

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: 13987

APPLICATION OF HILCORP ENERGY COMPANY
TO AMEND REFERENCE CASE ORDER R-12865
TO INCLUDE THE PICTURED CLIFFS AND FRUITLAND
COAL GAS POOLS FOR PREAPPROVAL OF DOWNHOLE
COMMINGLING AS TO ALL CRITERIA FOR ITS
SAN JUAN 28-4 UNIT AND TO ELIMINATE
THE NOTICE REQUIREMENT,
RIO ARRIBA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

JANUARY 23, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, LEONARD LOWE and LEGAL EXAMINER ERIC AMES, on Thursday, January 23, 2020, 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: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102
505-843-9241

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A P P E A R A N C E S

For the Applicant:

I N D E X

CASE NO. 20966 CALLED	03
SUMMARY OF CASE AND EXHIBITS	03
TAKEN UNDER ADVISEMENT	05
REPORTER CERTIFICATE	06

E X H I B I T I N D E X

	Admitted
Exhibits 8 and 20 and Attachments	05

1 HEARING EXAMINER ORTH: The next matter is 13987,
2 Hilcorp. Appearances, please

3 MR. RANKIN: Good morning, Madam Examiner. Adam
4 Rankin appearing on behalf of the applicant Hilcorp Energy
5 Company.

6 HEARING EXAMINER ORTH: Are there other
7 appearances?

8 (No response)

9 HEARING EXAMINER ORTH: All right.

10 MR. RANKIN: Good morning, Madam Examiner.
11 Welcome to the OCD.

12 HEARING EXAMINER ORTH: Thank you.

13 MR. RANKIN: This case was heard with live
14 witnesses, not dead ones, back in September 19, 2019. The
15 case was continued since then in order for the applicants to
16 perfect notice.

17 Exhibit 20 in this exhibit packet which I am now
18 distributing is an updated affidavit prepared by Hilcorp's
19 landman who previously testified before the Division.

20 And in that affidavit Mr. Creekmore reviews his
21 efforts to identify the correct notice parties who are
22 entitled to notice under the Division's rules, and
23 identifies that he has prepared a list of those working
24 interest owners and overrides that were required to receive
25 notice of this application.

1 A notice was prepared and identified in Exhibit
2 8, which is also included in your exhibit packet here.
3 Exhibit 8 was originally not presented at the hearing in
4 September because it was identified to be incomplete.
5 Therefore, we, with Mr. Creekmore's notice list, prepared an
6 affidavit indicating that we have provided notice to the
7 parties he has identified to us.

8 So Exhibit 8 includes an affidavit prepared by me
9 and my office indicating that we have provided notice to
10 each of those parties identified to us by Hilcorp, as well
11 as a notice that went out providing notice of today's
12 hearing and of Hilcorp's application.

13 On the following pages you will see a certified
14 mail receipt status of each of the mailings that went out to
15 all the parties identified by Hilcorp. You will see they
16 have all been received except for the first which was Cross
17 Timbers Energy Company that was indicated it was still in
18 transit or hadn't been picked up at the time this was
19 printed.

20 So we also prepared a notice of publication
21 identifying each of the parties by name and the affidavit of
22 publication included in the last page of Exhibit 8.

23 With that, Madam Chair, I would move the
24 admission of Exhibit 8 and 20 into the record and ask that
25 this case be taken under advisement. Thank you.

1 HEARING EXAMINER ORTH: Thank you. Questions?

2 MR. AMES: No.

3 HEARING EXAMINER ORTH: Questions, Mr. Lowe?

4 EXAMINER LOWE: I had a question. On your
5 numbering of exhibits, are they will in line with the
6 initial exhibits?

7 MR. RANKIN: They are. So the last exhibit
8 presented at the hearing was Exhibit 19. As I mentioned,
9 Exhibit 8 was not presented at that time because it was a
10 notice that was incomplete, so we withheld that exhibit
11 back.

12 So these are in sequence, Exhibit 8 would slide
13 into where the notice exhibit should have been for this
14 case, and then Exhibit 20 is the next in sequence for
15 these -- for this hearing.

16 EXAMINER LOWE: Thank you.

17 MR. RANKIN: Thank you very much.

18 HEARING EXAMINER ORTH: Thank you Mr. Rankin.
19 Exhibits 8 and 20 are accepted into the record and the
20 matter will be taken under advisement.

21 (Exhibits 8 and 20 admitted.)

22 (Case 13987 taken under advisement.)

23 (Adjourned.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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

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

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

19 Dated this 23rd day of January 2020.

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

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