## STATE OF NEW MEXICO

## ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NOS: 21861 - 21865

APPLICATION OF TITUS OIL & GAS PRODUCTION LLC TO AMEND ORDERS R-21381, R-21382, R-21395, R-21369, R-21370, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

MAY 6, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINER LEONARD LOWE on Thursday, MAY 6, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

505-843-9241

		Page 2
1	APPEARANCES	
2	For the Applicant:	
3	SHARON SHAHEEN	
4	MONTGOMERY & ANDREWS 325 Paseo de Peralta	
5	Santa Fe, NM 87501	
6	INDEX	
7	CASE CALLED	
8	SUMMARY OF CASE AND EXHIBITS	
9	TAKEN UNDER ADVISEMENT	06
10	REPORTER CERTIFICATE	07
11		
12	EXHIBIT INDEX	
13		Admitted
14	Exhibits and Attachments	06
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 HEARING EXAMINER BRANCARD: So let me call cases

- 2 8 through -- I'm not sure -- 12, I believe, but you can
- 3 correct me. We have a series of Titus Oil & Gas proposed
- 4 amendments, and I'm calling Cases 21861, 21862, 21863,
- 5 21864, 21865, the Lonesome Dove Wells.
- 6 We have additional cases from Titus, but I don't
- 7 know how they want to group those. Montgomery & Andrews?
- 8 (No audible response.)
- 9 HEARING EXAMINER BRANCARD: Ms. Shaheen, you are
- 10 muted.
- MS. SHAHEEN: Good morning, Mr. Examiner and
- 12 everyone. Sharon Shaheen on behalf of Titus Oil & Gas
- 13 Production LLC. And I think you are correct, I would like
- 14 to take these in two separate cases. So I'll address the
- 15 Lonesome Dove cases first, 21861 through 21865, and then I
- 16 will come back and do the Cattlemen cases, if that's
- 17 acceptable.
- 18 HEARING EXAMINER BRANCARD: Thank you. Are there
- 19 any other entries of appearance. It appears we have a party
- 20 that entered an appearance and withdrew.
- 21 MR. PADILLA: Mr. Examiner, Ernest L. Padilla for
- 22 Allar Company. We withdrew the application after Allar
- 23 communicated with Titus, and so whatever misunderstanding
- 24 was corrected and/or -- so Allar does not have any
- 25 objection to these hearings on Titus. I think -- and it

- 1 goes all the way to Case Number 17.
- We applied on six cases, but we have withdrawn
- 3 the entry of appearance, so we don't need to participate any
- 4 further, thank you.
- 5 HEARING EXAMINER BRANCARD: Thank you. Are there
- 6 any other appearances in these five cases?
- 7 (No audible response.)
- 8 HEARING EXAMINER BRANCARD: Hearing none, Ms.
- 9 Shaheen, you may proceed.
- 10 MS. SHAHEEN: Thank you. It's helpful to take a
- 11 look at the exhibit packet if you have it handy. Starting
- 12 on PDF Page 1 in Case Number 21861, Titus seeks to amend
- 13 Order Number R-21831 that was issued in the original Case
- 14 21203 in order to extend the time for drilling by one year
- 15 which would be to July 6 of 2022.
- 16 Similarly in Case Number 21862, Titus seeks to
- 17 amend Order R-21832, which was issued in Case 21204 and to
- 18 extend the time for drilling by one year to July 6, 2022.
- 19 In Case Number 21863, Titus seeks to amend Order
- 20 R-21395 issued in original Case 21205 to extend the time for
- 21 drilling by one year, in this instance, to July 22 of 2022.
- 22 Similarly, Case Number 21864, Titus seeks to
- 23 amend Order R-21639 which was issued in original Case Number
- 24 21206 to extend the time for drilling to July 22, 2022.
- 25 And the same goes for Case Number 21865, Titus

1 seeks to amend Order R-21370 issued in original Case Number

- 2 21207 to July 22, 2022.
- These, these wells are the Lonesome Dove wells,
- 4 and they concern acreage in Sections 8 and 17, 26 South,
- 5 Range 35 East.
- If you turn to PDF Page 2, you will see we
- 7 organized the exhibits to provide copies of each application
- 8 in these five cases, copies of each order that was
- 9 previously issued.
- 10 And then Exhibit 3 has the sample notice letter
- 11 for the first two cases, 61 and 62.
- 12 Exhibit 4 has the sample notice letter for cases
- 13 63, 64 and 65.
- 14 There are only a few parties that were pooled
- 15 under these orders. All of them received notice by
- 16 certified mail in this case. Nonetheless we published, and
- 17 that can be found in the affidavit of the notice which is
- 18 attached as Exhibit C.
- 19 Titus requests these extensions of time for time
- 20 to drill for the reasons stated in Mr. John's affidavit
- 21 which have to do with Covid, market conditions. These are
- 22 federal wells. They were -- the timing was affected by the
- 23 executive order that was issued in January 2021.
- 24 And with that, unless you have questions, I ask
- 25 that the Division take -- admit these exhibits into the

Page 6 record and take these cases under advisement. HEARING EXAMINER BRANCARD: Thank you, Mr. Lowe 2 3 any questions? TECHNICAL EXAMINER LOWE: No. Not at this time. 5 Thank you. 6 HEARING EXAMINER BRANCARD: Thank you. Any other 7 comments on these cases, 21861, 62, 63, 64, and 65? 8 (No audible response.) 9 HEARING EXAMINER BRANCARD: Hearing none, the exhibits in these cases will be admitted and Cases 21861, 10 21862, 21863, 21864 and 21865 are taken under advisement. 11 Thank you. 12 13 (Exhibits admitted.) 14 (Taken under advisement.) 15 16 17 18 19 20 2.1 22 23 24 25

Page 7 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court Reporter, CCR 253, do hereby certify that I reported the 6 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 nor related to any of the parties or attorneys in this case 11 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 6th day of May 2021. 17 /s/ Irene Delgado 18 Irene Delgado, NMCCR 253 License Expires: 12-31-21 19 20 2.1 22 23 2.4 25