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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

PRE-HEARING TRANSCRIPT

September 19, 2019

Santa Fe, New Mexico

BEFORE: KATHLEEN MURPHY, CHIEF EXAMINER PHILLIP GOETZE, TECHNICAL EXAMINER DANA Z. DAVID, LEGAL EXAMINER

ALSO PRESENT: Marlene Salvidrez Ramona Vargas

This matter came on for hearing before the New Mexico Oil Conservation Division, Kathleen Murphy, Chief Examiner; Phillip Goetze, Technical Examiner; and Dana Z. David, Legal Examiner, on Thursday, September 19, 2019, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

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

Page 2 1 (8:17 a.m.) 2 EXAMINER GOETZE: Good morning. Today is Thursday, September 19th, 2019. This is the examiner 3 hearing, Docket Number 35-19. We are in Porter Hall. 4 5 The first item of the day will be going through the б changes of the docket. And at this point, I would say I'm Phillip 7 8 Goetze. I'm one of your examiners. To my left, your right is Kathleen Murphy, who is also an examiner, and 9 10 the next person down is Dana David, who will be legal 11 counsel. 12 At this point I'll turn it over to Examiner 13 Murphy. 14 EXAMINER MURPHY: The OCD has a new employee we'd like to recognize, Ramona Vargas. And she 15 16 comes to us from the State Land Office, and she is working in the Environmental Bureau. And right now 17 18 she's trying to catch up on the C-141s, a valiant 19 effort. 20 Thank you (indicating). And we're quite honored to have her working 21 22 here, and we just wanted to make you aware of some of our recent additions and share in our extreme joy. 23 24 (Laughter.) 25 EXAMINER MURPHY: Another announcement

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Page 3 is -- and because sometimes there are new legal present 1 2 [sic] -- when you have exhibits, please send a PDF to me in the next day or so. And my email is 3 4 kathleena.murphy. It's state.nm.us. 5 And I also have a request for the consultants who prepare the SWDs to please submit a 6 7 lat/longitude in decimal degrees net [sic] 83. I'm 8 still having to email consultants for that important bit 9 of information. And I will hope that you pass that on 10 to your consultants or if some of the consultants are 11 here. 12 And I'm going to read through the docket and list the continuances, dismissals and what will be 13 heard today. We will absolutely try to make the docket 14 a little larger print, per a request, but please read 15 16 along. 17 So on page 1, Case Number 16354 is 18 16355, continued. 20583, heard today. continued. 19 20586 is continued. 20569, continued. 20568, 20 continued. 20315, continued. 20460, dismissed. 20461, dismissed. 20723, heard today. 20721, heard today. 21 22 20720, heard today. 20722, heard today. 20588, 20733, heard today. 13987, heard today. 23 dismissed. Page 2: 13988, 13989, heard today. 20414, 24 25 continued. 20415, dismissed. 20385, continued. 20386,

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Page 4 continued. 20560, dismissed. 16487, continued. 1 16488, continued. 16292, continued. 20529, dismissed. 2 20530, dismissed. 20621, continued. 20622, continued. 16381, 3 heard today. 20401, dismissed. 20402, dismissed. 4 20403, dismissed. 5 Page 3: 20564, continued. 20565, 6 7 continued. 20566, continued. 20567, continued. 20677, 8 dismissed. 20686, dismissed. 20688, dismissed. 20693, 9 heard today. 20699, heard today. 20705, heard today. 20708, heard today. 20710, dismissed. 20736, heard 10 today. 20734, heard today. 20735, heard today. 20325, 11 continued. 20246, dismissed. 20247, dismissed. 12 Page 4: 20265, dismissed. Heard today: 13 20443, 20444, 20445, 20446, 20737. Continued: 20173, 14 20175, 20176, 20177, 20178, 20180, 20174, 20179, 20689, 15 16 20698, 20701, 20226. 17 And page 5, continued: 20618, 20619, 20716, 20660. Heard today: 20762. Continued: 20676, 18 19 16489, 20596 and 20597. 20 Are there any corrections to the docket? 21 EXAMINER GOETZE: Is that it? 22 EXAMINER MURPHY: I believe that's it. 23 (The prehearing proceedings conclude, 8:24 24 a.m.) 25

Page 5 1 STATE OF NEW MEXICO 2 COUNTY OF BERNALILLO 3 CERTIFICATE OF COURT REPORTER 4 5 I, MARY C. HANKINS, Certified Court Reporter, New Mexico Certified Court Reporter No. 20, 6 7 and Registered Professional Reporter, do hereby certify 8 that I reported the foregoing proceedings in 9 stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings that 10 were reduced to printed form by me to the best of my 11 12 ability. 13 I FURTHER CERTIFY that the Reporter's Record of the proceedings truly and accurately reflects 14 the exhibits, if any, offered by the respective parties. 15 16 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or 17 18 attorneys in this case and that I have no interest in 19 the final disposition of this case. 20 DATED THIS 9th day of October 2019. 21 22 MARY C. HANKINS, CCR, RPR 23 Certified Court Reporter New Mexico CCR No. 20 Date of CCR Expiration: 12/31/2019 24 Paul Baca Professional Court Reporters 25