

416 Thank you and M's Vance says that you have been previously admitted as an expert

417 before this division.

418 I don't recognize you.

419 Is is that the case?

420

421 **BD Brock Dixon** 32:01

422 Yes, Sir.

423

424 **PH Pecos Hall** 32:02

425 Great. In what field?

426

427 **BD Brock Dixon** 32:04

428 Petroleum man.

429

430 **PH Pecos Hall** 32:05

431 All right.

432 Thank you, Mr. Forde.

433 Go ahead.

434

435 **FE Fordyce, Andrew, EMNRD** 32:08

436 Mr. Dixon.

437 In summary, I would, I will say.

438 For all four cases, the application compulsory pooling application checklist has the
439 production supervision per month listed as 1200 per month.

440 But in your land man statement for two cases you you agree with or state and agree
441 with that \$1200 per month.

442 But in 26351 and 352.

443 You have listed \$2000 per month for that production supervision per month rate.

444 Is the 1200 that's in the CPAC correct?

445 Is the 2000 in error for those two cases?

446

447 **BD Brock Dixon** 32:58

448 Yes, Sir. I believe that's the case.

449 It should be 1200.

450

451 **FE Fordyce, Andrew, EMNRD** 33:04

452 OK.

453 Actually didn't have any other questions.
454 For you, Mr. Dixon, or for these cases.
455 I believe that, since Mr. Dixon's on record state, that was an error and the CPAC has it
456 listed correctly.
457 We could probably take these cases under advisement, Mr. hearing examiner.
458
459 **PH Pecos Hall 33:35**
460 Do you want anything to be corrected?
461
462 **FE Fordyce, Andrew, EMNRD 33:38**
463 It's correct. In the CPAC and Mr. Dixon just stated that that was an error in his.
464 Land Man statement for two of the cases.
465 So I think we're OK to take these under advisement.
466
467 **PH Pecos Hall 34:04**
468 Right. OK. We're gonna recall grand banks.
469 See, I knew I was forgetting something.
470 Thank you, Freya.
471 Alright, recalling 25895, do we have Mr. Frank Lyon with us?
472
473 **FL Frank B. Lyon 34:19**
474 Yes, Mr. examiner.
475 Frank Lyon, on behalf of Grand Banks.
476
477 **PH Pecos Hall 34:23**
478 OK, Mr. Lyon and Mr. Hall. Are you back with us?
479 Well, I heard from Mr. Hall earlier. Mr. Lyon, when you were not in attendance, Mr.
480 Hall.
481 Told me the divisions perspective of this case.
482 Where is this case?
483
484 **FL Frank B. Lyon 34:47**
485 I got a revised stipulated final order from from Mr. Tremaine over the weekend.
486 I think it's it's fine.
487 I'm waiting on my client's final consent for that.

488

489 **PH Pecos Hall** 35:06

490 So is someone signing that and returning it to the division?

491

492 **FL Frank B. Lyon** 35:10

493 Yes, that's the plan.

494

495 **PH Pecos Hall** 35:13

496 That's the plan, OK.

497 When, when will that be done?

498

499 **FL Frank B. Lyon** 35:16

500 I think that can be done within a week.

501

502 **PH Pecos Hall** 35:19

503 Within a week. All right, this case is this case was on our docket in March.

504 It's now August.

505 That's why we called it back for a status conference.

506

507 **FL Frank B. Lyon** 35:29

508 Yes, that's my understanding.

509

510 **PH Pecos Hall** 35:32

511 OK.

512 Alright then.

513 Thank you, Mr. Lyon and.

514 Mr. Hall.

515

516 **HE Hall, Michael, EMNRD** 35:40

517 Yes.

518

519 **PH Pecos Hall** 35:41

520 Mr. Hall, we had turned up the volume because we couldn't hear Mr. Lyons.

521 So you're shouting at this point, Mr. Lyon said.

522

523 **HE** Hall, Michael, EMNRD 35:48

524 I'm not trying to.

525

526 **PH** Pecos Hall 35:50

527 Mr. Lyon said that his client received a revised SFO recently over the weekend and
528 within one week they're going to return it endorsed.

529 Did I get that correct, Mr. Lang?

530

531 **HE** Hall, Michael, EMNRD 36:05

532 That sounds great.

533 That that comports with my understanding and glad to hear they're they're gonna
534 execute it and we'll get this one finalized.

535

536 **PH** Pecos Hall 36:12

537 All right.

538 Did I?

539 Was I correct, Mr. Lyon?

540

541 **FL** Frank B. Lyon 36:15

542 Yes, you are, Mr. that was correct.

543

544 **PH** Pecos Hall 36:17

545 OK.

546 Thank you both.

547 We're off the record and that concludes our Business Today.

548

549 **FL** Frank B. Lyon 36:25

550 Thank you.

551

552 **HE** Hall, Michael, EMNRD 36:25

553 Thank you.

554

555  stopped transcription