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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:

Application of Titus Oil & Gas Case No. 22552. Production, LLC, to Amend Order R-21204 Lea County, New Mexico

Application of Titus Oil & Gas Case No. 22553 Production, LLC, to Amend Order R-21205 Lea County, New Mexico

Application of Titus Oil & Gas Case No. 22556 Production, LLC, to Amend Order R-21206 Lea County, New Mexico

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, MARCH 17, 2022

STATUS CONFERENCE

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, Leonard Lowe, Technical Examiner, on Thursday, March 17, 2022, via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department

Reported by: Mary Therese Macfarlane New Mexico CCR #122 PAUL BACA COURT REPORTERS 500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 1 APPEARANCES 2 FOR TITUS OIL & GAS: 3 Sharon T. Shaheen, Esq. Montgomery & Andrews 4 325 Paseo de Peralta Santa Fe NM 87501 (505) 986-2678 5 sshaheen@montand.com 6 7 8 CONTENTS 9 CASE NOS. 22552, 22553, 22556 PAGE 10 CASE CALLED: 3 11 INQUIRY BY EXAMINER BRANCARD: 3 12 RESPONSE BY MS. SHAHEEN: 3 5 13 INQUIRY BY EXAMINER LOWE: 14 5 **RESPONSE BY MS. SHAHEEN:** 15 TAKEN UNDER ADVISEMENT: 5 16 17 18 19 20 21 2.2 23 24 25

Page 3 1 (Time noted 8:34 a.m.) 2 EXAMINER BRANCARD: Now I think I have three 3 cases together, 22552, 22553, 22555, Titus Oil & Gas. 4 MS. SHAHEEN: Good morning, Mr. Examiner. Sharon Shaheen on behalf of Titus Oil & Gas. 5 б EXAMINER BRANCARD: Thank you. Any other 7 interested persons for Cases 22552, -553, -556? Hearing none, Ms. Shaheen where are we on 8 these cases? 9 MS. SHAHEEN: Thank you. 10 These were similarly continued because Notice was one day late, and so I 11 12 believe that time has passed. I'm unaware of any entries 13 of appearance. 14 EXAMINER BRANCARD: I'm not seeing any other 15 entries of appearance either. 16 Were there any other questions with these 17 cases? MS. SHAHEEN: With respect to these cases, yes, 18 because we are requesting a second extension of time. And 19 I believe it was Mr. Garcia had the question as to whether 20 six months would be sufficient. And I've conferred with 21 22 Titus, and unfortunately six months does not work for Their drilling schedule is somewhat elastic, and 23 them. 24 the drilling of certain wells depends on the circumstance 25 of other wells, and they would really appreciate the

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Page 4 opportunity to work this into their schedule in the next 1 2 year. 3 The other question that Mr. Garcia had 4 related to the potash surface challenges. I believe that 5 related to the Covid-related labor shortages, getting the staking done, getting reviews done, and then coordinating б 7 with BLM to get the necessary approval. 8 EXAMINER BRANCARD: So, as I understand it, I believe it was Mr. McClure who was the examiner. 9 MS. SHAHEEN: 10 Oh. 11 EXAMINER BRANCARD: And he had brought up the 12 fact you already had the BLM approval. But you are saying 13 saying just because getting the BLM approvals took longer 14 than anticipated. Is that what you're saying? 15 MS. SHAHEEN: You know, I wasn't aware that they 16 already had the BLM approval, but apparently there has 17 been some issues with approvals that they have and they're working out. 18 19 EXAMINER BRANCARD: So there is some sort of follow-up to that with the BLM. 20 21 MS. SHAHEEN: There must be. 22 EXAMINER BRANCARD: With regard to the potash 23 area. 24 MS. SHAHEEN: That's right. 25 EXAMINER BRANCARD: Mr. Lowe, any questions.

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Page 5 EXAMINER LOWE: Give me an update on this case. 1 2 How many extensions were done for these previously? 3 MS. SHAHEEN: This is the second request for an 4 extension. 5 EXAMINER LOWE: And each request was how long? MS. SHAHEEN: The first one was one year and now б 7 we're seeking one more year. EXAMINER LOWE: Okay. That's all my questions. 8 EXAMINER BRANCARD: Thank you. Are there any 9 other interested persons is Cases 22552, -553 and -556? 10 11 Hearing none, these cases will be taken 12 under advisement. Thank you. 13 (Time noted 8:38 a.m.) 14 15 16 17 18 19 20 21 22 23 24 25

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1	STATE OF NEW MEXICO)
2	: 55
3	COUNTY OF TAOS)
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5	REPORTER'S CERTIFICATE
б	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday, March 17,
8	2022, the proceedings in the above-captioned matter were
9	taken before me; that I did report in stenographic
10	shorthand the proceedings set forth herein, and the
11	foregoing pages are a true and correct transcription to
12	the best of my ability and control.
13	I FURTHER CERTIFY that I am neither employed by
14	nor related to nor contracted with (unless excepted by the
15	rules) any of the parties or attorneys in this case, and
16	that I have no interest whatsoever in the final
17	disposition of this case in any court.
18	
19	/s/ccr/Mary Therese Macfarlane
20	MARY THERESE MACFARLANE, CCR NM Certified Court Reporter No. 122
21	License Expires: 12/31/2022
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