

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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

PRE-HEARING TRANSCRIPT

September 5, 2019

Santa Fe, New Mexico

BEFORE: WILLIAM V. JONES, CHIEF EXAMINER
PHILLIP GOETZE, TECHNICAL EXAMINER
KATHLEEN MURPHY, TECHNICAL EXAMINER
DYLAN ROSE-COSS, TECHNICAL EXAMINER
DANA Z. DAVID, LEGAL EXAMINER

ALSO PRESENT: Ms. Marlene Salvidrez

This matter came on for hearing before the New Mexico Oil Conservation Division, William V. Jones, Chief Examiner; Kathleen Murphy, Dylan Rose-Coss, and Phillip Goetze, Technical Examiners; and Dana Z. David, Legal Examiner, on Thursday, September 5, 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

1 (8:23 a.m.)

2 EXAMINER JONES: Good morning, everybody.
3 This is Thursday, September the 5th. In case you didn't
4 notice already, it's already almost fall in the year.
5 Docket Number 33-19 examiner hearing. It's possible we
6 might go two days this time. Depends on the attorneys.

7 First I would like to make an announcement
8 that Michael McMillan is leaving, going to the land
9 office starting on Monday. So he's going to be working
10 with Scott Dawson over there and some of the other
11 characters.

12 (Laughter.)

13 EXAMINER JONES: So he'll add to the
14 character business at the land office, I can tell you
15 that.

16 I want to first let Kathleen call the
17 continuances and dismissals this morning, if you don't
18 mind.

19 EXAMINER MURPHY: I don't mind.

20 EXAMINER JONES: Okay.

21 EXAMINER MURPHY: I'll ask if there are
22 corrections afterwards. And it's quite lengthy.

23 So page 1: 20720 is continued. 20721,
24 continued. 20722, continued. 20723, continued. 20733,
25 continued.

1 Heard today: 20751, 20752, 20753, 20754.
2 Dismissed: 20755.
3 For today: 20756, 20757, 20760, 20236,
4 16144, 16145.
5 Page 2, heard today: 16146, 20163, 20164,
6 20169.
7 Continued: 20715 through 20718.
8 Heard today: 20719.
9 Continued: 20724, 20725.
10 Heard today: 15845, 20727, 20728, 20729,
11 20730, 20731, 20732.
12 Page 3. These are continued: 20734
13 through 20743.
14 Heard today: 20744, 20745, 20746, 20747,
15 20748.
16 Continued: 20749, 20750, 20758.
17 Page 4. Continued: 20758, 20762.
18 Heard today: 20763, 20764, 20765, 20766.
19 Continued: 20767.
20 Heard today: 20768, 20769, 20770.
21 Dismissed: 20416.
22 Continued: 13987, 13988, 13989.
23 Heard today: 20773, 20774, 20775, 20776.
24 And page 5. Heard today: 20777.
25 Are there any corrections?

1 MR. LARSON: Madam Examiner, Gary Larson
2 for Ridge Runner Resources Operating.

3 I direct your attention to case numbers 23
4 and 24 on the docket, 20717 and 20718. Both of those
5 cases are grouped with seven other cases that are going
6 to be at a special hearing with a date to be determined.

7 EXAMINER JONES: Is there any movement on
8 that as to when?

9 MR. LARSON: We haven't locked in dates.
10 We have several sets of dates. We just haven't come to
11 an agreement on that.

12 EXAMINER JONES: Is WPX still a part of
13 that.

14 MR. FELDEWERT: Currently, yes, but we hope
15 not to be a part of it.

16 (Laughter.)

17 MR. LARSON: Well, I know I will be, at
18 least as far as I know right now.

19 EXAMINER JONES: And Marathon will be, too.

20 I am supposed to make an announcement on
21 these -- we've got kind of a crunch here with November
22 and December only having one examiner hearing because of
23 the shortened months, and they're having Commission
24 hearings. And so the preference is for the Division
25 to -- if cases are submitted for re-opening, that we

1 actually dismiss the case and re-open a new case number.
2 That's what -- Marlene and Florene have to deal with
3 that and you, also, with your recordkeeping as to -- but
4 we still don't have permission to continue cases to the
5 beginning-of-the-month docket for those two months.

6 And, Phil, that is what Gabe said this
7 morning, correct?

8 EXAMINER GOETZE: Well, the Director has
9 stated there are two cases. There is a new case, and
10 there is a continued case. It won't be re-opened,
11 amended, anything in between. Until that point in time
12 that there may be more clarification, you have two
13 choices. Anything else will be denied, and we will
14 gladly take your money and say no. So keep an eye on
15 it, and if you wish, go through the process.

16 EXAMINER JONES: I think the I.T. group is
17 working on kind of a dynamic docket that hopefully will
18 be in place pretty soon. And so what's going to happen
19 next year is we just don't know. I know January looks
20 like it's going to be a bad month again for whoever is
21 still here.

22 (Laughter.)

23 EXAMINER MURPHY: The B Team.

24 EXAMINER JONES: So anyway, I think I'm
25 going to turn it over to Mr. Goetze who --

1 MR. FELDEWERT: Mr. Jones, I've got one.

2 EXAMINER GOETZE: You've still got
3 business?

4 MR. FELDEWERT: Just one question. So we
5 have one docket in November and one docket in December.
6 That's new cases only, or are there going to be
7 continued cases on that -- on those dockets?

8 EXAMINER JONES: We made that pitch, and we
9 haven't gotten that approved. So it's -- it's just
10 going to be new cases. And I guess the Commission has
11 two dockets that month. If we did add another docket,
12 it would be, you know, one week after -- we'd have to
13 have an examiner hearing, and then the next week, we'd
14 have another examiner hearing. So it's kind of a crunch
15 for you and for Marlene and Florene.

16 MR. FELDEWERT: And so just to clarify, if
17 we have a case that was heard two years ago, a pooling
18 case, but we need to re-open the matter to add
19 additional pooled parties, that would be a new case, but
20 you could still re-open it under the new case number,
21 wouldn't you, just to keep some continuity?

22 EXAMINER JONES: There's an order already
23 issued in that case?

24 MR. FELDEWERT: Yeah. Wouldn't you re-open
25 under that case number to re-open that existing order?

1 MS. SALVIDREZ: It's going to be a new case
2 number that we will assign. Can't re-open cases
3 anymore.

4 EXAMINER JONES: And then we'll have to
5 somehow relate it to the previous case in our -- in your
6 application and our hearing order. So if you can be
7 sure and say in your application this is related to --

8 MR. FELDEWERT: It's going to get a little
9 confusing.

10 EXAMINER MURPHY: Welcome.

11 (Laughter.)

12 EXAMINER DAVID: Compared to what?

13 (Laughter.)

14 MR. FELDEWERT: Once you had the continuity
15 with the case file; you could see the continuity. But
16 now you're going to have two different case files,
17 right? Won't you have two different case files?

18 EXAMINER GOETZE: But you'll end up with an
19 order with an extensive history. As part of the
20 opening, you'll have to -- unfortunately, this is the
21 package we bought in October and --

22 MR. FELDEWERT: So it's a system issue?

23 EXAMINER GOETZE: A lot of issues.

24 (Laughter.)

25 EXAMINER GOETZE: But certainly the system

1 we have now is not as flexible as what we used to have,
2 and with it has come restrictions that have created what
3 is evidently a problem to some people, including myself.
4 But, unfortunately, we do not steer the ship, so --

5 MR. FELDEWERT: I don't want to take up too
6 much of your time. Are you able to do -- you know how
7 we always had Order 70618-A, 70618-B? Are you --

8 EXAMINER GOETZE: We loved it when we had
9 the alphabet in our lives.

10 MR. FELDEWERT: But you don't have that
11 anymore?

12 EXAMINER GOETZE: No. I don't think so.
13 Do you feel the efficiency slipping out?

14 EXAMINER DAVID: Do you have something to
15 schedule?

16 MR. BRUCE: One thing. Mr. DeBrine wanted
17 clarification that case ten on the docket is the one
18 that is dismissed and not case nine. 20755 is
19 dismissed; is that correct? I believe that's right.

20 EXAMINER GOETZE: Yes. Ten was dismissed.
21 You (indicating) got up. It's your
22 opportunity.

23 EXAMINER MURPHY: One more announcement.
24 When you're -- I need for you to the send the exhibits
25 to me as a PDF. And, again, the email is

1 kathleena.murphy. It's state.nm.us. And please be
2 timely so that when an examiner goes to write up the
3 order, the exhibit is in the case file.

4 Thank you.

5 EXAMINER GOETZE: Okay. Are we done with
6 the announcements and changes and messages?

7 Then we'll go into the docket.

8 (The prehearing proceedings conclude, 8:35
9 a.m.)

10 (1:27 p.m.)

11 EXAMINER JONES: Okay. Let's go back on
12 the record this afternoon.

13 Kathleen has an announcement.

14 EXAMINER MURPHY: So Dr. Gruebel found this
15 and pointed it out to me. And so on page 3 at the
16 bottom, 20758 is continued.

17 EXAMINER JONES: What number?

18 EXAMINER MURPHY: Page 3 and it's number
19 52.

20 But at the top of page 4, it has 20758, but
21 it is really 20759, on the top of page 4, number 53.

22 EXAMINER JONES: Oh, thanks.

23 EXAMINER MURPHY: On your docket, it says
24 20758, and it is really 20759.

25 That's it.

1 EXAMINER JONES: Okay. It's correct on the
2 real docket, though.

3 MR. FELDEWERT: That is exactly why I have
4 the real docket.

5 EXAMINER DAVID: Fake dockets, too?

6 (The proceedings conclude, 1:27 p.m.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court
6 Reporter, New Mexico Certified Court Reporter No. 20,
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
10 a true and correct transcript of those proceedings that
11 were reduced to printed form by me to the best of my
12 ability.

13 I FURTHER CERTIFY that the Reporter's
14 Record of the proceedings truly and accurately reflects
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither
17 employed by nor related to any of the parties or
18 attorneys in this case and that I have no interest in
19 the final disposition of this case.

20 DATED THIS 1st day of October 2019.

21

22

23 MARY C. HANKINS, CCR, RPR
24 Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
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