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 1   STATE OF NEW MEXICO
 2   ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
 3   OIL CONSERVATION DIVISION
 4

 5   IN THE MATTER OF THE HEARING CALLED
     BY THE OIL CONSERVATION DIVISION FOR
 6   THE PURPOSE OF CONSIDERING:
 7   COMMISSION CASE NOS: 22309
 8

     APPLICATION OF SPUR ENERGY PARTNERS LLC
 9   FOR COMPULSORY POOLING,
     EDDY COUNTY, NEW MEXICO.
10

                              DIVISION CASE NO. 21733
11

     APPLICATION OF LONGFELLOW ENERGY, LP
12   FOR COMPULSORY POOLING,
     EDDY COUNTY, NEW MEXICO.
13

                              DIVISION CASE NO. 21651
14
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16
17   REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
                      EXAMINER HEARING
18   AUGUST 4, 2022
                    SANTA FE, NEW MEXICO
19
20   This matter came on for virtual hearing before
     the New Mexico Oil Conservation Division, HEARING OFFICER
21   WILLIAM BRANCARD and TECHNICAL EXAMINER JOHN GARCIA on
     Thursday, August 4, 2022, through the Webex Platform.
22
23   Reported by: PAUL BACA PROFESSIONAL COURT REPORTERS
                       500 Fourth Street, NW, Suite 105
24   Albuquerque, NM 87102
                       505-843-9241
25
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                         I N D E X
14
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 1              HEARING EXAMINER BRANCARD:  Number 14 we have

 2    listed as a Commission Case 22309, but I believe it's

 3    actually Division Cases 21651, 21773.  Let's start with Spur

 4    Energy Partners.

 5              MR. RANKIN:  Morning, Mr. Examiner, Adam Rankin

 6    appearing on behalf of Spur, Santa Fe office of Holland &

 7    Hart.

 8              HEARING EXAMINER BRANCARD:  Thank you.

 9    Longfellow Energy.

10              MR. LAWTON:  Morning, Mr. Hearing Examiner, Troy

11    Lawton with Montgomery & Andrews on behalf of Longfellow

12    Energy.

13              HEARING EXAMINER BRANCARD:  Thank you.

14    ConocoPhillips has an entry.

15              MS. HARDY:  Dana Hardy with Hinkle Shanor on

16    behalf of ConocoPhillips.

17              HEARING EXAMINER BRANCARD:  Thank you.  Are there

18    any other entries for either Commission case 22309 or

19    Division cases 21651, 21733.

20              (No audible response.)

21              HEARING EXAMINER BRANCARD:  Hearing none.  So as

22    I understand, we have a remand from the Commission, and the

23    parties have worked out some sort of arrangement here,

24    possibly even to get rid of a gorgeous Division order that

25    we issued several months back, but I won't take it
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 1   personally.

 2           MR. RANKIN:  (Inaudible) confer, but essentially

 3   the agreement is that Longfellow will -- and, again, we are

 4   looking for the Division's guidance, but essentially our

 5   proposal is that Longfellow will dismiss its underlying

 6   application, move the Division to revoke the existing order,

 7   and then we would ask the Division to enter an order

 8   approving Spur's case in -- application in Case 21733.

 9           HEARING EXAMINER BRANCARD:  Okay.  So I believe

10   this order R21834?

11           MR. RANKIN:  That's correct.

12           HEARING EXAMINER BRANCARD:  Thank you.  And so

13   21651 would get dismissed, and then 21733 would go forward.

14   Is that correct?

15           MR. RANKIN:  That's correct.

16           HEARING EXAMINER BRANCARD:  All right.  So 21733,

17   whose case is that?

18           MR. RANKIN:  That's Spur's case.

19           HEARING EXAMINER BRANCARD:  All right.  So the

20   big question, Mr. Rankin, is -- and you may need to look at

21   the record, but is the record before the Division sufficient

22   and up to date for the Division to go ahead without

23   reopening the record?  That's the question.  Do you need to

24   update a checklist, anything you need to do that's what we

25   need to know.
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 1              Because what we are basically, I hear being

 2    proposed, and maybe I'm reading into your thoughts here, is

 3    a joint motion from the parties to revoke or rescind the

 4    order R-21834, dismiss Division Case 21651, and then request

 5    that the Division issue an order approving 21733 -- is that

 6    correct -- based on the record that exists now.

 7              MR. RANKIN:  That's correct.  I think that's

 8    possible.  I don't think there is anything that would impede

 9    or prevent that.  I will double check, Mr. Examiner, with

10    Longfellow and confirm that the record is complete and

11    efficient and no updates are required.  Once we do that, we

12    will, at your direction, file a joint motion to do just as

13    you have outlined.

14              HEARING EXAMINER BRANCARD:  All right.

15    Mr. Lawton.

16              MR. LAWTON:  Longfellow agrees with everything

17    that Spur's counsel has proposed with the addition of asking

18    the hearing examiner to withdraw Longfellow's appearance in

19    the Aid North application.

20              HEARING EXAMINER BRANCARD:  Okay.  Well, you can

21    just file something to do that.  We need to keep that out of

22    this process, just file a separate piece of paper.  So, Ms.

23    Hardy, any comments from Conoco?

24              MS. HARDY:  ConocoPhillips has no objection to

25    what's being discussed.
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1   HEARING EXAMINER BRANCARD: All right. Okay. So

2   would it be possible then to come up with this joint motion

3   in the next few days, Mr. Rankin?

4   MR. RANKIN: The only, the only hiccup there, Mr.

5   Examiner, is that Ms. Shaheen is out of office. She is on

6   vacation, and she would like to have a chance to review

7   whatever joint proposal or motion we submit, but that's the

8   only impediment or delay that would be imposed is that we

9   would need to wait for Ms. Shaheen to return and give her a

10 chance to review and confer with her client.

11   HEARING EXAMINER BRANCARD: Okay. Mr. Lawton, is

12 that correct?

13   MR. LAWTON: That's correct.

14   HEARING EXAMINER BRANCARD: And when would Ms.

15 Shaheen be back?

16   MR. LAWTON: She comes back Thursday the 11th.

17   HEARING EXAMINER BRANCARD: All right. So here

18 is what I'm tentatively going to do. I'm tentatively going

19 to continue this case to September 1, okay? And you all

20 need to file motions for continuances not on the Commission

21 case, but -- let's forget about 22309 -- but on 651, 733 and

22 then hopefully there will be a motion for us to continue on

23 September 1. Does that sound workable?

24   MR. RANKIN: Indeed we will endeavor to get that

25 done. That shouldn't be a problem with the time frames. We

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 1    will file a joint motion and in the meantime file

 2    continuances on September 1.

 3                HEARING EXAMINER BRANCARD:  All right.  And I may

 4    issue a scheduling order just so that there's something in

 5    the file.  Any other comments on these cases 22309, 21561,

 6    21733.

 7                (No audible response.)

 8                HEARING EXAMINER BRANCARD:  Hearing none, these

 9    cases are continued to September 1.

10                (Concluded.)

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 1   STATE OF NEW MEXICO

 2   COUNTY OF BERNALILLO

 3                     REPORTER'S CERTIFICATE

 4              I do hereby certify that I reported the

 5   foregoing virtual proceedings in stenographic shorthand and

 6   that the foregoing pages are a true and correct transcript

 7   of those proceedings to the best of my ability.

 8              I FURTHER CERTIFY that I am neither employed by

 9   nor related to any of the parties or attorneys in this case

10   and that I have no interest in the final disposition of this

11   case.

12              I FURTHER CERTIFY that the Virtual Proceeding was

13   of poor to good quality.

14              Dated this 4th day of August 2022.

15

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