

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

IN THE MATTER OF THE
OIL CONSERVATION DIVISION
PRE-HEARING DOCKET 44-20

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
PRE-HEARING TRANSCRIPT

December 3, 2020

SANTA FE, NEW MEXICO

BEFORE: FELICIA ORTH, HEARING EXAMINER
BAYLEN LAMKIN, TECHNICAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER FELICIA ORTH and TECHNICAL EXAMINER BAYLEN LAMKIN, on Thursday, December 3, 2020, via Webex Virtual Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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1 HEARING EXAMINER ORTH: Good morning. My name is
2 Felicia Orth. I'm the hearing examiner appointed by the
3 director of the Oil Conservation Division to conduct
4 hearings this morning (unclear) New Mexico Administrative
5 Code compulsory pooling primarily.

6 We do have a court reporter, Irene Delgado from
7 Paul Baca Court Reporting on the line. She makes a
8 transcript. It will be posted, the relevant parts will be
9 posted as part of each case file after produced.

10 In the event this session is interrupted by
11 technical difficulties or by mischief, please go to your
12 e-mail and we will find another way of continuing the
13 hearing session.

14 You will find the hearing docket or worksheet on
15 the Division web page, and I will be calling the cases in
16 order that they appear on that worksheet.

17 I'm sorry, we are starting a few minutes late
18 this morning. The Division, Webex system, was undergoing an
19 upgrade this morning so it took us a few extra minutes to
20 get on.

21 Please mute yourself if you are not speaking, and
22 if I hear sounds from your general direction and determine
23 that you are not currently speaking, I may mute you myself.
24 So we are going to start here -- oh, we do have a technical
25 examiner. We have a few technical examiners on the line,

1 the technical examiner who will be asking questions this
2 morning is Baylen Lamkin. I know that Mr. Lamkin is on the
3 line.

4 We do have at least one announcement that a
5 decision was made yesterday. Mr. Feldewert had asked a
6 session or two ago about the 5 o'clock deadline for exhibits
7 be filed on Tuesday for the Thursday's session, and we have
8 a decision as of yesterday afternoon.

9 But that, particularly considering the new
10 uploading system that Mr. Rose-Coss mentioned, the Division
11 will move the deadline from 5 p.m. to midnight.

12 I'm sure all of you folks who find yourself in
13 court know that the courts have moved there (unclear) so the
14 new deadline on the Tuesday before the Thursday to file
15 exhibits is now midnight.

16 Having said that, that will be a firm deadline,
17 and, in fact, when they set up the VIP system I believe it's
18 called, for uploading the -- it may even be the case -- I'm
19 sure it may even be the case that it won't let you load
20 after midnight. So we'll see, but they have asked me to
21 enforce that. Let's see. I think that was it this morning
22 by way of announcements.

23 Mr. Lamkin, were there any other announcements
24 that needed to be made?

25 TECHNICAL EXAMINER LAMKIN: Not that I'm aware.

1 HEARING EXAMINER ORTH: Or Marlene, speak up if
2 you have anything.

3 MS. SALVIDREZ: I don't have anything.

4 (The following discussion was held following the
5 examiner docket.)

6 HEARING EXAMINER ORTH: I have a request to have
7 ask Ms. Shaheen and Ms. Bennett if we are moving forward
8 with Case Number 20964 on Friday the 18th. That would be
9 December 18. Are Ms. Shaheen and Ms. Bennett still with us?

10 MS. SHAHEEN: I assume you are referring to the
11 Overflow case? I don't have the number handy.

12 MS. SALVIDREZ: Yes, that's correct.

13 MS. SHAHEEN: So I believe the parties are
14 conferring, so I don't have an update as to whether there is
15 a possible resolution. Ms. Bennett might have a better take
16 on that possibility.

17 MS. BENNETT: This is Deana Bennett on behalf of
18 Marathon Oil Permian. I do know that Marathon and
19 Overflow's consultants are discussing the updated fault slip
20 potential analysis. This is a bit awkward because I also
21 represent NGL in this case, and NGL didn't -- so the
22 supplemental exhibit that Marathon submitted was submitted
23 by Marathon, but that caused then Overflow to then create a
24 second or a third fault slip potential analysis that neither
25 the Division nor NGL have had the opportunity to review and

1 hasn't been subject to cross-examination.

2 So I don't know, speaking from NGL's perspective,
3 this just dawned on me yesterday actually as I was going
4 through some material I have -- blah, blah, blah, whatever.
5 So I haven't talked to NGL about this new FSP analysis and
6 whether they want to be able to cross-examine the witness on
7 it, but I do know that even if Marathon and Overflow are
8 able to come to an agreement about the new FSP analysis, the
9 Division hasn't had a chance to review it and ask any
10 questions about it because it's brand new, and neither has
11 NGL, and I can't remember if there were other parties to the
12 case either.

13 So I'm just kind of putting a pin in that for
14 today, and I intend to e-mail NGL as soon as we get done
15 with the hearing today to ask about the FSP analysis. So I
16 don't have much more to add other than I think at the moment
17 we should keep it on the docket because Marathon and
18 Overflow are still working through their discussions of the
19 FSP analysis and that may be another reason to keep it on
20 the docket.

21 HEARING EXAMINER ORTH: So let me ask, with the
22 understanding that if an evidentiary hearing or any other
23 form of hearing were to occur on the 18th, we could, again,
24 as I understand the notice law, put it at the end of the
25 docket that will be published in the ordinary course of

1 business on the 17th, and when get to that case, simply call
2 it, adjourn it, and reconvene Friday morning on the 18th.
3 How would you feel about that?

4 MS. SHAHEEN: I don't have any objection to that,
5 although I would need to see whether our witnesses would be
6 available on the 17th. If we can plan on adjourning on the
7 17th and continuing to the 18th, I think we would be good
8 with that. But if you were thinking there's a possibility
9 we would go forward on the 17th, that I would need to
10 confirm with the client and the witnesses.

11 HEARING EXAMINER ORTH: So I'm not actually
12 proposing to introduce uncertainties by suggesting that I
13 would try to persuade you to go on the 17th, I'm only making
14 use of the -- of the notice provision to reduce the number
15 of special notices that Marlene has to deal with by
16 suggesting, again, we continue on the 18th, but we add it to
17 the end of the docket on the 17th.

18 MS. SALVIDREZ: Felicia, this is Marlene. So I
19 will just create a docket for a special hearing on the 18th.
20 I just wanted to make sure before I did that, because I will
21 do it today, and we will just go from there. I think this
22 is the last one on a Friday, and the rest follow a regular
23 docket, so thank you for verifying.

24 HEARING EXAMINER ORTH: Oh, okay. All right.
25 Never mind then. Is there anything else on 20964, the

1 matter we have just been discussing informally?

2 MS. SHAHEEN: I don't have anything else on
3 before of Overflow.

4 MS. BENNETT: Nothing from me, either, thank you
5 Madam Examiner.

6 HEARING EXAMINER ORTH: Thank you so much for
7 staying on the line to talk about that matter. And if
8 Marlene and Irene would just stay on the line for a moment,
9 we will adjourn this hearing session and talk to you again
10 in two weeks.

11 MS. SHAHEEN: Thank you.

12 MS. BENNETT: Thank you.

13 (Prehearing concluded.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

5 I, IRENE DELGADO, New Mexico Certified Court
6 Reporter, CCR 253, do hereby certify that I reported the
7 foregoing virtual proceedings in stenographic shorthand and
8 that the foregoing pages are a true and correct transcript
9 of those proceedings to the best of my ability.

10 I FURTHER CERTIFY that I am neither employed by
11 nor related to any of the parties or attorneys in this case
12 and that I have no interest in the final disposition of this
13 case.

14 I FURTHER CERTIFY that the Virtual Proceeding was
15 of poor to good quality.

16 Dated this 3rd day of December 2020.

17

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-20

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