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6 **OCD Special NOV Docket June 25, 2026-** 7 **20260625_141315UTC-Meeting Recording**

8 June 25, 2026, 2:13PM

9 1h 25m 4s

10

11 **CE Chakalian, Gregory, EMNRD 18:30**

12 Good morning.

13 It is June 25th at 8:31 AM.

14 This is a special docket of notices of violations only.

15 My name is Gregory Chakalan.

16 I'm the hearing examiner.

17 Our system is a little bit odd this morning, so I'm appearing through my laptop.

18 Here in Pecos Hall. OK, I'm gonna call the first one a little bit out of order.

19 This is echo production.

20 This is 26039 entries of appearance please.

21 Michael Wall, on behalf of OCD.

22

23 **DH Dana S. Hardy 19:08**

24 Good morning, Mr. Examiner.

25 Dana Hardy, on behalf of ECHO production.

26

27 **CE Chakalian, Gregory, EMNRD 19:13**

28 Good morning, Mr. Hall and Miss Hardy.

29 Before I begin, Mr. Hall, I just use your computer, Mike.

30 Not that, Mike.

31 Gotcha. OK.

32 Good. Alright. Excellent. OK, Mr. Hall.

33 Yes.

34 He did, Miss Ari will agree.

35 We have an agreement, however.

36 In fact, Miss Hardy's client has signed the stipulated final order.
37 We are awaiting the director's signature, so thus we haven't filed a motion to dismiss
38 because the.

39

40  +15*****51 19:40

41 OK.

42

43  **Chakalian, Gregory, EMNRD** 19:44

44 The document is not fully executed. However, we have an agreement, M's Hardy.

45

46  **Dana S. Hardy** 19:50

47 That's correct.

48 We've signed the agreement and are just waiting on the director signature and then
49 dismissal.

50

51  **Chakalian, Gregory, EMNRD** 19:55

52 OK.

53 So, Mr. Hall, it's my understanding that once you get a signed final agree stipulated
54 final agreement that you file a motion to dismiss with that as an attachment and then
55 a proposed order dismissing the case, correct. RB2 exhibits and those are the two
56 exhibits. OK, very good.

57 OK, I understand what the posture of this case.

58 Thank you, M's Hardy.

59 Thank you, Mr. Hall.

60

61  **Dana S. Hardy** 20:19

62 Thank you.

63

64  **Chakalian, Gregory, EMNRD** 20:21

65 Thank you.

66 We're off the record in that case, OK?

67 Now I have here that I'm gonna call another case out of order.

68 This is colthurst.

69

7 **CE Corral, Madai, EMNRD** 20:30

71 Openers.

72

7 **CE Chakalian, Gregory, EMNRD** 20:33

74 MGT.

75

7 **CE Corral, Madai, EMNRD** 20:33

77 Their machines 25940.

78

7 **CE Chakalian, Gregory, EMNRD** 20:35

80 Case 25940.

81

8 **CE Corral, Madai, EMNRD** 20:39

83 Yes, Michael Hall, on behalf of the President, Ready. And I do want to announce to
84 you that I had a conversation with with Mr. Swaggart in this case yesterday, which I'll
85 let him elaborate on.

86

8 **CE Chakalian, Gregory, EMNRD** 20:43

88 President.

89

9 **D DELONG** 20:48

91 Hey I need to launch a campaign in two weeks.

92

9 **CE Corral, Madai, EMNRD** 20:55

94 But anyway, that's just one. Thank you.

95

9 **CE Chakalian, Gregory, EMNRD** 21:00

97 What I'd like to know from the division is it's your case.

98 So what is your intention?

99 Because today was the final status conference.

100 My intention.

101 They follow the motion to continue for continuance.

102 I do not oppose the division. Does not oppose that for the reason that we believe
103 there's some moving parts to this, including BLM involvement and they have Mr.

104 Suazo's.
105 Let me know that they recently got a lease extension which was sort of a touch and
106 go matter and now they're negotiating with another operator regarding bringing the
107 wells into compliance.
108 Our position is we're.
109 Ready to go today?
110 But we we've agreed to Mr. Suazo's continuance in an effort.
111 Well, we don't want is an order saying OCD can plug when when an operator's
112 planning on doing so.
113 That's that's sort of our consideration and we also have we have a settlement as to
114 the amount of civil penalty.
115 So. So that's a one announce that we do have that agreement.
116 There's there's not enough certainty as to.
117 To what's going to happen with the three wheels, there's a plan, but there's not
118 concrete deadlines at this point, so that's.
119 That's not ideal, but it's it's OK with us because there's been progress.
120 So. So certainly it's in your sound discretion what happens, but that's OCD's position
121 on it. And I wanna know what your position is.
122 Thank you, Mr. Suazo.

123

124 **MS Miguel Suazo** 22:38

125 Yes. Good morning Mr. Examiner.
126 I appreciate you indulging our motion for extension.
127 I wanted to provide a little color, you know, since we were last before you on this
128 matter.
129 So we do have a firm deadline from the BLM.
130 That was something that was kind of hanging and they had initially taken the
131 position that they're going to cancel the lease.
132 They've backtracked from that and they've set December 1st as the deadline for.
133 Our client Coulter's management to actually plug or produce.
134 These wells and so as soon as we got that date on the horizon, Mr. Colthurst was
135 able to speak to actually, you know, credible and licensed operator that has deeper
136 resources than he does.
137 He's an elderly and so it looks like they're still in the process of conducting their due
138 diligence.

139 We're optimistic that an agreement is going to be signed in the near future, but
140 ideally I think the outcome for the division and for the state is that an operator.
141 Takeover, you know the P&L.
142 Obligations here through this process versus the state having to use their resources
143 to do it. And I think while there's still the opportunity for that to happen in
144 discussions with Mr. Hall, we'd like to try and make sure that that is at least you
145 know, a possibility and.
146 Hopefully likely.

147

148 **CE Chakalian, Gregory, EMNRD 23:55**

149 OK.

150

151 **HE Hall, Michael, EMNRD 23:55**

152 OK.

153

154 **CE Chakalian, Gregory, EMNRD 23:55**

155 I understand. So Mr.

156

157 **HE Hall, Michael, EMNRD 23:55**

158 I understand.

159 So.

160 Give me some information here.

161

162 **CE Chakalian, Gregory, EMNRD 23:59**

163 Hall, give me some information here.

164 Give me some information here.

165

166 **HE Hall, Michael, EMNRD 24:05**

167 Give me some information for.

168

169 **CE Chakalian, Gregory, EMNRD 24:06**

170 What was alleged in the Nov?

171

172 **HE Hall, Michael, EMNRD 24:10**

173 3 inactive wills so.

174 That's that's it.

175 It's been some time.

176 I'll have to pull it up.

177

178 **CE Chakalian, Gregory, EMNRD 24:16**

179 But I had to restart my computer.

180

181 **HE Hall, Michael, EMNRD 24:17**

182 I'm sorry I had to restart my computer, but yeah, let me let me pull that up. As to the
183 dates of inactivity.

184

185 **CE Chakalian, Gregory, EMNRD 24:18**

186 But yeah, let me.

187 Let me pull that up as to the dates of an activity is what I could.

188

189 **HE Hall, Michael, EMNRD 24:24**

190 Is what I could.

191

192 **CE Chakalian, Gregory, EMNRD 24:26**

193 Give further detail on but yes three inactive wells.

194

195 **HE Hall, Michael, EMNRD 24:26**

196 Give further detail on, but yes 3IN active wells.

197

198 **CE Chakalian, Gregory, EMNRD 24:32**

199 That essentially were based upon our standard formula.

200

201 **HE Hall, Michael, EMNRD 24:32**

202 That's essentially where based upon our standard formula, we're asking for 1350.

203

204 **CE Chakalian, Gregory, EMNRD 24:36**

205 We're asking for 1350.

206

207 **HE Hall, Michael, EMNRD 24:40**

208 In civil penalties in the Nov Mr.

209

210 **CE Chakalian, Gregory, EMNRD 24:40**

211 In civil penalties in the Nov Mr. Swat, our operator and OCD have agreed to \$1000
212 on that.

213

214 **HE Hall, Michael, EMNRD 24:44**

215 Operator and OCD have agreed to \$1000 on that.

216

217 **CE Chakalian, Gregory, EMNRD 24:49**

218 That's really it.

219

220 **HE Hall, Michael, EMNRD 24:50**

221 That's really it.

222

223 **CE Chakalian, Gregory, EMNRD 24:50**

224 It's three inactive. Well, so it's on BLM land.

225

226 **HE Hall, Michael, EMNRD 24:50**

227 It's three inactive wells, so it's on BLM land.

228

229 **CE Chakalian, Gregory, EMNRD 24:55**

230 There are some issues, I think the least was either had expired or was expiring, and
231 Mr. Swazil let me know that that that's no longer a concern which which I think that
232 was sort of the first hurdle that the operator needed to get over.

233

234 **HE Hall, Michael, EMNRD 24:55**

235 There were some issues.

236 I think the lease was either had expired or was expiring, and Mr. Suazo was letting
237 me know that that that's no longer a concern which which I think that was sort of the
238 first hurdle that the operator needed to get over.

239

240 **CE Chakalian, Gregory, EMNRD 25:10**

241 So let me let me pull up that and help me and I'll let you know.

242

243 **HE** Hall, Michael, EMNRD 25:10

244 So let me let me pull up that and I'll be and I will let you know.

245

246 **CE** Chakalian, Gregory, EMNRD 25:16

247 I think it's substantial timeframe for inactivity.

248

249 **HE** Hall, Michael, EMNRD 25:16

250 It it I think it was substantial time frame for inactivity.

251

252 **CE** Chakalian, Gregory, EMNRD 25:22

253 So we're glad to see.

254

255 **HE** Hall, Michael, EMNRD 25:22

256 So we're glad to see progress, but September of 2020, it was they've been inactive
257 since at least that time.

258

259 **CE** Chakalian, Gregory, EMNRD 25:24

260 September of 2020 it is.

261 They've been inactive since at least that time, so and when when did you serve the
262 Nov on the operator?

263

264 **HE** Hall, Michael, EMNRD 25:30

265 So.

266 Yes.

267 On or about January 27th.

268

269 **CE** Chakalian, Gregory, EMNRD 25:37

270 So spend some time for just to give you some more supporting detail. Mr. Suazo has
271 not been involved in this case since that time.

272

273 **HE** Hall, Michael, EMNRD 25:38

274 Spend some time for just to give you some more supporting detail.

275 Mr. Suazo has not been involved in this case since that time.

276 The last couple of months I want to say I don't know exactly when he he entered, but
277 but I personally have dealt with Mr. Coulter too is correct.

278

279 **CE Chakalian, Gregory, EMNRD 25:48**

280 The last couple of months I want to say I don't know exactly when he he entered, but
281 but I personally had dealt with Mr. Cool hairstyles, correct.

282 I think he's almost around 90 years old, but he was actually a pleasure to deal with
283 and was.

284

285 **HE Hall, Michael, EMNRD 25:57**

286 I think he's almost around 90 years old, but he was actually a pleasure to deal with
287 and was.

288

289 **CE Chakalian, Gregory, EMNRD 26:06**

290 Concerned about?

291

292 **HE Hall, Michael, EMNRD 26:06**

293 Concerned about this and wanted to address it.

294

295 **CE Chakalian, Gregory, EMNRD 26:07**

296 This and wanted to address it from from. From all aggressions I had and in fact I
297 think is indicated by hiring Council has taken efforts to do that.

298

299 **HE Hall, Michael, EMNRD 26:09**

300 From from from all impressions I had and in fact I think is indicated by hiring.
301 Council has taken efforts to do that so.

302

303 **CE Chakalian, Gregory, EMNRD 26:17**

304 So what?

305 What I'm trying to understand here and and Mr. Suazo, maybe you can help me with
306 this is is there any? Is there any?

307

308 **HE Hall, Michael, EMNRD 26:20**

309 Understand lyrics.

310 Is there any? Is there any?

311

312 **CE Chakalian, Gregory, EMNRD 26:29**

313 Maybe I should ask this in a different way.

314

315 **HE Hall, Michael, EMNRD 26:30**

316 Maybe I should ask this in a different way.

317

318 **CE Chakalian, Gregory, EMNRD 26:32**

319 Does your client admit that these are three wells have been inactive since September
320 of 2020?

321

322 **HE Hall, Michael, EMNRD 26:32**

323 Does your client? I think that these are three wells have been inactive since
324 September of 2020.

325

326 **MS Miguel Suazo 26:39**

327 Yes, there's no dispute with that. You know, I think it's just one of those things where,
328 you know, he lost track of of some assets and he's working really hard with this other
329 company to try and get things to a better place. 'cause he just can't do it.
330 With his age.

331 And so it's been interesting working with him, but I will say, you know, they've been
332 showing us communications between, you know, my client and and actual operator.
333 And they seem like they'd be done in good faith.

334 You know, we have a list of all the remedial actions we're gonna take and all these
335 kinds of things.

336 So we're trying to make the situation right as best we can.

337

338 **CE Chakalian, Gregory, EMNRD 27:14**

339 OK. No, I understand that. And and and that's a different issue that I'm trying to deal
340 with right now.

341

342 **HE Hall, Michael, EMNRD 27:14**

343 OK.

344 When do you renew Mr. Hall?

345

346 **CE** Chakalian, Gregory, EMNRD 27:18

347 So I guess what I'm wondering, Mr. Hall, is if the client if if the respondent does not
348 deny that what is alleged has happened.

349

350 **HE** Hall, Michael, EMNRD 27:21

351 Is if the client if if the respondent does not deny, that's what is alleged.
352 Why not?

353

354 **CE** Chakalian, Gregory, EMNRD 27:31

355 Why not?

356

357 **HE** Hall, Michael, EMNRD 27:33

358 Draft a.

359

360 **CE** Chakalian, Gregory, EMNRD 27:33

361 Draft.

362 A. Why not draft a stipulated final order that says? I admit that these three wells are
363 were inactive.

364

365 **HE** Hall, Michael, EMNRD 27:35

366 Why not draft a stipulated final order that says? I admit that these three wells are
367 were inactive.

368 If I if I will, I will pay the \$1000 penalty and I have a certain amount of time finalized.

369 This agreement with this operator that I don't know who this operator is for or.

370

371 **CE** Chakalian, Gregory, EMNRD 27:46

372 I.

373 I I will.

374 I will pay the \$1000 penalty and I have a certain amount of time to finalize this
375 agreement with this operator that I don't know who this operator is or or.

376 This state will be responsible for plugging these wells.

377

378 **HE** Hall, Michael, EMNRD 28:01

379 This state will be responsible for plugging.
380 In these wells, why do we have to keep going with this case? Is really what I'm asking.
381

382 **CE Chakalian, Gregory, EMNRD 28:04**
383 Why do we have to keep going with this case?
384 Is is really what I'm asking?
385

386 **HE Hall, Michael, EMNRD 28:09**
387 Well, I think the the uncertainty as to time frames would be the reason would be the
388 divisions concerned with drafting it.
389

390 **CE Chakalian, Gregory, EMNRD 28:14**
391 Either read would be the divisions concerned with drafting that right now it could be
392 done.
393

394 **HE Hall, Michael, EMNRD 28:17**
395 Right now it could be done.
396

397 **CE Chakalian, Gregory, EMNRD 28:19**
398 And we can maybe just give a little more time. The state doesn't want.
399

400 **HE Hall, Michael, EMNRD 28:20**
401 And we could maybe just give a little more time this this doesn't want.
402 We need this thing to be responsible.
403

404 **CE Chakalian, Gregory, EMNRD 28:23**
405 We don't want the state to be responsible. Sure, of course not responsible for the
406 successor to this operator.
407

408 **HE Hall, Michael, EMNRD 28:25**
409 We don't operate in responsible.
410 Successor to this operator, whether we steer a full purchase or transfer of wells.
411

412 **CE Chakalian, Gregory, EMNRD 28:30**

413 Sure, whether it's through a full purchase or transfer of wells.

414 So I I think that is something it's something.

415

416 **HE** Hall, Michael, EMNRD 28:34

417 So I think that is something something Mr. Suazo and I discussed yesterday. I didn't
418 think there was enough specificity to do that.

419

420 **CE** Chakalian, Gregory, EMNRD 28:39

421 Mr. Suazo and I discussed yesterday, and I didn't think there was enough specificity.
422 To do that, but I think I think we could get together and do that.

423

424 **HE** Hall, Michael, EMNRD 28:45

425 But I think I think we could get together and do that, but.

426

427 **CE** Chakalian, Gregory, EMNRD 28:49

428 But I hate. I feel like I'm in a position to negotiate that on the record right now, and
429 that might be difficult to do.

430

431 **HE** Hall, Michael, EMNRD 28:51

432 It feel like I'm in a position to negotiate that on the record right now and that might
433 be difficult to do.

434

435 **CE** Chakalian, Gregory, EMNRD 28:58

436 We have had discussions.

437

438 **HE** Hall, Michael, EMNRD 28:58

439 We have had discussions.

440

441 **CE** Chakalian, Gregory, EMNRD 28:59

442 There's not enough specificity as to what or or time frame.

443

444 **HE** Hall, Michael, EMNRD 28:59

445 There's not enough specificity as to what or or the time frame.

446

447 **CE** Chakalian, Gregory, EMNRD 29:04

448 Now there's general timeframes, but that that's my concern with doing a stipulated
449 there's not, there's not concrete deadlines.

450

451 **HE** Hall, Michael, EMNRD 29:04

452 Now there's a general timeframes, but that that's my concern with doing a stipulated
453 there's not, there's not concrete deadlines that we know right now.

454

455 **CE** Chakalian, Gregory, EMNRD 29:12

456 That we know right now.

457 To put in.

458

459 **HE** Hall, Michael, EMNRD 29:14

460 To put in there.

461

462 **MS** Miguel Suazo 29:15

463 If I may.

464

465 **CE** Chakalian, Gregory, EMNRD 29:16

466 Yes, yes. Go ahead, Mr. Suazo.

467

468 **MS** Miguel Suazo 29:18

469 So I guess you know, we do have kind of a firm deadline on the horizon.

470 So you know, that's one reason I think another reason is is that I don't know the
471 nature of this company.

472 I mean, I know it's a reputable operator as far as I can tell, but you know, I think the
473 concern is that if the Nov is issued and the order is signed, you know that makes Mr.
474 Colthurst, you know, somebody with a a Ding on their record so.

475 To speak.

476 So I don't that to gum up.

477 Any of the negotiations?

478 Because I don't know what their due diligence process is, and I think we're moving in
479 the right direction.

480 So all we're asking for is, you know, a bit more time to get this done.

481 And if we don't, there's no nothing stopping the division from, you know, levying the

482 fine and issuing the order at a later date.
483 Given the time frame we're currently looking at.

484

485 **CE Chakalian, Gregory, EMNRD 30:02**

486 What is?

487

488 **HE Hall, Michael, EMNRD 30:02**

489 But it was a time for us.

490

491 **CE Chakalian, Gregory, EMNRD 30:03**

492 What is that time frame, Mr. Swazzo?

493

494 **MS Miguel Suazo 30:04**

495 So December 1st is the hard deadline for the BLM.

496 But obviously we need to get, you know, things in order well before then, for that to
497 even matter.

498 I think the delay at this point is that they're struggling to get the title committed so
499 they can confirm what is owned and if there's any clouds on that title, that process
500 typically takes longer than you would think. And then based upon that, they need to
501 put to.

502 Together, the agreement, the scope of work they need to line up the contractors, all
503 those things from what I've seen, are things that they are doing.

504 But again, it's you know, something that takes longer than you might expect if the
505 constraints are OCD, curing deadlines.

506

507 **CE Chakalian, Gregory, EMNRD 30:46**

508 You know, I'm having a problem with.

509

510 **HE Hall, Michael, EMNRD 30:46**

511 Bill, I'm having a problem with churn office.

512

513 **CE Chakalian, Gregory, EMNRD 30:50**

514 Let me turn off this this speaker here because there's an echo I'm having a problem
515 with.

516

517 **HE** Hall, Michael, EMNRD 30:51

518 This I'm having a problem with.

519

520 **CE** Chakalian, Gregory, EMNRD 30:57

521 The delay in resolving the remedy, it sounds like there's no there's no dispute over.

522

523 **HE** Hall, Michael, EMNRD 30:57

524 The delay in resolving the remedy, it sounds like there's no there's no dispute over.

525

526 **CE** Chakalian, Gregory, EMNRD 31:05

527 The wrongdoing, that is what it is.

528

529 **HE** Hall, Michael, EMNRD 31:05

530 The wrong doing.

531 That is what it is.

532

533 **CE** Chakalian, Gregory, EMNRD 31:07

534 There's no dispute over the fine.

535

536 **HE** Hall, Michael, EMNRD 31:08

537 There's no dispute over the fine.

538

539 **CE** Chakalian, Gregory, EMNRD 31:09

540 That is what it is.

541

542 **HE** Hall, Michael, EMNRD 31:09

543 That is what it is.

544

545 **CE** Chakalian, Gregory, EMNRD 31:10

546 The question is who's going to plug the wells?

547

548 **HE** Hall, Michael, EMNRD 31:10

549 The question is who's gonna plug the wells?

550

551 **CE** Chakalian, Gregory, EMNRD 31:12

552 That's really what we're talking about, right?

553

554 **HE** Hall, Michael, EMNRD 31:13

555 That's really what we're talking about, right?

556

557 **CE** Chakalian, Gregory, EMNRD 31:14

558 What would tell me that would tell me where I'm wrong?

559

560 **HE** Hall, Michael, EMNRD 31:14

561 Slightly one. Well, Mr. Suazo can certainly create.

562

563 **CE** Chakalian, Gregory, EMNRD 31:20

564 He has more information, my understanding is.

565

566 **HE** Hall, Michael, EMNRD 31:20

567 He has more information, my understanding is.

568

569 **CE** Chakalian, Gregory, EMNRD 31:24

570 The plan is to actually produce coordinates injection without a couple of them, and
571 one's probably going to have to be plugged, but I think that's think that's part of
572 what they're working on.

573

574 **HE** Hall, Michael, EMNRD 31:24

575 The plan is to actually produce or make an injection without a couple of them, and
576 one's probably gonna have to be plugged, but I think that's I think that's part of what
577 they're working on. I'll, I'll.

578

579 **CE** Chakalian, Gregory, EMNRD 31:35

580 I'll, I'll. I'll open that up to Mr. Suazo, who has more information on this, but OK, but
581 before.

582

583 **HE** Hall, Michael, EMNRD 31:36

584 Open that up to Mr. Suazo, who has more information on that.

585 To me, it's not necessarily only plugging, I guess is what I would inform you. OK,
586 good.

587

588 **CE** Chakalian, Gregory, EMNRD 31:42

589 I guess is what I would inform you, OK?

590 So let me rephrase the the the the only question here is the disposition of the wells.

591

592 **HE** Hall, Michael, EMNRD 31:46

593 Let me.

594 The only question here is this transition of the. What else correct?

595

596 **CE** Chakalian, Gregory, EMNRD 31:51

597 Whether they're plugged or produced, correct, they're certainly not gonna be

598 produced by Mr. Coldhurst. That's obvious, right?

599

600 **HE** Hall, Michael, EMNRD 31:52

601 Whether they're plugged or produced, correct, they're certainly not going to be

602 produced by Mr. Culbers.

603 That's obvious, right?

604 I'll let Mr. Suazo speak to that, that, that, that impression that that comports with my

605 understanding.

606

607 **CE** Chakalian, Gregory, EMNRD 31:59

608 I'll let Mr. Schwazzle speak to that, that, that, that impression that, that conference

609 with my understanding. So are you telling me that you can't draft a stipulated final

610 order that deals with the the allegations being true deals with the fine and then it as,

611 as I remember your.

612

613 **MS** Miguel Suazo 31:59

614 Correct.

615 Well, I mean, I guess he could try, but that's not the plan right now.

616

617 **HE** Hall, Michael, EMNRD 32:05

618 So are you telling me that you can't draft the stipulated final order that deals with

619 the the allegations being true deals with the fine. And then in, as I remember your

620 orders, there's basically what happens after and and and why can't you pay Mr.
621 Swabhu draft of what?

622

623 **CE Chakalian, Gregory, EMNRD 32:19**

624 Orders.

625 There's basically what happens after and and and. Why can't you and Mr. Suazo draft
626 what happens after to leave things open? That either this other operator takes over
627 the wells or the state plugs them.

628

629 **HE Hall, Michael, EMNRD 32:27**

630 Happens after to leave things open.

631 That either this other author or takes over the wells, or the safe plugs them. Why
632 can't that happen?

633

634 **CE Chakalian, Gregory, EMNRD 32:34**

635 Why can't that happen?

636 I can do that, however I would be granting longer extensions to get wells into
637 compliance. OK, normally. OK. I mean it's that's really the normally problem and
638 normally they say I need three months to get this done.

639

640 **HE Hall, Michael, EMNRD 32:35**

641 I can do that, however I would be granting longer extensions to get wells into
642 compliance than I normally would.

643 OK. That that that's really the only problem. And normally they say I need three
644 months to get this done and I'm like, OK that that comports with our policy on that.
645 That's not, that's not we're not at that point yet.

646

647 **CE Chakalian, Gregory, EMNRD 32:50**

648 And I'm like, OK, that that comports with our policy on that. Yes, but that's not, that's
649 not we're not at that point yet because this will take longer than three months.

650

651 **HE Hall, Michael, EMNRD 33:00**

652 Yes, there's there's some, I think still.

653

654 **CE** Chakalian, Gregory, EMNRD 33:01

655 Yes, there's there's some, I think still.

656

657 **HE** Hall, Michael, EMNRD 33:03

658 For instance, title work.

659

660 **CE** Chakalian, Gregory, EMNRD 33:03

661 For instance, title work.

662

663 **HE** Hall, Michael, EMNRD 33:04

664 Apparently that needs so so there's some uncertainty there.

665

666 **CE** Chakalian, Gregory, EMNRD 33:04

667 Yeah, so so there's some uncertainty there.

668

669 **HE** Hall, Michael, EMNRD 33:08

670 I can draft that, but there's no uncertainty yet.

671

672 **CE** Chakalian, Gregory, EMNRD 33:08

673 I can't draft that, but there's no uncertainty that Mister Colthurst owned the wells

674 that have been.

675

676 **HE** Hall, Michael, EMNRD 33:12

677 Whole pairs own the wells.

678 That have been inactive since September of 2020 and that there's a fine that goes

679 with it.

680

681 **CE** Chakalian, Gregory, EMNRD 33:15

682 Inactive since September of 2020 and that there's a fine that goes with it. There's no.

683

684 **HE** Hall, Michael, EMNRD 33:19

685 There's no there's no dispute about that, correct?

686

687 **CE Chakalian, Gregory, EMNRD 33:20**

688 There's no dispute about that, OK?

689

690 **HE Hall, Michael, EMNRD 33:22**

691 No, I think I think we're all in agreement that he was.

692

693 **CE Chakalian, Gregory, EMNRD 33:22**

694 No, I think I think we're all in agreement that he was.

695

696 **HE Hall, Michael, EMNRD 33:27**

697 I don't want to say him his his company was not compliant and so.

698

699 **CE Chakalian, Gregory, EMNRD 33:28**

700 I don't wanna say him his. His company was not compliant. OK and so.

701 OK.

702 Got it. That's that's undisputed that.

703

704 **HE Hall, Michael, EMNRD 33:34**

705 That, that's that's undisputed. I think Mr. Suazo just agreed to that.

706

707 **CE Chakalian, Gregory, EMNRD 33:38**

708 So, Mr. Suazo, I'm not willing to wait.

709

710 **HE Hall, Michael, EMNRD 33:39**

711 Well, I'm not willing to wait. I mean this this is was filed in January.

712

713 **CE Chakalian, Gregory, EMNRD 33:41**

714 I mean this this is was filed in January.

715 I realize that you got involved along the way and and not from the very beginning,

716 but I'm not willing to wait months.

717

718 **HE Hall, Michael, EMNRD 33:43**

719 I realized that you got involved in writing and and not from the very beginning, but

720 I'm not willing to wait months for the title to be figured out. And for the and for you
721 to come potentially come back to to this tribunal and say, oh, well, there is.

722

723 **CE** Chakalian, Gregory, EMNRD 33:52

724 For the title to be figured out, and for the and for you to potentially come back to to
725 this tribunal and say, oh, well, there is no.

726

727 **HE** Hall, Michael, EMNRD 34:03

728 No.

729 They're not the new operator's not comfortable taking over the three wells.

730

731 **CE** Chakalian, Gregory, EMNRD 34:04

732 They're not the new operator's not comfortable taking over the three wells, so we'll
733 just proceed.

734

735 **HE** Hall, Michael, EMNRD 34:08

736 So we'll just proceed.

737

738 **CE** Chakalian, Gregory, EMNRD 34:10

739 So give me an option that we can wrap this up in some fashion.

740

741 **HE** Hall, Michael, EMNRD 34:10

742 So give me an option that we can.

743 Wrap this up in some fashion.

744

745 **CE** Chakalian, Gregory, EMNRD 34:18

746 Within the next 30 days.

747

748 **HE** Hall, Michael, EMNRD 34:18

749 Within the next 30 days, no matter what.

750

751 **CE** Chakalian, Gregory, EMNRD 34:20

752 No matter what.

753

754 **MS** Miguel Suazo 34:24

755 I think it's gonna be challenging to wrap this up in the next 30 days, you know, which
756 is why we asked for a, you know, more extended status conference time frame.
757 I can't control the negotiations between the parties. We've offered to help facilitate.
758 But you know the other company has their own counsel who operate on their own
759 timeline and they're not really, you know, focusing on the division as we are.
760 You know, I think that what we could do, maybe, you know, we could.
761 Agree to the \$1000 fine and update you within 30 days, but I also don't wanna waste
762 your time coming back in 30 days, you know, with essentially the same update.
763 I do think perhaps, maybe it's fair if we extend this 90 days and I think at that point
764 we'll know if this is gonna go or you know, we just need to move towards, you know,
765 issuing the order and paying the fine and driving down the road but.
766 I.
767 I don't know what to do in the next 30 days, frankly.

768
769 **CE Chakalian, Gregory, EMNRD 35:21**

770 OK.

771

772 **HE Hall, Michael, EMNRD 35:21**

773 OK, I think.

774

775 **CE Chakalian, Gregory, EMNRD 35:21**

776 All right.

777 Thank you, Mr. Esposito. So, Mr. Hall.

778

779 **HE Hall, Michael, EMNRD 35:24**

780 So.

781

782 **CE Chakalian, Gregory, EMNRD 35:26**

783 Having this, having this on the docket for nine months is just not acceptable.

784

785 **HE Hall, Michael, EMNRD 35:26**

786 Having.

787 Having this on the Docker for nine months is just not acceptable, so we can't

788 understood.

789

790 **CE** Chakalian, Gregory, EMNRD 35:33

791 So we can't do that.

792 So please come up with some creative thing that maybe what we could do.

793

794 **HE** Hall, Michael, EMNRD 35:35

795 Please come up with some creative thing that may be what we could do.

796

797 **CE** Chakalian, Gregory, EMNRD 35:39

798 I mean, obviously you could always.

799

800 **HE** Hall, Michael, EMNRD 35:40

801 I mean, obviously you could always dismiss your case and bring it back. That's one
802 idea, right?

803

804 **CE** Chakalian, Gregory, EMNRD 35:43

805 Dismiss your case and bring it back.

806 That's one idea, right?

807 I mean, you could do.

808

809 **HE** Hall, Michael, EMNRD 35:46

810 That that's that could happen. That's that's not our preference.

811

812 **CE** Chakalian, Gregory, EMNRD 35:48

813 It you could do that and I'm not ask, I'm not forcing you to do that.

814

815 **HE** Hall, Michael, EMNRD 35:53

816 Sure.

817

818 **CE** Chakalian, Gregory, EMNRD 35:53

819 I'm just suggesting that's an option.

820 The other option is to do some sort of an agreement between the parties that the
821 director can sign off of.

822

823 **HE** Hall, Michael, EMNRD 35:55

824 The other option is to do some sort of an agreement between the parties that the
825 director can sign off of.

826

827 **CE** Chakalian, Gregory, EMNRD 36:02

828 That leaves the disposition of the wells somewhat open.

829

830 **HE** Hall, Michael, EMNRD 36:02

831 That leaves the disposition of the wells somewhat open. I know it's not your
832 preference to do it this way because you have a time frame, but this is a different
833 kind of case.

834

835 **CE** Chakalian, Gregory, EMNRD 36:06

836 I know it's not your preference to do it this way because you have a time frame, but
837 this is a different kind of a case. I agree and my suggestion.

838

839 **HE** Hall, Michael, EMNRD 36:13

840 I agreed.

841 And my suggestion, I think I have it muted on since I'm using my computer.

842

843 **CE** Chakalian, Gregory, EMNRD 36:16

844 I think I have a muted since I'm using my computer. Can y'all hear me?

845

846 **HE** Hall, Michael, EMNRD 36:19

847 Can y'all hear me?

848

849 **CE** Chakalian, Gregory, EMNRD 36:21

850 No, I don't have time.

851

852 **HE** Hall, Michael, EMNRD 36:22

853 No, I don't have any.

854 There we go.

855

856 **CE** Chakalian, Gregory, EMNRD 36:23

857 There we go. OK.

858

859 **HE** Hall, Michael, EMNRD 36:24

860 OK.

861

862 **CE** Chakalian, Gregory, EMNRD 36:25

863 My suggestion is I know Mr. Swazil say by not know anything in 30 days. Reset this
864 for the next docket, which I think is July 21st, OK. And if it's not resolved by then we
865 either do an SFO or we have our hearing OK and I'm I.

866

867 **HE** Hall, Michael, EMNRD 36:25

868 My suggestion is I know Mr. Suaz will say might not know anything in 30 days.
869 Reset this for the next docket, which I think is July 21st and if it's not resolved by then
870 we either do an SFO or we have our hearing and and we'll we'll present our evidence
871 to you.

872

873 **CE** Chakalian, Gregory, EMNRD 36:43

874 Fine with that.

875

876 **HE** Hall, Michael, EMNRD 36:45

877 And so 30 days, I think I would hope is enough time.

878

879 **CE** Chakalian, Gregory, EMNRD 36:45

880 OK, 30 days I think.

881 I would hope is enough time to for them to have more details.

882

883 **HE** Hall, Michael, EMNRD 36:49

884 To for them to have more details on what is going.

885

886 **CE** Chakalian, Gregory, EMNRD 36:52

887 On what's gonna happen with these three wheels and if they don't, I don't disagree
888 with you that maybe we ought to just enter an order and then.

889

890 **HE** Hall, Michael, EMNRD 36:53

891 Happen with these three wells and if they don't, I don't disagree with you that maybe
892 we ought to just entered an order and then.

893

894 **CE** Chakalian, Gregory, EMNRD 37:02

895 See what happens from there.

896

897 **HE** Hall, Michael, EMNRD 37:02

898 See what happens from there.

899

900 **CE** Chakalian, Gregory, EMNRD 37:03

901 So so that that that's my suggestion.

902

903 **HE** Hall, Michael, EMNRD 37:03

904 So so that that that's my suggestion.

905

906 **CE** Chakalian, Gregory, EMNRD 37:06

907 I know it's not as long as Mr. Suazo wants, but.

908

909 **HE** Hall, Michael, EMNRD 37:07

910 I know it's not as long as Mr. Suazo wants, but we're certainly agreeable to a 30 day
911 reset to give them just a little more time to get their ducks in a row.

912

913 **CE** Chakalian, Gregory, EMNRD 37:11

914 We're certainly agreeable to a 30 day reset to give him just a little more time to get
915 their deduction OK, or or the other alternative is that you and Mr. Suazo be creative.

916

917 **HE** Hall, Michael, EMNRD 37:18

918 Or the other alternative is that you and Mrs. Suaz would be creative. Sure about
919 some sort of stipulated final order that again agrees to the the violation agrees to
920 the fine, and then in some creative way of your lawyers in some creative way, leaves
921 you some leeway to.

922

923 **CE** Chakalian, Gregory, EMNRD 37:22

924 Sure about some sort of a stipulated final order that again agrees to the the violation
925 agrees to the fine and then in some creative way, I mean your lawyers in some
926 creative way leaves you some leeway to allow this operator to take over this these
927 three wells or.

928

929 **HE** **Hall, Michael, EMNRD** 37:40

930 Allow this operator to take over this.

931 These three wells or two wells or whatever the wells that they're going to, sure.

932

933 **CE** **Chakalian, Gregory, EMNRD** 37:44

934 Two wells or whatever the wells that they're going to.

935

936 **HE** **Hall, Michael, EMNRD** 37:47

937 And we'll plug the other ones. Mr. Suazo. Anything burger.

938

939 **CE** **Chakalian, Gregory, EMNRD** 37:47

940 And will plug the other ones, Mr. Suazo. Anything further.

941

942 **MS** **Miguel Suazo** 37:52

943 No, Mr. Examiner, I understand the position of the division and I think that is fair and

944 we'll deal with the 30 days as it comes at us and hope for the best.

945

946 **CE** **Chakalian, Gregory, EMNRD** 38:01

947 OK, Miss Suazo, thank you.

948

949 **HE** **Hall, Michael, EMNRD** 38:02

950 Thanks, Larry, and thank you.

951

952 **MS** **Miguel Suazo** 38:03

953 Thank you.

954

955 **CE** **Chakalian, Gregory, EMNRD** 38:04

956 Mr. Hall, anything further.

957

958 **HE** **Hall, Michael, EMNRD** 38:05

959 This is all I have to.

960

961 **CE** **Chakalian, Gregory, EMNRD** 38:06

962 We're off the record in this case.

963

964 **HE** Hall, Michael, EMNRD 38:09

965 All right. Call now, Buck Co production.

966

967 **CE** Chakalian, Gregory, EMNRD 38:10

968 All right, let's call now Buffco productions.

969 This is 25931 inches of appearance.

970 Yes, Michael Hall, on behalf of OCD, I have another agreement to announce. This is

971 also awaiting the director's signatures.

972

973 **HE** Hall, Michael, EMNRD 38:16

974 So when you go home on behalf of OCD, have another agreement to. This is also
975 directed signature.

976 It's buffco is really.

977

978 **CE** Chakalian, Gregory, EMNRD 38:26

979 Buffko is really they've really made.

980

981 **HE** Hall, Michael, EMNRD 38:28

982 They've really made.

983 A ton of efforts.

984

985 **CE** Chakalian, Gregory, EMNRD 38:30

986 A ton of effort.

987 Efforts that have gone well to get it plugged and it's it's extenuating circumstances
988 out of their control.

989

990 **HE** Hall, Michael, EMNRD 38:31

991 They have one well to get it plugged and it's it's extenuating circumstances out of
992 their control.

993 Why that hadn't happened? They have shared all these details with me and they've
994 they've hired a.

995

996 **CE** Chakalian, Gregory, EMNRD 38:37

997 Why that hadn't happened? OK, they have shared all these details with me, and I

998 haven't heard that I haven't heard.
999 I haven't heard anyone from Buffco. Am I not going to hear anyone from Buffalo
1000 calling?

1001

1002 **HE** Hall, Michael, EMNRD 38:46

1003 I don't know.

1004

1005 **CE** Chakalian, Gregory, EMNRD 38:47

1006 The hearing was happening.

1007

1008 **HE** Hall, Michael, EMNRD 38:47

1009 I I told him the hearing was happening. They did sign.

1010

1011 **CE** Chakalian, Gregory, EMNRD 38:49

1012 They did sign they have signed off on the SFO. However, I haven't gotten it back
1013 from the directors who have you been speaking to at Buffco?

1014

1015 **HE** Hall, Michael, EMNRD 38:50

1016 They have signed off on the SFO.

1017 However, I haven't gotten it back from the director yet.

1018 A lady named Brenda Kesterson.

1019

1020 **CE** Chakalian, Gregory, EMNRD 38:59

1021 Elaine, up in the testers and I hope I'm not butchering. Is she here?

1022

1023 **HE** Hall, Michael, EMNRD 39:02

1024 I hope I'm not butchering her last name.

1025 Don't see her.

1026

1027 **CE** Chakalian, Gregory, EMNRD 39:05

1028 Don't see her.

1029 I wanted to give time for someone to enter an appearance before.

1030 You sure?

1031

1032 **HE** Hall, Michael, EMNRD 39:10

1033 Sure. No sure that's I'm.

1034

1035 **CE** Chakalian, Gregory, EMNRD 39:11

1036 No. Sure that's.

1037

1038 **HE** Hall, Michael, EMNRD 39:14

1039 I suspect they're not here because they signed the SFO yesterday and consider this
1040 resolved so.

1041

1042 **CE** Chakalian, Gregory, EMNRD 39:14

1043 I'm. I suspect they're not because they signed.

1044 This resolved when you're when you're dealing with respondents in the future. If

1045 there's a case on our docket, please encourage them to appear no matter what.

1046 Whether they've signed something not signed, something whatever it may be.

1047

1048 **HE** Hall, Michael, EMNRD 39:27

1049 Sorry.

1050

1051 **CE** Chakalian, Gregory, EMNRD 39:33

1052 Gonna take the hit deal. And this one. I don't think I told her that yesterday, so my
1053 apologies to you.

1054

1055 **HE** Hall, Michael, EMNRD 39:34

1056 On this one, I don't think I told her that yesterday, so my apologies to you.

1057

1058 **CE** Chakalian, Gregory, EMNRD 39:39

1059 All right, so alright good.

1060

1061 **HE** Hall, Michael, EMNRD 39:40

1062 I'm gonna make that a habit going forward.

1063

1064 **CE** Chakalian, Gregory, EMNRD 39:41

1065 So she's not here, but you have a signed agreement and the director has that for his
1066 endorsement.

1067

1068 **HE** Hall, Michael, EMNRD 39:46

1069 Yes. And in fact, even further I have this was a little bit of a unique case because of.

1070

1071 **CE** Chakalian, Gregory, EMNRD 39:53

1072 You need to take a moment and look at that.

1073

1074 **HE** Hall, Michael, EMNRD 39:55

1075 It I'm I'm just giving Sheila feedback. So if can you hear me OK. Is it OK?

1076

1077 **CE** Chakalian, Gregory, EMNRD 39:56

1078 OK.

1079 Alright, OK, alright. Can you hear me?

1080 OK.

1081 I hear you perfectly, but I'm two feet away from you.

1082

1083 **HE** Hall, Michael, EMNRD 40:01

1084 Well, I know, I know.

1085 But I I wonder if the record's picking me up anyway.

1086

1087 **CE** Chakalian, Gregory, EMNRD 40:03

1088 I wonder if you record's picking me up anyway.

1089 I.

1090

1091 **HE** Hall, Michael, EMNRD 40:07

1092 I.

1093

1094 **CE** Chakalian, Gregory, EMNRD 40:08

1095 Yeah. So this one, I've even checked with the OK.

1096

1097 **HE** Hall, Michael, EMNRD 40:08

1098 Yeah. So this one, I've even checked with the director and he's fine with the like.

1099

1100 **CE Chakalian, Gregory, EMNRD 40:10**

1101 He's fine with the OK, like I don't always ask him for this one.

1102

1103 **HE Hall, Michael, EMNRD 40:13**

1104 I don't always ask him before.

1105 We do an SFO. This one's another long one and but it's not their fault. They're trying

1106 to get it plugged in.

1107

1108 **CE Chakalian, Gregory, EMNRD 40:17**

1109 So another long one. OK? And but it's not their fault. They're trying to, OK, plug and

1110 they have from the get go, OK.

1111

1112 **HE Hall, Michael, EMNRD 40:23**

1113 They have from the get go so.

1114 Correct.

1115 That's correct.

1116

1117 **CE Chakalian, Gregory, EMNRD 40:30**

1118 OK. Then we're off the record in that case.

1119

1120 **HE Hall, Michael, EMNRD 40:30**

1121 OK. Then Rob, the record in that case K, right? The next one on our docket is David

1122 Hammond, this 2603 St. Edwards. Please call Michael Hall on behalf of the Oil

1123 Conservation Division.

1124

1125 **CE Chakalian, Gregory, EMNRD 40:33**

1126 Yeah, alright.

1127 The next one on our docket is David Hammond.

1128 This is 26033 entries of appearance. Please Michael. All on behalf of the Oil

1129 Conservation Division, OK. And do we have someone from David Hammond?

1130

1131 **HE Hall, Michael, EMNRD 40:45**

1132 David had.

1133

1134 **CE Chakalian, Gregory, EMNRD 40:48**

1135 Mr. Hall, who have you been communicating with?

1136

1137 **HE Hall, Michael, EMNRD 40:48**

1138 Mr. Hall, who have you been communicating?

1139 I have not spoken to anyone.

1140 There's two emails.

1141

1142 **CE Chakalian, Gregory, EMNRD 40:51**

1143 There's two emails, 1 bounce back and the other did not.

1144

1145 **HE Hall, Michael, EMNRD 40:53**

1146 One bounced back, the other did not.

1147

1148 **CE Chakalian, Gregory, EMNRD 40:55**

1149 OK. And so, uh, but no one has reached out to me and there's no one here today.

1150

1151 **HE Hall, Michael, EMNRD 40:56**

1152 And so Banoon has reached out to me.

1153

1154 **CE Chakalian, Gregory, EMNRD 41:00**

1155 Why don't we have our hearing and go right ahead?

1156

1157 **HE Hall, Michael, EMNRD 41:01**

1158 Let's do it.

1159 I would offer exhibits 123 and four associated with our pre hearing statement.

1160

1161 **CE Chakalian, Gregory, EMNRD 41:05**

1162 123 and four associated with our pre hearing statement. You'd offer them into
1163 evidence.

1164

1165 **HE Hall, Michael, EMNRD 41:12**

1166 I I would offer them into evidence.

1167

1168 **CE Chakalian, Gregory, EMNRD 41:14**

1169 All right. They're they're admitted without exception.

1170

1171 **HE Hall, Michael, EMNRD 41:14**

1172 Yes, Sir. There there is many without exception.

1173

1174 **CE Chakalian, Gregory, EMNRD 41:19**

1175 The respondent has not appeared at the hearing and is in default based on not
1176 appearing.

1177

1178 **HE Hall, Michael, EMNRD 41:19**

1179 The respondent has not appeared at the hearing and is in default based on not
1180 appearing.

1181

1182 **CE Chakalian, Gregory, EMNRD 41:27**

1183 How would you like to proceed?

1184

1185 **HE Hall, Michael, EMNRD 41:27**

1186 How would you like to proceed?

1187 I'd like to proceed by drafting an order setting out all the relief prayed for in the NLV.

1188

1189 **CE Chakalian, Gregory, EMNRD 41:29**

1190 I like to proceed by drafting OK order by setting up all the relief grayed for and then
1191 it'll be. What is the relief?

1192 Let me pull this one up, sorry.

1193

1194 **HE Hall, Michael, EMNRD 41:38**

1195 Let me pull this one up, sorry.

1196

1197 **CE Chakalian, Gregory, EMNRD 41:44**

1198 Thank you so.

1199

1200 **HE Hall, Michael, EMNRD 41:44**

1201 I think it's one well, but don't quote me on that.

1202

1203 **CE Chakalian, Gregory, EMNRD 41:48**

1204 And if you could, if you could say what the allegation is on the record, sure, it's an
1205 active one inactive.

1206

1207 **HE Hall, Michael, EMNRD 41:49**

1208 And you could, you could say what the allegation is on record. Sure, it's inactive.
1209 Well, so that I can say for sure.

1210

1211 **CE Chakalian, Gregory, EMNRD 41:57**

1212 And let me just let you know the number two of those.

1213

1214 **HE Hall, Michael, EMNRD 41:57**

1215 And let me just let you know the number two of so two else.

1216

1217 **CE Chakalian, Gregory, EMNRD 42:00**

1218 So two of those, let's have \$900 total penalty. We're seeking to re seeking
1219 authorization to terminate their authorization to transport the bill to for OCD to plug
1220 those wells.

1221

1222 **HE Hall, Michael, EMNRD 42:01**

1223 So it's a \$900 civil penalty, we're seeking 2.
1224 We're seeking authorization to terminate their authorization of transport. The ability
1225 for OCD to plug those wells, all other relief set out in the NLP.

1226

1227 **CE Chakalian, Gregory, EMNRD 42:14**

1228 All other relief set out.

1229 That I'll be alright.

1230 OK, so you'll send me a a proposed draft ordinance.

1231

1232 **HE Hall, Michael, EMNRD 42:17**

1233 OK.

1234 So a proposed.

1235 Yes, Sir. Very good. All right then.

1236

1237 **CE** Chakalian, Gregory, EMNRD 42:20

1238 Alright, very good.

1239 Alright then. We're off the record in 26033 as David Hammond has not appeared and

1240 no one from David Hammond has appeared.

1241

1242 **HE** Hall, Michael, EMNRD 42:22

1243 I bought the record in 26033 as David Haman has not appeared.

1244 No, would probably depend, that's OK.

1245

1246 **CE** Chakalian, Gregory, EMNRD 42:31

1247 OK, let's move on to Delong.

1248

1249 **HE** Hall, Michael, EMNRD 42:32

1250 Let's move on to the log.

1251

1252 **CE** Chakalian, Gregory, EMNRD 42:33

1253 This is 26037.

1254

1255 **HE** Hall, Michael, EMNRD 42:33

1256 This is 26037.

1257

1258 **CE** Chakalian, Gregory, EMNRD 42:37

1259 Yes.

1260

1261 **HE** Hall, Michael, EMNRD 42:38

1262 Yes, Michael Hall, president.

1263 Ready to proceed on behalf of OCD?

1264

1265 **CE** Chakalian, Gregory, EMNRD 42:41

1266 At OCD.

1267 Would you unmute your microphone, Mr. Delong, and enter an appearance, please?

1268 Who have you been communicating?

1269

1270 **HE** Hall, Michael, EMNRD 43:08

1271 Who have you been communicating?

1272

1273 **CE** Chakalian, Gregory, EMNRD 43:10

1274 Leave this probably in the. I haven't seen him but Buddy Delong.

1275

1276 **HE** Hall, Michael, EMNRD 43:10

1277 I believe this is probably him.

1278 I haven't seen him, but Buddy Delong is his name, yes.

1279

1280 **CE** Chakalian, Gregory, EMNRD 43:14

1281 Buddy delong? Yes. OK, can you mow to eat?

1282

1283 **HE** Hall, Michael, EMNRD 43:17

1284 Can you?

1285 Can you unmute his microphone?

1286

1287 **CE** Chakalian, Gregory, EMNRD 43:17

1288 Can you unmute his microphone?

1289 I understand.

1290 Alright, Mr. Delong, can you hear me?

1291

1292 **HE** Hall, Michael, EMNRD 43:33

1293 Mr. Delong, can you hear me?

1294

1295 **CE** Chakalian, Gregory, EMNRD 43:39

1296 Mr. de long.

1297

1298 **HE** Hall, Michael, EMNRD 43:39

1299 Mr. Delong.

1300 This is a very odd situation.

1301

1302 **CE** Chakalian, Gregory, EMNRD 43:49

1303 This is a very odd situation, isn't it?

1304 He's here.

1305

1306 **HE** Hall, Michael, EMNRD 43:52

1307 He's here.

1308

1309 **CE** Chakalian, Gregory, EMNRD 43:53

1310 He's here, but he's not announcing himself.

1311

1312 **HE** Hall, Michael, EMNRD 43:53

1313 He's appeared he's not here also.

1314

1315 **CE** Chakalian, Gregory, EMNRD 43:56

1316 Well, we can see, Mr. Delong. I don't what he's doing, but Mr. Hall, go right ahead.

1317

1318 **HE** Hall, Michael, EMNRD 43:59

1319 Mr. Hall, go right ahead.

1320 Sure. Yes.

1321

1322 **CE** Chakalian, Gregory, EMNRD 44:00

1323 Sure. Yes, I have.

1324

1325 **HE** Hall, Michael, EMNRD 44:02

1326 I have been in communication with Mr. Delong, was optimistic at one point that we

1327 would enter an SFO, but the division's not satisfied with the progress that's

1328 happened since February.

1329

1330 **CE** Chakalian, Gregory, EMNRD 44:04

1331 Communication with Mr. Delong was optimistic at one point that we would enter an

1332 SFO, but the division is not satisfied with the progress of that.

1333 Then go ahead and present your case. Very good.

1334

1335 **HE** Hall, Michael, EMNRD 44:17

1336 Thanks. Very good.

1337

1338 **CE** Chakalian, Gregory, EMNRD 44:20

1339 Yes, just for, well, you don't have Mr. Delung's phone number, do you?

1340

1341 **HE** Hall, Michael, EMNRD 44:20

1342 Yes, just for well, we.

1343 I don't know.

1344

1345 **CE** Chakalian, Gregory, EMNRD 44:25

1346 OK.

1347

1348 **HE** Hall, Michael, EMNRD 44:26

1349 Let me let me pull up e-mail and see if maybe that's in there.

1350

1351 **CE** Chakalian, Gregory, EMNRD 44:29

1352 Thank you.

1353

1354 **HE** Hall, Michael, EMNRD 44:31

1355 We've we've emailed to, we might've.

1356

1357 **CE** Chakalian, Gregory, EMNRD 44:31

1358 We've we've emailed to, we might.

1359 We might have had a phone call from counting way back there.

1360

1361 **HE** Hall, Michael, EMNRD 44:34

1362 We might've had a phone call kind of way back there.

1363 Let me let me see what I have here.

1364

1365 **CE** Chakalian, Gregory, EMNRD 44:38

1366 Let me see what I have, sure.

1367

1368 **HE** Hall, Michael, EMNRD 44:47

1369 Well, now it says horror still on this one, does he may have two names but it says

1370 Buddy Delong in the.

1371

1372 **CE** Chakalian, Gregory, EMNRD 44:48

1373 So scores alone this one.

1374 Oh, Horace, still in this, says Bodie Dillon. OK.

1375 Yes, I do have a poem. All right, can Marie.

1376

1377 **HE** Hall, Michael, EMNRD 44:57

1378 Yes, I do have a phone number.

1379 Sorry, Mike, did you have a phone? Do you have a work phone with you?

1380

1381 **CE** Chakalian, Gregory, EMNRD 44:59

1382 Do you have a phone?

1383 You have a work phone with you.

1384 Would you read the number, Mr. Hall? So that mighty can call Mr. Delong.

1385

1386 **HE** Hall, Michael, EMNRD 45:02

1387 Would you read the number, Mr. Hall?

1388 So that mighty call, Mr. Dolan. Sure. You ready?

1389 My ladaggi OK, it's 575.

1390

1391 **CE** Chakalian, Gregory, EMNRD 45:09

1392 575.

1393

1394 **HE** Hall, Michael, EMNRD 45:11

1395 513.

1396

1397 **CE** Chakalian, Gregory, EMNRD 45:12

1398 513.

1399

1400 **HE** Hall, Michael, EMNRD 45:14

1401 0472.

1402

1403 **CE** Chakalian, Gregory, EMNRD 45:14

1404 0472.

1405

1406 **HE** Hall, Michael, EMNRD 45:16

1407 Do.

1408

1409 **CE** Chakalian, Gregory, EMNRD 45:20

1410 Sorry, I couldn't hear you.

1411

1412 **HE** Hall, Michael, EMNRD 45:20

1413 I'm sorry I couldn't hear you.

1414

1415 **CE** Chakalian, Gregory, EMNRD 45:23

1416 Oh, I'm sorry, 0472.

1417

1418 **HE** Hall, Michael, EMNRD 45:23

1419 Oh, I'm sorry, 0472.

1420

1421 **CE** Chakalian, Gregory, EMNRD 45:29

1422 Let's see what happens. Mr. Hall, OK.

1423

1424 **HE** Hall, Michael, EMNRD 45:29

1425 See what happens, OK.

1426

1427 **CE** Chakalian, Gregory, EMNRD 45:32

1428 Yes, I I would prefer for him to be able to. Me too.

1429

1430 **HE** Hall, Michael, EMNRD 45:32

1431 Yes, I would prefer for him to be able to hear everything.

1432

1433 **CE** Chakalian, Gregory, EMNRD 46:00

1434 Given that and, it may be the same, my request is that we come back to Mr. Delong
1435 at the end just so he can see you and have the chance to, OK.

1436

1437 **HE** Hall, Michael, EMNRD 46:00

1438 Given that and, it may be the same, my request is that we come back to Mr. Delong
1439 at the end, just so he. He's here and has a chance to participate to the best.

1440

1441 **CE** Chakalian, Gregory, EMNRD 46:09

1442 I have no problem coming back to Mr. Delong, all right.

1443

1444 **HE** Hall, Michael, EMNRD 46:11

1445 Thank you.

1446 The the rest are, I think, gonna either be announcements or.

1447

1448 **CE** Chakalian, Gregory, EMNRD 46:14

1449 OK, that either be announcements or. All right, let's move on.

1450 We're so we're in recess, Mr. Delong's case. Let's move on to entryne.

1451

1452 **HE** Hall, Michael, EMNRD 46:18

1453 Let's but we're in recess.

1454 Case. So let's move on to another time.

1455

1456 **CE** Chakalian, Gregory, EMNRD 46:22

1457 This is 26040.

1458

1459 **HE** Hall, Michael, EMNRD 46:23

1460 This is 2604 zeros.

1461 Yes, this pleased to announce this is another SFO that has been signed by the

1462 operator that's awaiting the director's review and signature.

1463

1464 **CE** Chakalian, Gregory, EMNRD 46:24

1465 Yes, this please denounce.

1466 This is another SFO that has been signed by the operator.

1467 OK.

1468 That's awaiting the directors review and what's the allegation here?

1469 Let me pull that one up.

1470

1471 **HE** Hall, Michael, EMNRD 46:35

1472 Let me pull that one up.

1473 It's inactive wells for sure.

1474

1475 **CE** Chakalian, Gregory, EMNRD 46:36

1476 It's inactive.

1477 Well, OK.

1478

1479 **HE** Hall, Michael, EMNRD 46:40

1480 Well, or well, I think it was several and I also will announce that.

1481

1482 **CE** Chakalian, Gregory, EMNRD 46:40

1483 Whoa, whoa. I think it was several.

1484 And I also will announce.

1485 That Marie, can you send a text to that number?

1486

1487 **HE** Hall, Michael, EMNRD 46:48

1488 Number.

1489

1490 **CE** Chakalian, Gregory, EMNRD 46:50

1491 Let him know we've called his case and we're waiting for him to unmute.

1492

1493 **HE** Hall, Michael, EMNRD 46:50

1494 Let him know we've called this case and we're waiting for him to unmute.

1495 And announce himself.

1496

1497 **CE** Chakalian, Gregory, EMNRD 46:53

1498 And announce himself.

1499

1500 **HE** Hall, Michael, EMNRD 46:56

1501 OK.

1502 So Mr. Don Hanash is who I've dealt with on this operator has 19 wells. Six of them

1503 were out of compliance and inactive. I want to say it's five that he had already done.

1504 C1O3's got had approval for plugging I think on all of.

1505

1506 **CE** Chakalian, Gregory, EMNRD 47:01

1507 Is there Don Hennessy, who I've dealt with on this operator, has 19.

1508 Well, six of them were out of contract. I see.

1509 I want to say it's five that he had already done. See one of those got had an approval
1510 for plugging I think on hold and if not all of them he has plugged a lot of them and I
1511 think he has one left to go anyway the S.

1512

1513 **HE** **Hall, Michael, EMNRD** 47:18

1514 Them it's not all them. Almost all of them.

1515 He has plugged a lot of EM.

1516 And I think he has one left to go anyway.

1517 The SFO we've given him a couple more months to do that.

1518

1519 **CE** **Chakalian, Gregory, EMNRD** 47:27

1520 We've given him a couple more months to do that.

1521 He has already paid the civil penalty.

1522

1523 **HE** **Hall, Michael, EMNRD** 47:29

1524 He's already paid the civil penalty.

1525

1526 **CE** **Chakalian, Gregory, EMNRD** 47:31

1527 That's hard been received by the OK.

1528

1529 **HE** **Hall, Michael, EMNRD** 47:31

1530 That's already been received by the division. So. So yes, with the director perfect, yes.

1531

1532 **CE** **Chakalian, Gregory, EMNRD** 47:33

1533 So you so the SF OS with the director perfect, yes.

1534 And you'll dismiss this case. Alright, very good.

1535

1536 **HE** **Hall, Michael, EMNRD** 47:38

1537 Correct.

1538

1539 **CE** **Chakalian, Gregory, EMNRD** 47:39

1540 We're off the record in Enerdyne.

1541 Mr. Delong, can you hear us?

1542

1543 **HE** Hall, Michael, EMNRD 47:41

1544 Mr. DeLong, can you hear us?

1545

1546 **CE** Chakalian, Gregory, EMNRD 47:46

1547 Wow.

1548 How strange.

1549

1550 **HE** Hall, Michael, EMNRD 47:48

1551 Strange, yeah.

1552

1553 **CE** Chakalian, Gregory, EMNRD 47:53

1554 Oh, very strange.

1555

1556 **HE** Hall, Michael, EMNRD 47:53

1557 Strange, I wish there was a way to communicate with infinite computers as he's
1558 working. Can we chat?

1559

1560 **CE** Chakalian, Gregory, EMNRD 47:54

1561 I wish there was a way to communicate with him through the computer, since he's
1562 looking. Can we chat? Maybe.

1563

1564 **HE** Hall, Michael, EMNRD 47:58

1565 Maybe in the hearing.

1566 Doubtful that he knows how to do this.

1567

1568 **CE** Chakalian, Gregory, EMNRD 48:00

1569 It's doubtful that he knows how to do that.

1570

1571 **HE** Hall, Michael, EMNRD 48:02

1572 Yeah, that I would agree.

1573 Mr. DeLong, can you hear us?

1574 Mr. DeLong.

1575 I don't know how you can detect.

1576

1577 **CE Chakalian, Gregory, EMNRD** 48:16

1578 By the EU sent a text.

1579 You did.

1580 You did send a text.

1581

1582 **HE Hall, Michael, EMNRD** 48:19

1583 It send it text.

1584

1585 **CE Chakalian, Gregory, EMNRD** 48:21

1586 Well, maybe this is.

1587

1588 **HE Hall, Michael, EMNRD** 48:22

1589 Well, maybe this is.

1590

1591 **CE Chakalian, Gregory, EMNRD** 48:23

1592 Maybe this is a strategy, Mr. Hall, that we haven't quite seen yet before, but I'll wait
1593 till the end to to call the case as as as appreciated.

1594

1595 **HE Hall, Michael, EMNRD** 48:24

1596 Maybe this is a strategy, Mr.

1597 But I'll wait for the end, please. Thank you.

1598 I I appreciate your your indulging me on that.

1599

1600 **CE Chakalian, Gregory, EMNRD** 48:33

1601 Although I have a feeling nothing's gonna change. OK, let's now go on to finally
1602 resources.

1603

1604 **HE Hall, Michael, EMNRD** 48:37

1605 Finally, resources 26042 and I apologize.

1606

1607 **CE Chakalian, Gregory, EMNRD** 48:39

1608 This is 26042.

1609

1610 **HE** Hall, Michael, EMNRD 48:43

1611 There's an SFO that's fully executed in that one.

1612

1613 **CE** Chakalian, Gregory, EMNRD 48:44

1614 Executed in that one. Which one?

1615

1616 **HE** Hall, Michael, EMNRD 48:47

1617 Finally, resources are finally.

1618

1619 **CE** Chakalian, Gregory, EMNRD 48:48

1620 Then finally, recently are you gonna enter an appearance?

1621 Yes, sorry, OCD. President's ready to proceed.

1622

1623 **HE** Hall, Michael, EMNRD 48:52

1624 Yes, sorry, OCD president and ready to proceed.

1625

1626 **CE** Chakalian, Gregory, EMNRD 48:54

1627 Yes. Wanna announce to you that yesterday we filed a motion to dismiss with an
1628 order with the attached SFO in this matter.

1629

1630 **HE** Hall, Michael, EMNRD 48:55

1631 Want to announce to you that yesterday we filed a motion to dismiss with an order
1632 with the attached SFO in this matter. So it's it's ready for you to sign off on
1633 sometime.

1634

1635 **CE** Chakalian, Gregory, EMNRD 49:02

1636 OK.

1637 So, oh, you did OK.

1638 Alright, OK.

1639

1640 **HE** Hall, Michael, EMNRD 49:07

1641 Sometime back we had executed the SFO and I.

1642

1643 **CE** Chakalian, Gregory, EMNRD 49:08

1644 Come back. We have executed the SF bar and OK.

1645

1646 **HE** Hall, Michael, EMNRD 49:09

1647 I had not filed the dismissal on that yet, so it's not Mr. Finley's fault. It's mine.

1648

1649 **CE** Chakalian, Gregory, EMNRD 49:10

1650 I have not filed the. Oh, I see. OK, alright.

1651 And Mr. Finley is not here with us. He is not here. OK, I can understand why.

1652

1653 **HE** Hall, Michael, EMNRD 49:17

1654 He is not here, but I I can understand why.

1655

1656 **CE** Chakalian, Gregory, EMNRD 49:20

1657 I can understand why too.

1658 Right. OK.

1659 So moving on to the, so we're off the record in finale resources.

1660

1661 **HE** Hall, Michael, EMNRD 49:23

1662 So moving on to so brought the record in front of me recently.

1663 So moving on to George Denton 26066. Yes OCD's present and ready to proceed.

1664

1665 **CE** Chakalian, Gregory, EMNRD 49:28

1666 So moving on to George Denton 26066. Yes, I'll see these present and ready to
1667 proceed. OK. Is there anyone from George Denton?

1668 Go right ahead, Mr. Hall.

1669 Uh, Mr. 10, we have.

1670

1671 **HE** Hall, Michael, EMNRD 49:42

1672 Mr. Denton, we have.

1673

1674 **CE** Chakalian, Gregory, EMNRD 49:44

1675 I have been in touch with them.

1676

1677 **HE** Hall, Michael, EMNRD 49:44

1678 I have been in touch with him.

1679

1680 **CE** Chakalian, Gregory, EMNRD 49:46

1681 In fact, he has plugged the well.

1682

1683 **HE** Hall, Michael, EMNRD 49:46

1684 In fact, he has plugged the well I think think there was.

1685

1686 **CE** Chakalian, Gregory, EMNRD 49:49

1687 I think there was.

1688 Maybe this isn't part of the Nov? There was.

1689

1690 **HE** Hall, Michael, EMNRD 49:50

1691 Maybe this isn't part of the Nov, there was maybe some sucker rod still out on the
1692 site that needed to be cleaned up.

1693

1694 **CE** Chakalian, Gregory, EMNRD 49:53

1695 Maybe some sucker guide still out on the site that needed to be cleaned up.

1696

1697 **HE** Hall, Michael, EMNRD 49:57

1698 He I think it was two days ago.

1699

1700 **CE** Chakalian, Gregory, EMNRD 49:58

1701 He I think it was two days ago I spoke to him and he said either that that had
1702 happened was about to happen. OK. He hired someone to do it.

1703

1704 **HE** Hall, Michael, EMNRD 49:59

1705 I spoke to him, he said. Either that that had happened was about to happen. I think
1706 he hired someone to do it. At any rate, the allegations in the Nov have been.

1707

1708 **CE** Chakalian, Gregory, EMNRD 50:05

1709 At any rate, the allegations in the NOB have been OK, addressed by her. OK, been
1710 speaking to our engineering department and they're satisfied.

1711

1712 **HE Hall, Michael, EMNRD 50:09**

1713 Addressed by him. I've been speaking to our engineering department.

1714 And they're satisfied. So, so. And there's some extenuating circumstances, which I

1715 don't really wanna go into detail on the record regarding Mr. Den Health, but.

1716

1717 **CE Chakalian, Gregory, EMNRD 50:14**

1718 So, so there's some extenuating circumstances which I don't really wanna go into
1719 detail on the record regarding Mr. Den's health, but.

1720 Our OCD would like for there to be no civil penalty in this case. OK, because OK,
1721 we're satisfied with he. He got on the word.

1722 OK. And there's there's good reason for us not so. Are you presenting the case
1723 today?

1724

1725 **HE Hall, Michael, EMNRD 50:33**

1726 And there's there's good reason for us not to see.

1727 See. Yes, we're going to present the case and he knows we are OK.

1728

1729 **CE Chakalian, Gregory, EMNRD 50:38**

1730 Yes, go right ahead.

1731 Present the case and he knows we are.

1732 Go ahead. OK.

1733 We would offer exhibits 123 and four OK attached to our pre hearing statement into
1734 evidence into evidence. OK.

1735

1736 **HE Hall, Michael, EMNRD 50:42**

1737 We would offer exhibits 123 and four attached to our pre hearing statement into
1738 evidence.

1739

1740 **CE Chakalian, Gregory, EMNRD 50:50**

1741 So those are admitted without exception, as I mean there is no one here to object to
1742 them.

1743

1744 **HE Hall, Michael, EMNRD 50:50**

1745 So those are exception as there is no one here to object to them. Go ahead Mr. Paul.

1746

1747 **CE Chakalian, Gregory, EMNRD 50:55**

1748 Go ahead, Mr. Hall.

1749

1750 **HE Hall, Michael, EMNRD 50:57**

1751 Yes, we seek a really a standard order authorizing us to, to seek the relief, and then

1752 I'll be.

1753

1754 **CE Chakalian, Gregory, EMNRD 50:57**

1755 Yes, we seek.

1756 It's really a standard order of authorizing us to to seek the relief, and then I'll be. But

1757 really that's not necess.

1758

1759 **HE Hall, Michael, EMNRD 51:06**

1760 But really that's not necessary because the wells been plugged and we seek no civil

1761 penalty.

1762

1763 **CE Chakalian, Gregory, EMNRD 51:09**

1764 Arily a penalty.

1765 We really just wanted an order acknowledging that he was in violation.

1766

1767 **HE Hall, Michael, EMNRD 51:11**

1768 We really just want an order acknowledging that he was in violation.

1769

1770 **CE Chakalian, Gregory, EMNRD 51:17**

1771 And and entered that and I'll be happy to draft. You're drafting that. OK, very good.

1772

1773 **HE Hall, Michael, EMNRD 51:17**

1774 And and enter that and I'll be happy to draft that. Yes, Sir.

1775

1776 **CE Chakalian, Gregory, EMNRD 51:20**

1777 Then I'll wait for your proposed order and we're off the record.

1778 And George Denton.

1779 Let's move on to H&M disposal.

1780

1781 **HE** Hall, Michael, EMNRD 51:25

1782 Disposal 26072 this is another SFO case.

1783

1784 **CE** Chakalian, Gregory, EMNRD 51:26

1785 26072.

1786 OK.

1787

1788 **HE** Hall, Michael, EMNRD 51:32

1789 Let let me double check on this one 'cause. I don't know if I've gotten this one back,
1790 but we have agreed in principle to the terms of.

1791

1792 **CE** Chakalian, Gregory, EMNRD 51:33

1793 Double check on this one because I don't know if I've gotten this one back, but we
1794 have agreed in principle to the turnover.

1795

1796 **HE** Hall, Michael, EMNRD 51:41

1797 Let me double check that.

1798

1799 **CE** Chakalian, Gregory, EMNRD 51:50

1800 Buddy, will you try calling the number again?

1801

1802 **HE** Hall, Michael, EMNRD 51:50

1803 Are you retract calling the number again?

1804

1805 **CE** Chakalian, Gregory, EMNRD 51:54

1806 Maybe you should leave a message this time.

1807

1808 **HE** Hall, Michael, EMNRD 51:54

1809 Maybe you should leave a message this time.

1810

1811 **CE** Chakalian, Gregory, EMNRD 51:57

1812 That we're gonna proceed with the case whether or not he announces his presence
1813 as he's here, we can see him.

1814

1815 **HE** Hall, Michael, EMNRD 51:58

1816 That we're going to proceed with the case whether or not he announces his presence
1817 as he's here, we can see him.

1818 He looks at the screen.

1819

1820 **CE** Chakalian, Gregory, EMNRD 52:05

1821 He looks at the screen.

1822 So I don't know what's the matter.

1823

1824 **HE** Hall, Michael, EMNRD 52:09

1825 So I don't know what's gonna.

1826 Hmm, I would like to go ahead and proceed.

1827

1828 **CE** Chakalian, Gregory, EMNRD 52:14

1829 H and Li would like to go ahead and proceed. I would like to receive the SFO back if I
1830 do get that back.

1831

1832 **HE** Hall, Michael, EMNRD 52:16

1833 I have not received the SFO back. If I do get that back.

1834 We may end up presenting you at the dismissal instead of an order, but given that I
1835 haven't gotten that and haven't heard back on that, I would like to go ahead and
1836 proceed and I think they have notice of the hearing.

1837

1838 **CE** Chakalian, Gregory, EMNRD 52:22

1839 We may end up presenting you at the OK instead of an order.

1840 I get it.

1841 And haven't heard back on that. I would like to go ahead and proceed and I think
1842 they have noticed over here, right and and who is that?

1843

1844 **HE** Hall, Michael, EMNRD 52:33

1845 So who is that?

1846

1847 **CE** Chakalian, Gregory, EMNRD 52:35

1848 Who is it there at H&M that you've been talking to? That'd be sorry, I'm.

1849

1850 **HE** Hall, Michael, EMNRD 52:36

1851 Who is it there at H&M that you've been talking to?

1852 Let me oh, sorry, I I close that down. Let me.

1853 Hurad, I believe is his name.

1854

1855 **CE** Chakalian, Gregory, EMNRD 52:43

1856 Right, I believe is his name.

1857

1858 **HE** Hall, Michael, EMNRD 52:46

1859 Yep, I hope I'm not saying that wrong.

1860

1861 **CE** Chakalian, Gregory, EMNRD 52:46

1862 Yep, OK.

1863 I hope I'm not saying that wrong.

1864

1865 **HE** Hall, Michael, EMNRD 52:48

1866 This is.

1867

1868 **CE** Chakalian, Gregory, EMNRD 52:48

1869 This is, I don't think we've spoken on the phone.

1870

1871 **HE** Hall, Michael, EMNRD 52:49

1872 I don't think we've spoken on the phone.

1873 I think it's all been through e-mail.

1874

1875 **CE** Chakalian, Gregory, EMNRD 52:51

1876 I think it's all been through e-mail.

1877

1878 **HE** Hall, Michael, EMNRD 52:52

1879 This is why I really like the cases out of the document.

1880

1881 **CE** Chakalian, Gregory, EMNRD 52:52

1882 This is why I'd really like if the case is on the docket. I really like to have that
1883 responding here.

1884

1885 **HE** Hall, Michael, EMNRD 52:55

1886 I really like I I understand. Yeah.

1887

1888 **CE** Chakalian, Gregory, EMNRD 52:58

1889 Yeah, I know you do.

1890 I'm just saying This is why I'd really like to have them there.

1891

1892 **HE** Hall, Michael, EMNRD 53:01

1893 Yep, and I'm disappointed we haven't gotten the SFO.

1894

1895 **CE** Chakalian, Gregory, EMNRD 53:01

1896 Yep, so go ahead.

1897 But we're still willing to abide by that.

1898

1899 **HE** Hall, Michael, EMNRD 53:04

1900 We're still willing to abide by that, but in the event we don't, we would like, we would
1901 like to.

1902

1903 **CE** Chakalian, Gregory, EMNRD 53:06

1904 But oh, you mean you haven't?

1905 We would like we would like to do. You mean you haven't received the signed copy
1906 back from bonded? That's.

1907

1908 **HE** Hall, Michael, EMNRD 53:13

1909 From the operator, we're not waiting on the director on this one.

1910 That's why I wanna go ahead and OK.

1911

1912 **CE** Chakalian, Gregory, EMNRD 53:16

1913 Why I want to go ahead, go right ahead.

1914

1915 **HE** Hall, Michael, EMNRD 53:19

1916 Yes, Michael Hall, on behalf of OCD, we're ready to proceed and would offer into
1917 evidence exhibits 123 and four attached to our pre hearing statement.

1918

1919 **CE Chakalian, Gregory, EMNRD 53:19**

1920 Yes, Michael, Bar on behalf of OCD, we're ready to proceed and would offer into
1921 evidence exhibits 123 and four attached to our pre hearing statement. Admitted
1922 without exception as no one from H&M has appeared.

1923

1924 **HE Hall, Michael, EMNRD 53:29**

1925 Needed without exception as no one from HMM has appeared.

1926

1927 **CE Chakalian, Gregory, EMNRD 53:35**

1928 How do you want to proceed?

1929

1930 **HE Hall, Michael, EMNRD 53:35**

1931 How do you wanna proceed?

1932

1933 **CE Chakalian, Gregory, EMNRD 53:35**

1934 Do you want to draft a draft?

1935

1936 **HE Hall, Michael, EMNRD 53:36**

1937 Do you wanna grab a?

1938 I will draft a proposed order or a motion to dismiss, depending on how the operator.

1939

1940 **CE Chakalian, Gregory, EMNRD 53:38**

1941 A proposed order or a motion to dismiss, right depending on how the operator.

1942 Deals with this.

1943

1944 **HE Hall, Michael, EMNRD 53:43**

1945 Deals with this.

1946

1947 **CE Chakalian, Gregory, EMNRD 53:44**

1948 How long are you willing for the operator to sign the H? The SFOI don't think.

1949

1950 **HE Hall, Michael, EMNRD 53:44**

1951 How long are you willing for the operator to decide? The SFO.

1952 I don't think honestly, I'm disappointed it hadn't happened.

1953

1954 **CE** Chakalian, Gregory, EMNRD 53:50

1955 I'm disappointed.

1956 Hadn't happened.

1957 I'll probably give them a week, OK?

1958

1959 **HE** Hall, Michael, EMNRD 53:51

1960 I'll probably give them a week and then I'll go ahead and we'll, we'll, we'll proceed

1961 under default like because they didn't show up was was there some sort of bargain

1962 benefit of a bargain that he was gonna get in the SFO.

1963

1964 **CE** Chakalian, Gregory, EMNRD 53:56

1965 OK, right.

1966 Was was there some sort of bargain benefit of a bargain that he was gonna get in

1967 the SFO? OK.

1968

1969 **HE** Hall, Michael, EMNRD 54:05

1970 Not really, no.

1971 There's nothing unique about it, yeah.

1972

1973 **CE** Chakalian, Gregory, EMNRD 54:09

1974 I just wondered.

1975

1976 **HE** Hall, Michael, EMNRD 54:10

1977 I just want all right?

1978

1979 **CE** Chakalian, Gregory, EMNRD 54:10

1980 All right, Mr. Hall.

1981

1982 **HE** Hall, Michael, EMNRD 54:11

1983 Thank you, Mr. Paul. Thanks.

1984

1985 **CE** Chakalian, Gregory, EMNRD 54:11

1986 Thank you.

1987

1988 **HE** **Hall, Michael, EMNRD** 54:11

1989 Do you want me or?

1990

1991 **CE** **Chakalian, Gregory, EMNRD** 54:11

1992 I'm gonna recall Delong. This is case number four on our docket 26037.

1993

1994 **HE** **Hall, Michael, EMNRD** 54:12

1995 Thank you all.

1996 The longest case number four on our docket 26037, Mr. Dillon.

1997

1998 **CE** **Chakalian, Gregory, EMNRD** 54:18

1999 Mr. Delong.

2000 Then he should just call in all he has to do is unmute.

2001

2002 **HE** **Hall, Michael, EMNRD** 54:27

2003 And he's just called in. All he had to do was unmute.

2004

2005 **CE** **Chakalian, Gregory, EMNRD** 54:30

2006 We can see him.

2007

2008 **HE** **Hall, Michael, EMNRD** 54:31

2009 We can see him.

2010

2011 **CE** **Chakalian, Gregory, EMNRD** 54:35

2012 Hearing us.

2013

2014 **HE** **Hall, Michael, EMNRD** 54:36

2015 Hearing us.

2016

2017 **CE** **Chakalian, Gregory, EMNRD** 54:37

2018 So it's his microphone.

2019

2020 **HE** **Hall, Michael, EMNRD** 54:37

2021 So it's his microphone. He just haven't called in.

2022

2023 **CE** Chakalian, Gregory, EMNRD 54:38

2024 Yeah, just have him call in.

2025

2026 **D** DELONG 54:39

2027 Can you guys hear me?

2028

2029 **CE** Chakalian, Gregory, EMNRD 54:41

2030 Go right ahead.

2031

2032 **HE** Hall, Michael, EMNRD 54:42

2033 Go ahead.

2034

2035 **CE** Chakalian, Gregory, EMNRD 54:44

2036 Let's take a 5 minute recess while you do that.

2037

2038 **HE** Hall, Michael, EMNRD 54:44

2039 Let's take a 5 minute recess while you do that.

2040

2041 **D** DELONG 54:46

2042 Are you still there?

2043 Let me try.

2044

2045 **HE** Hall, Michael, EMNRD 54:50

2046 So I turned off my you turn on who might be carrying.

2047

2048 **D** DELONG 54:51

2049 Well, I unmuted mine.

2050 I I have my mic unmuted right now, but I they're not responding to it.

2051

2052 **HE** Hall, Michael, EMNRD 54:53

2053 Yeah, sure. That way I don't get picked up.

2054 Oh my might get well my speakers off.

2055

2056 **CE** **Corral, Madai, EMNRD** 55:04

2057 Can you hear me?

2058

2059 **HE** **Hall, Michael, EMNRD** 55:04

2060 I don't know.

2061 Yeah, let me camera.

2062

2063 **CE** **Corral, Madai, EMNRD** 55:06

2064 Can you hear?

2065 Can you hear me on the computer?

2066

2067 **D** **DELONG** 55:13

2068 I don't hear you on the computer at all.

2069 Just gonna give you the number so you could call in, OK.

2070 I think it's, I think according to that notice it is 505-312-4308.

2071 Give me one second, OK?

2072 I do not know it.

2073 It says I will find day one kill 4308. OK, that's what it says here.

2074 OK.

2075 Well, maybe I can just stay logged on and and then the then do I enter that 732643

2076 phone conference ID.

2077 OK.

2078 I'm gonna go ahead and I will.

2079 Causing feedback.

2080 All right, I'm on the phone.

2081 And I think I've got my. I think I should have the MIC muted now.

2082

2083 **CE** **Corral, Madai, EMNRD** 57:21

2084 It's on my list and all this stuff getting in that kind of hi.

2085

2086 **+15*****72** 57:24

2087 OK.

2088 Good morning.

2089

2090 **CE Corral, Madai, EMNRD** 57:26

2091 Can you hear me now?

2092

2093 **+15*****72** 57:27

2094 Thank you.

2095 I hear you. Great, now. Thank you.

2096

2097 **CE Corral, Madai, EMNRD** 57:30

2098 OK, perfect. I'll let the hearing officer know.

2099 Give me one second and we'll get back to your case. Thank you.

2100

2101 **+15*****72** 57:35

2102 Thank you.

2103

2104 **CE Chakalian, Gregory, EMNRD** 57:58

2105 OK, Mr. Delong. Are you with us?

2106

2107 **+15*****72** 58:00

2108 Yes, yes, yes, yes. I thought you guys were just having.

2109 I just thought I was just not previewed any of that, so I was just waiting for my audio

2110 to come up.

2111

2112 **CE Chakalian, Gregory, EMNRD** 58:12

2113 Yeah. OK. We called your kid.

2114

2115 **+15*****72** 58:12

2116 So I've been I've been on for about. I've been on for about 48 minutes and I thought,

2117 well, I guess I've been meeting hasn't started yet.

2118

2119 **CE Chakalian, Gregory, EMNRD** 58:19

2120 No, we called your case.

2121 It was the 4th one on the docket. We called your case about half an hour ago.

2122 We could see you, but you weren't unmuting your microphone and speaking to us.

2123 So we just held your case in advance while we found a workaround.

2124 So I'm glad you're with us.

2125

2126 +15*****72 58:36

2127 OK.

2128

2129 **CE** Chakalian, Gregory, EMNRD 58:37

2130 And Mr. Hall, how are we proceeding on this case?

2131 CD's presented ready to to proceed OK.

2132

2133 **HE** Hall, Michael, EMNRD 58:42

2134 OCD is present and ready to to proceed with the hearing.

2135

2136 **CE** Chakalian, Gregory, EMNRD 58:46

2137 Go ahead.

2138

2139 **HE** Hall, Michael, EMNRD 58:47

2140 Thank you.

2141

2142 **CE** Chakalian, Gregory, EMNRD 58:48

2143 Thank you.

2144

2145 **HE** Hall, Michael, EMNRD 58:48

2146 Yes, this is.

2147

2148 **CE** Chakalian, Gregory, EMNRD 58:48

2149 Yes, this is the this is inactive.

2150

2151 **HE** Hall, Michael, EMNRD 58:51

2152 This is an inactive well Nov here.

2153

2154 **CE** Chakalian, Gregory, EMNRD 58:53

2155 Well, Nov here let me.

2156

2157 **HE** Hall, Michael, EMNRD 58:55

2158 Let me get this inactive.

2159

2160 **CE** Chakalian, Gregory, EMNRD 58:57

2161 Inactiv.

2162

2163 **HE** Hall, Michael, EMNRD 58:58

2164 Well, Nov let me let me pull it up.

2165

2166 **CE** Chakalian, Gregory, EMNRD 59:00

2167 Ate let me. Let me pull it up.

2168 Let me let me ask Mr. Delong.

2169

2170 **HE** Hall, Michael, EMNRD 59:03

2171 Let me let me ask Mr. I think it's one.

2172

2173 **CE** Chakalian, Gregory, EMNRD 59:04

2174 Mr. Delong, did you receive the Nov?

2175

2176 **HE** Hall, Michael, EMNRD 59:05

2177 Did you receive the Nov?

2178

2179 **+15*****72** 59:09

2180 I did not receive it until I believe.

2181 Maybe 60 days ago it was.

2182 It was, I think, according to the the stream of documents, it was sent to an old

2183 address and I sent Mr. Hall a a letter, you know, like an assignment of where I had

2184 sold those wells back in 2021.

2185

2186 **CE** Chakalian, Gregory, EMNRD 59:21

2187 OK.

2188

2189 **HE** Hall, Michael, EMNRD 59:22

2190 OK.

2191

2192 **CE** Chakalian, Gregory, EMNRD 59:30

2193 OK.

2194

2195 **HE** Hall, Michael, EMNRD 59:30

2196 OK.

2197

2198 **+15*****72** 59:31

2199 And so I'm just coming back into it right now.

2200

2201 **CE** Chakalian, Gregory, EMNRD 59:34

2202 OK.

2203

2204 **HE** Hall, Michael, EMNRD 59:34

2205 OK.

2206

2207 **CE** Chakalian, Gregory, EMNRD 59:37

2208 OK.

2209

2210 **HE** Hall, Michael, EMNRD 59:37

2211 OK, so Mrs.

2212

2213 **CE** Chakalian, Gregory, EMNRD 59:37

2214 So, Mr. Delong, we'll get to we'll get to the evidence in a little bit.

2215

2216 **HE** Hall, Michael, EMNRD 59:39

2217 Well, we'll get to.

2218 We'll get to the evidence in a little bit.

2219

2220 **CE** Chakalian, Gregory, EMNRD 59:41

2221 I just wanted to know if you got the Nov and if you had read it and do you
2222 understand it?

2223

2224 **HE** Hall, Michael, EMNRD 59:41

2225 I just wanted to know if you got the NOB and if you had read it and do you
2226 understand it?

2227

2228 **+15*****72** 59:47

2229 I'm I'm.

2230 I'm sorry, I'm getting a bunch of echo.

2231

2232 **CE Chakalian, Gregory, EMNRD** 59:53

2233 Maybe because?

2234

2235 **HE Hall, Michael, EMNRD** 59:53

2236 Maybe because you have.

2237

2238 **+15*****72** 59:53

2239 But.

2240

2241 **CE Chakalian, Gregory, EMNRD** 59:55

2242 You have.

2243 I can't.

2244 I.

2245 I don't know why you're getting echo. I guess I really don't know if you're on your
2246 phone.

2247 So Mr. Hall, is your microphone muted?

2248

2249 **+15*****72** 1:00:02

2250 OK, that, that.

2251

2252 **CE Chakalian, Gregory, EMNRD** 1:00:05

2253 That may be why he's getting an echo.

2254 It is muted, yes.

2255 OK, Mr. DeLong, how's this?

2256 Is this better?

2257

2258 **+15*****72** 1:00:14

2259 Yes, that's much better.

2260

2261 **CE** Chakalian, Gregory, EMNRD 1:00:16

2262 Shoot, I can't hear him now. Will you say that again?

2263

2264 **+15*****72** 1:00:21

2265 I can.

2266 Can you not?

2267 Can you hear me?

2268

2269 **CE** Chakalian, Gregory, EMNRD 1:00:22

2270 Yes, I can hear you perfectly. But can you hear me?

2271

2272 **+15*****72** 1:00:24

2273 OK.

2274 Great. Yes, Sir.

2275

2276 **CE** Chakalian, Gregory, EMNRD 1:00:27

2277 OK.

2278 Very good.

2279 Mrs. Delong, did you read the Nov and do you understand it?

2280 OK.

2281 Very good.

2282 All right, so now Mr. Hall is going to present his case.

2283 He's going to ask and I'm just going to give you some procedure of what happens

2284 here because you're not a lawyer.

2285 Are you a lawyer?

2286

2287 **+15*****72** 1:00:47

2288 Certainly no, I'm absolutely not a lawyer.

2289

2290 **CE** Chakalian, Gregory, EMNRD 1:00:51

2291 All right.

2292 Mr. Mr. Delong, Mr. Hall is going to present his case, his case.

2293 Is can consists of exhibits and Mr. Hall, did you send the exhibits to Mr. Delong?

2294 OK.

2295 All right. So, Mr. Hall. Mr. Delong, there is a pre hearing statement that sort of lays
2296 out the case.

2297 And then there's exhibits that go with it.

2298 Did you get that?

2299

2300 **+15*****72** 1:01:21

2301 I don't ever see it to me.

2302 I found them through the hearings. I went on to the OCD site and I found out I
2303 researched it. I found it myself.

2304

2305 **CE Chakalian, Gregory, EMNRD** 1:01:26

2306 Ah.

2307 I understand.

2308 So are we sending things to the wrong address?

2309

2310 **+15*****72** 1:01:35

2311 I changed the address whenever I found out that I was still the operator.

2312 Is the my address should so, but I don't have anything and I think I asked whenever I
2313 got an e-mail.

2314 I did get an e-mail.

2315 That that sent this and then that's when I started inquiring. And then and then I
2316 talked to Mr. Hall and.

2317 And so then, since everything is put up on the site, I was able to see.

2318 I don't have it all in front of me right now, but but I'm I'm aware of what I'm aware of
2319 where, where the state is on that and and so I'm just here to see what we can do.

2320

2321 **CE Chakalian, Gregory, EMNRD** 1:02:05

2322 Right. OK.

2323 OK.

2324 OK, sounds good.

2325 So, Mr. Hall, it seems like there's some problem with the with mailing things to Mr.
2326 Delong.

2327 I've been in communication with them.

2328 OK.

2329 You have. OK. All right, Mr. Delong.

2330 Mr. Hall didn't realize that you didn't get the pre hearing statement and and and
2331 exhibits, but because you're capable, you have them.
2332 So that's what I was concerned with.
2333 So what happens at this point? Mr. Delong, is that Mister.
2334 Hall puts on his case.
2335 You have a right to cross examine any of the witnesses that he presents. Now. The
2336 witnesses he's presenting today are in the form of an affidavit. But if you want to
2337 question them, you can do that, OK?

2338

2339  +15*****72 1:03:02

2340 Certainly.

2341

2342  **Chakalian, Gregory, EMNRD** 1:03:03

2343 All right. Very good, Mr. Hall.

2344 Go ahead.

2345 Yes, OCD would offer exhibits 123 and four attached to his pre hearing statement.

2346 Mr. Delong, do you have any objection to those exhibits being admitted into
2347 evidence?

2348

2349  +15*****72 1:03:19

2350 No.

2351

2352  **Chakalian, Gregory, EMNRD** 1:03:20

2353 OK.

2354 Very good, Mr. Hall.

2355 Your exhibits are admitted through stipulation of the respondent. OK now.

2356 Mr. Delong, would you like to cross examine any of the witnesses that drafted those
2357 exhibits?

2358

2359  +15*****72 1:03:36







2360 No.

2361

2362  **Chakalian, Gregory, EMNRD** 1:03:37

2363 OK.

2364 Very good.

2365 So, Mr. Hall, I'm sorry, Mr. Hall. Do you rest your case?
2366 OK.
2367 Very good.
2368 Mr. Delong, this is your opportunity now to present a case.
2369 If you would like to present evidence to the division, there's two ways of doing it.
2370 There's sworn testimony, and then there's documents. Now you.
2371 I'm assuming you did not file a pre hearing statement, is that correct?
2372
2373  +15*****72 1:04:05
2374 No, I did not.
2375 Mr. Hall should have did.
2376 I forwarded to him the only document that I have in support of. He has received an
2377 e-mail from me that was an assignment that I had that I had.
2378
2379  **Chakalian, Gregory, EMNRD** 1:04:12
2380 OK.
2381
2382  +15*****72 1:04:18
2383 I don't know if you're aware of that.
2384
2385  **Chakalian, Gregory, EMNRD** 1:04:20
2386 OK.
2387 I'm not yet, so I'm. I'm gonna talk to Mr. Hall, but OK, so you have submitted a
2388 document to Mr. Hall. How long ago?
2389
2390  +15*****72 1:04:23
2391 OK.
2392 Yep.
2393 I could.
2394 I would just have to.
2395 I'm going to say it was probably a week ago to 10 days.
2396
2397  **Chakalian, Gregory, EMNRD** 1:04:35
2398 OK. OK, fine. Mr. Hall, did you receive a document?
2399 Oh, very good.

2400 And Mr. Hall, what do you make of the document? What is?
2401 Sure. Document.
2402 Fortunately, under the rules, the long LC I see is the operator.
2403 That's responsible for this enactment.
2404 So what is the predicament?
2405 OCD has no predicaments.
2406 I know that you said you were sympathetic to Mr. Delong's.
2407 It it was never transferred in OCD and and we don't get into ownership title issues.
2408 We go by who is the registered operator for this. Well with OCD that is who is
2409 responsible for the plugging and abandonment of the. So what is the allegation in
2410 the Nov no.
2411 I'm going to see the operator has one inactive will and has been continuously
2412 inactive since at least October of 2020, October of 2020. And Mr. Delong, you said
2413 you sent the document showing some sort of a transfer.
2414 When did the transfer take place?

2415

2416  +15*****72 1:05:57

2417 Well, I wish I had the document with me, but.
2418 It's it's a oil and gas well.
2419 It's a oil and gas assignment dated and Mr. Hall has it. It has.
2420 It's just a county recorded assignment and and that dates on there I.

2421

2422  **Chakalian, Gregory, EMNRD** 1:06:13

2423 OK.
2424 Hold on, Mr. If you don't have it, Mr. Hall, I'm sure has it.
2425 So give me a minute.
2426 It's an assignment. Convey it's in.
2427 Again, I I don't.
2428 It appears it was recorded with the county clerk.
2429 I haven't verified all I know, I know, but.
2430 And it appears the date is 11th of January of 2021 is when it was notarized.
2431 I see.
2432 So in other words, so Mr. Delong, what you are asserting then is that you were not
2433 inactive past that date.
2434 Is that what you're saying?

2435

2436 +15*****72 1:06:53

2437 Oh, you know what?

2438 It could have.

2439 It could have been, you know, it's five years ago.

2440 But.

2441 You know, and I understand how it works, where you know, I should have checked

2442 back in to make sure that I was. But I was selling out, moving to Texas and I when

2443 you don't hear anything about it for five years, you know, I I just, I came.

2444 In I've worked on the well. You know, there's still a few things that I need to do to it,

2445 but you can turn the whale on and pump oil right now.

2446 But I've gotta put new.

2447 I've gotta put some new equipment on it because the the operator, the L&J oil, let

2448 everything just degrade and so I can't risk a leak. And so I have to replace all the

2449 tankage.

2450

2451 CE Chakalian, Gregory, EMNRD 1:07:38

2452 But but the reason that you OK, I'm. I'm just dealing with the the transfer of the asset.

2453 The reason you sent that document to Mr. Hall was for what purpose?

2454

2455 +15*****72 1:07:42

2456 Yes.

2457 Yes.

2458 Well, the the purpose of it was just, you know, I know we have procedure and then

2459 we have merit.

2460 You know the in the crux of it is I really didn't believe that.

2461 Or I mean, I believe that L&J oil was moving ahead, doing what they were supposed

2462 to do.

2463 And you know, so yeah.

2464 The the the procedural aspect is like I have been the operator for the last five years.

2465 Yes.

2466 You know and and I understand that.

2467 I understand how the rules work.

2468 You know, you know now I've been made aware that I was never not the operator.

2469 You know, now I want to rectify that and and I need to try to do that and still not get

2470 sued by the bank that's holding that.

2471 Well, record title as collateral.

2472 And so it's a, you know, I'm walking the edge here.

2473 You know, I want to do what's right with the state.

2474 You know, without getting without something.

2475 Else blowing up in my face.

2476

2477 **CE Chakalian, Gregory, EMNRD** 1:08:53

2478 I get it, but but I'm still.

2479 I'm still trying to understand in your own words why you sent that document to Mr.

2480 Hall a week ago.

2481 What was the purpose?

2482 What was in your mind that you sent that document?

2483

2484 **+15*****72** 1:09:11

2485 Well, I mean, I just wanted to.

2486 I just wanted to to show Mr. Hall that the intent was to convey all right, title
2487 ownership and operations.

2488 You know the and I don't know why. I know that. He he provided a bond.

2489 He provided a bond, federal and state.

2490 And so I thought he was in.

2491 I really thought because I wasn't gonna sell to anybody that didn't have bonds that
2492 were that weren't didn't have accepted bonds.

2493 And so when he showed the when he showed that he had the bonds, I made the

2494 assignment. And I don't there's. I guess there's no mechanism to other than just

2495 going back and doing some post diligence and say, did, did all of this get conveyed?

2496 You know, I.

2497 Had no way of knowing that until I get contacted by the NMOCD.

2498 So I'm acknowledging that I've been the operator.

2499 I guess the whole time.

2500 The human part of it is is I assumed, or I mean I truly believed that.

2501 The LAJOL was going to be and I don't know whether it was AI don't know whether it
2502 was a failure of getting it done or whether the OCD rejected it or.

2503 For whatever reason, you know it still wasn't done. So for, for whatever the reasons it

2504 didn't get done or immaterial. I understand that right now I am.

2505

2506 **CE Chakalian, Gregory, EMNRD** 1:10:43

2507 OK, I understand Mr. Duong. So so.

2508

2509 **+15*****72** 1:10:48

2510 I've been the operator and I've been responsible.

2511

2512 **CE Chakalian, Gregory, EMNRD** 1:10:50

2513 OK.

2514 So, Mr. DeLong, what I think I understand from you, although you haven't quite said
2515 it.

2516 In your own words, you sent that document to Mr. Hall to say, hey, I transferred this
2517 well to another operator at this point in time. So at that point, I was not the operator
2518 anymore.

2519

2520 **+15*****72** 1:11:14

2521 Well, yeah, that was absolutely the. That was the. That was why I wanted to. That's
2522 why.

2523 Yes, I guess definitely I should have made that point, but I'm not trying to skirt
2524 responsibility.

2525

2526 **CE Chakalian, Gregory, EMNRD** 1:11:25

2527 I get it.

2528

2529 **+15*****72** 1:11:25

2530 It's OK.

2531

2532 **CE Chakalian, Gregory, EMNRD** 1:11:27

2533 OK.

2534 So now Mr. Hall, the rules, OK.



2535

2536 **+15*****72** 1:11:28

2537 But yes, that was the intent.

2538

2539 **CE Chakalian, Gregory, EMNRD** 1:11:31

2540 Thank you, Sir.
2541 The rules, so so under the rules. When Mr. DeLong transferred ownership of this, well,
2542 it's single. Well, right?
2543 Single. Well, when he transferred to this other operator, what I think he said the
2544 name, but I didn't catch it.
2545 Was he supposed to report that to the OCD?
2546 So the procedure.
2547 Yes, Sir, the procedure.
2548 And and I appreciate again, we're sympathetic to the long did this transaction and
2549 then it wasn't formalized with OCD.
2550 What should he have done?
2551 What he should have done is to make sure that AC145, one there's different ways to
2552 do this. C 1:45 is a transfer OOO to another operator. There's also.
2553 If the long were bought by LNJ oil.
2554 Then that wouldn't even have to happen.
2555 It's just their subsidiary.
2556 Or, you know, it's corporate entity under the LNJ oil umbrella. So those are a couple
2557 of the ways that that I'm aware of that responsibility for oil could be transferred but.
2558 According to he is the registered contact.
2559 He is the long LC is the operator associated with this oil and so.
2560 Again, we don't get into determining title or ownership of what us we we simply go
2561 by who is the registered.
2562 Thank you, Mr. Hall.
2563 So, Mr. DeLong, what it sounds like.
2564 Is that when you did transfer this well to the other operator, you should have filed a
2565 form with the OCD to tell OCD. Hey, I'm not the operator anymore.
2566 They are.
2567 That sounds to me like what went wrong here.
2568
2569  +15*****72 1:13:23
2570 Yes, Sir.
2571 And I'm pretty sure that we did do that because I'm familiar with the C145.
2572
2573  **Chakalian, Gregory, EMNRD** 1:13:27
2574 Oh, you're saying you're. You're saying you're pretty sure you did do that.

2575

2576 +15*****72 1:13:31

2577 I.

2578 I I it's been.

2579 Yeah, because I, I mean, I know the procedures I've you know I've tried.

2580 You know, I've I've purchased wells and I've sold wells and so the P145 is there's you

2581 can either do it on paper, but you know it's it's I I just.

2582

2583 **CE** Chakalian, Gregory, EMNRD 1:13:38

2584 Right. OK.

2585

2586 +15*****72 1:13:49

2587 We should, you know, I might be able.

2588 I don't know if you guys can go back in, but I'm pretty sure that we that we went on

2589 online and submitted to OCD and I don't know if there's if the if they could go back

2590 to into that time. You know, I don't know that we may.

2591 Have it in a file somewhere, but it was moved to Texas and they were not. You know,

2592 they're not the probably the most organized files whenever.

2593

2594 **CE** Chakalian, Gregory, EMNRD 1:14:10

2595 OK.

2596

2597 +15*****72 1:14:15

2598 It's not like our currently, but like our files now.

2599 Where we're currently working out of it.

2600

2601 **CE** Chakalian, Gregory, EMNRD 1:14:21

2602 OK.

2603

2604 +15*****72 1:14:21

2605 There may be copies where we did do that so.

2606

2607 **CE** Chakalian, Gregory, EMNRD 1:14:25

2608 I understand what you're saying.

2609 So it's it's not the burden of the OCD to find evidence.

2610 That would be your.

2611 That would be your burden if if we have a hearing, an OCD says, hey, this this

2612 operator has been inactive since this date. Then it's up to you to say, oh, here's a

2613 piece of paper or here's some sort of evidence that, no, I did file that.

2614

2615 +15*****72 1:14:36

2616 Understandable.

2617

2618 **CE** Chakalian, Gregory, EMNRD 1:14:53

2619 C145 so.

2620 That's not.

2621 That's not something that we would do or that excuse me, it's not we.

2622 It would be the division whose case this is.

2623 It's not something that the division would do. It would be something that you would

2624 do. Now you you did have a 30 day period at least to sort of try to resolve this case.

2625 And if there was some sort of evidence that you did file the C 1:45, that would have

2626 been a good time to have given it to Mr. Hall.

2627 To say hey, we did it.

2628

2629 +15*****72 1:15:26

2630 Yeah, certainly. Understand.

2631

2632 **CE** Chakalian, Gregory, EMNRD 1:15:29

2633 Are you?

2634

2635 +15*****72 1:15:30

2636 Hello.

2637

2638 **CE** Chakalian, Gregory, EMNRD 1:15:32

2639 And the reason was because.

2640 The wells are in violation of financial assurance. The Wells report and I so this

2641 occurred on August 17th of 2022.

2642 So I was rejected.

2643 Did you know that Mister Dolan?

2644

2645 +15*****72 1:15:50

2646 I can't.

2647 I can't understand what Mr. Hall is saying his.

2648

2649 **CE** Chakalian, Gregory, EMNRD 1:15:53

2650 Mr. Hall said that yes, there is a record and I don't think this is really Mr. Hall's

2651 burden to show, but he went and looked based on what you said, of course.

2652

2653 +15*****72 1:15:56

2654 His.

2655 No, I appreciate that.

2656

2657 **CE** Chakalian, Gregory, EMNRD 1:16:04

2658 Well, we try to give the respondent every opportunity we can here.

2659 He did look, and he found that a form C145 was filed.

2660 The problem is it was rejected and it was rejected because the financial assurance

2661 wasn't in order.

2662

2663 +15*****72 1:16:23

2664 OK.

2665 I don't know the details of that.

2666

2667 **CE** Chakalian, Gregory, EMNRD 1:16:29

2668 Are you able to hear, Mr. Hall?

2669

2670 +15*****72 1:16:30

2671 Would it?

2672 Would it mean that there was not a?

2673 It was.

2674 It means that there was not a bond or or there's some details to that.

2675

2676 **CE** Chakalian, Gregory, EMNRD 1:16:36

2677 Hold on. Hold on, Mr. Delong.

2678 Hold on one second. Mr. Hall. Will you say something? I want to see if Mr. Delong

2679 can hear you.
2680 Sure, I'm still muted.
2681 So I can you unmute.
2682 OK. Will you say something now?
2683 Can you hear me now?

2684
2685 **HE** **Hall, Michael, EMNRD** 1:16:49
2686 Yeah. Can you hear me now, Mr. Zalon?

2687
2688 **+15*****72** 1:16:52
2689 Yes, I can hear you.

2690
2691 **CE** **Chakalian, Gregory, EMNRD** 1:16:53
2692 Would you explain what happened there?

2693 Sure. So looks like August 17th of 22.

2694
2695 **HE** **Hall, Michael, EMNRD** 1:16:55
2696 Sure, there. So looks like August 17th of 22.

2697
2698 **CE** **Chakalian, Gregory, EMNRD** 1:17:02
2699 I haven't seen this until now, but I just looked back through the operator actions file.

2700
2701 **HE** **Hall, Michael, EMNRD** 1:17:02
2702 I haven't seen this until now, but I just looked back through the operator actions file.

2703
2704 **+15*****72** 1:17:07
2705 OK.

2706
2707 **CE** **Chakalian, Gregory, EMNRD** 1:17:10
2708 Which is public record but the wells.

2709
2710 **+15*****72** 1:17:10
2711 I'm.

2712

2713 **HE** Hall, Michael, EMNRD 1:17:10

2714 Which is public record but the wells.

2715

2716 **CE** Chakalian, Gregory, EMNRD 1:17:15

2717 The C145 was rejected and I'm just gonna quote the comments associated with that.

2718

2719 **HE** Hall, Michael, EMNRD 1:17:15

2720 The C145 was rejected and I'm just gonna quote the comments associated with that.

2721

2722 **CE** Chakalian, Gregory, EMNRD 1:17:22

2723 Wells in violation with the financial assurance inactive wells report inactive wells list
2724 has exceeded 191559 compliance which means there were too many wells that were
2725 inactive. I think probably because it was one Weld and that was showing up as an
2726 active whenever the CU one.

2727

2728 **HE** Hall, Michael, EMNRD 1:17:22

2729 Wells in violation with the financial assurance inactive wells report inactive wells list
2730 has exceeded 191559 compliance, which means there were too many wells that were
2731 inactive. I think probably 'cause it was one well and that was showing up as an active
2732 whenever the C1.

2733

2734 **+15*****72** 1:17:27

2735 OK, I'm I'm OK. I hope Mr. Hall. It's so echoey.

2736

2737 **CE** Chakalian, Gregory, EMNRD 1:17:40

2738 45.

2739

2740 **HE** Hall, Michael, EMNRD 1:17:40

2741 45.

2742

2743 **CE** Chakalian, Gregory, EMNRD 1:17:42

2744 Was done so.

2745

2746 **HE** Hall, Michael, EMNRD 1:17:43

2747 Was done so.

2748

2749 **CE** Chakalian, Gregory, EMNRD 1:17:44

2750 So that's that's the status there.

2751

2752 **HE** Hall, Michael, EMNRD 1:17:45

2753 So that's that's the status there.

2754

2755 **+15*****72** 1:17:50

2756 All right, I didn't.

2757 I didn't understand any of that.

2758

2759 **CE** Chakalian, Gregory, EMNRD 1:17:51

2760 Could I say one more thing, Mr. Hamilton?

2761

2762 **HE** Hall, Michael, EMNRD 1:17:51

2763 Could I say one more thing, Mr. hearing?

2764

2765 **+15*****72** 1:17:52

2766 That was.

2767

2768 **CE** Chakalian, Gregory, EMNRD 1:17:53

2769 I again, if Mr. Delong can effectuate this and show someone else's responsible, we're
2770 willing to work with him on.

2771

2772 **HE** Hall, Michael, EMNRD 1:17:56

2773 Again, if Mr. Delong can effectuate this and show someone else is responsible, we're
2774 willing to work with him on that.

2775 We we we're not out to get anybody.

2776

2777 **CE** Chakalian, Gregory, EMNRD 1:18:05

2778 That we understand he's made efforts, but the rules are the rules.

2779

2780 **HE** Hall, Michael, EMNRD 1:18:06

2781 We understand he's made efforts, but the rules are the rules.

2782

2783 **CE** Chakalian, Gregory, EMNRD 1:18:10

2784 And so right now this is where we're at, right? But but even post hearing, if he wants
2785 us to review a new C145 or.

2786

2787 **HE** Hall, Michael, EMNRD 1:18:10

2788 And so right now this is where we're at.

2789 But, but even post hearing if he wants us to review a new C145 or.

2790

2791 **CE** Chakalian, Gregory, EMNRD 1:18:20

2792 Some kind of agreement that L&J oil is also part of.

2793

2794 **HE** Hall, Michael, EMNRD 1:18:20

2795 Some kind of agreement.

2796 That L&J oil is also part of I haven't checked their compliance status, so these are all
2797 kind of hypotheticals. Just when Mr. Delong, to know that we want Willis to be in
2798 compliance and if he makes efforts to make that happen, we're not out to get.

2799

2800 **CE** Chakalian, Gregory, EMNRD 1:18:23

2801 I haven't checked their compliance right.

2802 So these are all kind of OK.

2803 Just want Mr. Delong to know that we want Willis to be in compliance and if he
2804 makes efforts to make that happen, we're not out to get him.

2805 We just, we just want this well compliant.

2806

2807 **HE** Hall, Michael, EMNRD 1:18:37

2808 Him we just we just want this well compliant.

2809

2810 **CE** Chakalian, Gregory, EMNRD 1:18:39

2811 And right now, he's the responsible partner.

2812

2813 **HE** Hall, Michael, EMNRD 1:18:40

2814 And right now he's the responsible party for that.

2815

2816 **CE** Chakalian, Gregory, EMNRD 1:18:41

2817 I understand perfectly. So, Mr. Delong, it sounds to me.

2818

2819 **+15*****72** 1:18:45

2820 Oh, Sir, I can't.

2821

2822 **CE** Chakalian, Gregory, EMNRD 1:18:45

2823 Like even though by the letter of the law.

2824

2825 **+15*****72** 1:18:48

2826 Can you hear me?

2827 OK. Can you hear me OK?

2828

2829 **CE** Chakalian, Gregory, EMNRD 1:18:49

2830 Well, I would speak.

2831 I was speaking.

2832 I can.

2833 Hear you. But I was speaking.

2834 So why don't you wait till I finish?

2835

2836 **+15*****72** 1:18:54

2837 I think so.

2838

2839 **CE** Chakalian, Gregory, EMNRD 1:18:55

2840 All right. So Mr. Dong, even though by the letter of the law you are the responsible
2841 operator based on the rejected C145, Mr. Hall didn't know about that, rejected C145.

2842 And it sounds like he's willing to work with you to try to.

2843

2844 **HE** Hall, Michael, EMNRD 1:19:01

2845 So once it's up and ready, it'll.

2846 On the receiving.

2847 Uh.

2848

2849 **CE Chakalian, Gregory, EMNRD 1:19:14**

2850 Resolve this case.

2851 In some alternative method, but I'm gonna put a time limit on that.

2852

2853 **HE Hall, Michael, EMNRD 1:19:17**

2854 Set alarm.

2855 I.

2856

2857 **CE Chakalian, Gregory, EMNRD 1:19:20**

2858 I'm not gonna let this go on for for for a long time.

2859 Time, OK.

2860 All right. So, Mr. Hall, how much time are you and Mr. DeLong?

2861

2862 **+15*****72 1:19:26**

2863 Understandable.

2864

2865 **CE Chakalian, Gregory, EMNRD 1:19:32**

2866 How much time do you foresee this going on?

2867 I would like to ask Mr. be wrong how long he wants for that.

2868

2869 **HE Hall, Michael, EMNRD 1:19:34**

2870 I would like to ask Mr. DeLong how long he wants for that, and then I can let you

2871 know whether I think that's a reasonable amount of time or not. If that's OK with you.

2872 First I wanna know how long he needs to try to affect your oh.

2873

2874 **CE Chakalian, Gregory, EMNRD 1:19:38**

2875 Then I'll let you know whether I think that's a reasonable go ahead.

2876 It's OK with you.

2877 Go ahead.

2878 Well, first I wanna know how long he needs to try to right.

2879 So OK, ask him.

2880

2881 **HE** **Hall, Michael, EMNRD** 1:19:47

2882 OK. Oh, Mr.

2883 Oh, sorry I I'm just doing it though.

2884

2885 **CE** **Chakalian, Gregory, EMNRD** 1:19:49

2886 I'm just gonna do it though.

2887 OK, Mr. DeLong.

2888

2889 **HE** **Hall, Michael, EMNRD** 1:19:52

2890 OK, Mr. DeLong, how long would you need in an effort to try to get in touch with

2891 Ellen J or whatever your plan is to to get either get this well transferred.

2892

2893 **CE** **Chakalian, Gregory, EMNRD** 1:19:54

2894 How long would you need in an effort to try to get in touch with L&J or whatever

2895 your plan is to to get? Either get this well transferred or to deal with the bank and

2896 make sure that it's either produced or plugged.

2897

2898 **HE** **Hall, Michael, EMNRD** 1:20:04

2899 Or to deal with the bank and make sure that it's either produced or plugged.

2900

2901 **+15*****72** 1:20:12

2902 OK, Mr. Hall.

2903 I'm I'm getting a tremendous amount of echo, I hear.

2904 I hear the other gentleman perfectly, but yours seems like it's it's echoing.

2905 But I'm I'm guessing you that you said how much time would I need to finish the

2906 tank?

2907 Probably the end of the week. I just I had some tank shipped down from New Mexico

2908 from Texas.

2909 They're setting.

2910 They're setting in New Mexico right now, and I've just, I've got to get over there and

2911 see to it that they get put in.

2912 But the but the whale is pumping.

2913 And I mean, I started working on it immediately.

2914

2915 **CE Chakalian, Gregory, EMNRD** 1:20:48

2916 Mr. DeLong.

2917 Mr. DeLong, hold on a second. All you needed to say was the end of the week and

2918 and that's perfectly acceptable. Yeah, exactly.

2919

2920 **+15*****72** 1:20:50

2921 Yes.

2922 OK, great.

2923

2924 **CE Chakalian, Gregory, EMNRD** 1:20:57

2925 We don't need the long story.

2926 The short story is enough.

2927 That's perfectly acceptable to Mr. Hall.

2928 So here's what we're gonna do.

2929 We've had the hearing.

2930 I've heard.

2931 I've heard the division's evidence.

2932 I've heard your evidence at this point.

2933 You are liable for this one non producing well.

2934 According to the rules under the oil and Gas Act, Mr. Hall does have the right to

2935 submit a final order and I would actually sign it. However, to really bend over

2936 backward for you, we're going to give you till the end of the week to do whatever it.

2937 Is that Mister Hall needs you to do so. We can have an alternative resolution.

2938 Do you understand?

2939

2940 **+15*****72** 1:21:45

2941 Yes.

2942

2943 **CE Chakalian, Gregory, EMNRD** 1:21:45

2944 OK, wonderful, Mr. Hall.

2945 Is there anything else?

2946 Logistically, if you don't mind, I will tell Mister. Yes, please. Just give me that info. If

2947 it's producing what we'll do is what it's called. Stipulated final order.

2948 That you that your deadline if everything's compliant with that.

2949 Well, I understand you may have issues with the bank or LMJ about whose oil that is,
2950 but if the oil's producing, we're satisfied and that's no longer an act of will. And you
2951 omit the violations and we will execute a stipulated final order.

2952

2953 +15*****72 1:22:10

2954 Mm.

2955

2956 **CE Chakalian, Gregory, EMNRD** 1:22:21

2957 Playing out, laying out those violations, but also giving you how much time you need
2958 based on what I hear Friday.

2959 To get it produced.

2960 In other words, if it's already producing, then we can just say that's happened.

2961 Did admit the violations, but we'll agree on the amount of the civil penalties. And
2962 then Mr. Chairman, will not have to enter an order.

2963 We'll do it.

2964 We'll do it between you and OCD.

2965

2966 +15*****72 1:22:48

2967 OK.

2968 Well, I will.

2969 I.

2970 I guess I'll call David Alvarado, the inspector with the NMOCD and have him meet me
2971 out there and then just have him verify it.

2972

2973 **CE Chakalian, Gregory, EMNRD** 1:23:00

2974 Great.

2975 And then of course, C115's will need to be filed evidencing the production amounts.

2976

2977 +15*****72 1:23:02

2978 So.

2979

2980 **CE Chakalian, Gregory, EMNRD** 1:23:09

2981 I know you're aware of that, but I'm just glad you know, that'll be part of the blue.

2982

2983 +15*****72 1:23:11

2984 Yeah, I'm. I'm well aware of that.

2985

2986 **CE** Chakalian, Gregory, EMNRD 1:23:14

2987 All right, Mr. Delong.

2988

2989 +15*****72 1:23:15

2990 OK.

2991 Well, gentlemen, thank you.

2992

2993 **CE** Chakalian, Gregory, EMNRD 1:23:15

2994 Anything. Anything else, Mr. Delong?

2995

2996 +15*****72 1:23:19

2997 No, I mean it was pretty if it's OK, I'd like to talk to Mr. Hall. Just on a telephone
2998 without the echo and everything like that so that I can make sure that we were on
2999 the same page, if that's acceptable.

3000

3001 **CE** Chakalian, Gregory, EMNRD 1:23:32

3002 Of course it's acceptable.

3003 So why don't you, Mr. Hall?

3004 Do you have a phone number or you gonna call him?

3005 He has one.

3006

3007 +15*****72 1:23:38

3008 I've got his phone number.

3009

3010 **CE** Chakalian, Gregory, EMNRD 1:23:39

3011 All right, very good.

3012 So then it sounds like Mr. Long, you don't have anything else here on the record
3013 today?

3014

3015 +15*****72 1:23:45

3016 No, no, I don't have anything for the record. Thank you.

3017

3018 **CE Chakalian, Gregory, EMNRD** 1:23:46

3019 Very good, Mr. Mr. Hall, do you have anything else?

3020 No, no.

3021 Thank you for your attention.

3022 All right.

3023 So, Mr. Hall, if things work out with Mr. Delong, then you're gonna go one route. If

3024 they don't work out for whatever reason, then you'll go the you'll send me a

3025 proposed order to sign? Exactly. OK, perfect.

3026 Do you have an order to sign or review anyway one way or another it'll either be

3027 dismissal based on SFO or a final order for this in order very good.

3028 Alright, Mr. Delong, I'm glad that you.

3029 Could finally join us.

3030 Because it it did.

3031 It did benefit you to join us.

3032

3033 **+15*****72** 1:24:19

3034 All right.

3035 Thank you.

3036 I appreciate it. Goodbye.

3037

3038 **CE Chakalian, Gregory, EMNRD** 1:24:21

3039 All right, we're off the record for.

3040

3041 **+15*****72** 1:24:22

3042 Victor hall. I'll call you shortly.

3043 Are you?

3044 Are you Mr. Hall?

3045 Are you finished now?

3046

3047 **CE Chakalian, Gregory, EMNRD** 1:24:29

3048 I think this is the last days.

3049

3050 **+15*****72** 1:24:29

3051 Should I call you later in the day?

3052

3053 **CE** Chakalian, Gregory, EMNRD 1:24:30

3054 Give me a little time to get upstairs.

3055 Would you call me in about 15 minutes?

3056

3057 **+15*****72** 1:24:36

3058 I'll call you about 3:00 today then.

3059

3060 **CE** Chakalian, Gregory, EMNRD 1:24:39

3061 3:00, OK.

3062

3063 **+15*****72** 1:24:43

3064 OK, about tomorrow about.

3065

3066 **CE** Chakalian, Gregory, EMNRD 1:24:43

3067 Leave a message if I can't answer then.

3068

3069 **+15*****72** 1:24:45

3070 I'll just call you tomorrow.

3071 I'll call you tomorrow.

3072

3073 **CE** Chakalian, Gregory, EMNRD 1:24:48

3074 Sounds good.

3075

3076 **+15*****72** 1:24:50

3077 Alright, thank you.

3078

3079 **CE** Chakalian, Gregory, EMNRD 1:24:50

3080 OK.

3081 All right.

3082 Thank you. Goodbye.

3083 All right, we're off the record. Maddie, will you stop recording?

3084

3085 **+15*****72** 1:24:53

3086 Goodbye.

3087

3088 ● **Corral, Madai, EMNRD** stopped transcription