

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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

PRE-HEARING TRANSCRIPT

August 22, 2019

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER  
KATHLEEN MURPHY, TECHNICAL EXAMINER  
PHILLIP GOETZE, TECHNICAL EXAMINER  
BILL BRANCARD, LEGAL EXAMINER

ALSO PRESENT: Ms. Marlene Salvidrez

This matter came on for hearing before the New Mexico Oil Conservation Division, Michael McMillan, Chief Examiner; Kathleen Murphy and Phillip Goetze, Technical Examiners; and Bill Brancard, Legal Examiner, on Thursday, August 22, 2019, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

REPORTED BY: Mary C. Hankins, CCR, RPR  
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<p style="text-align: right;"><b>Page 2</b></p> <p>1 (8:15 a.m.)</p> <p>2 EXAMINER McMILLAN: Good morning. I'd like</p> <p>3 to call to order. Today's date is August 22nd, 2019.</p> <p>4 The time is 8:15 a.m. It's Docket 32-19.</p> <p>5 My name is Michael McMillan. I'll be the</p> <p>6 hearing examiner. To my left is Kathleen Murphy, and</p> <p>7 the attorney is Bill Brancard. And to my right is Phil</p> <p>8 Goetze, and he will be essentially doing the saltwater</p> <p>9 disposal wells.</p> <p>10 What I'm going to do now is go through the</p> <p>11 continuances and dismissals, so if I miss one, tell me</p> <p>12 because there are a lot.</p> <p>13 Okay. Case Number 20586 shall be</p> <p>14 continued. Case Number 20568 shall be continued. Case</p> <p>15 Number 20569 shall be continued. Case Number 16507</p> <p>16 shall be continued. Case Number 20141 shall be</p> <p>17 continued. Case Number 20236 shall be continued. Case</p> <p>18 Number 20142 shall be continued. Case Number 20474</p> <p>19 shall be continued.</p> <p>20 MS. SALVIDREZ: It's dismissed.</p> <p>21 EXAMINER McMILLAN: Excuse me. Dismissed.</p> <p>22 Case Number 16354 shall be continued. Case</p> <p>23 Number 16355 shall be continued. Case Number 16265</p> <p>24 shall be dismissed. Case Number 20591 shall be</p> <p>25 continued. Case Number 16488 shall be continued. Case</p>	<p style="text-align: right;"><b>Page 4</b></p> <p>1 Case Number 20134 shall be continued. Case</p> <p>2 Number 20132 shall be continued. Case Number 20133</p> <p>3 shall be continued. Case Number 20166 shall be</p> <p>4 continued. Case Number 20168 shall be continued. Case</p> <p>5 Number 20167 shall be continued.</p> <p>6 Case Number 20201 shall be continued. Case</p> <p>7 Number 20443 shall be continued. Case Number 20444</p> <p>8 shall be continued. Case Number 20445 shall be</p> <p>9 continued. Case Number 20446 shall be continued.</p> <p>10 Case Number 20632 shall be continued. Case</p> <p>11 Number 20630 shall be continued. Case Number 20631</p> <p>12 shall be continued. Case Number 20633 shall be</p> <p>13 continued. Case Number 20226 shall be continued. Case</p> <p>14 Number 20412 shall be continued.</p> <p>15 Case Number 20618 shall be continued. Case</p> <p>16 Number 20619 shall be continued. Case Number 20596</p> <p>17 shall be continued. 20597 shall be continued. Case</p> <p>18 Number 20676 shall be continued.</p> <p>19 Case Number 20347 shall be continued. Case</p> <p>20 Number 20344 shall be continued. Case Number 20346</p> <p>21 shall be continued. Case Number 20345 shall be</p> <p>22 continued. Case Number 20309 shall be continued. Case</p> <p>23 Number 20310 shall be continued.</p> <p>24 Case Number 16492 shall be continued. Case</p> <p>25 Number 16493 shall be continued. Case Number 16494</p>
<p style="text-align: right;"><b>Page 3</b></p> <p>1 Number 16487 shall be continued. Case Number 20489</p> <p>2 shall be continued.</p> <p>3 Case Number 20508 shall be continued. Case</p> <p>4 Number 20509 shall be continued. Case Number 20510</p> <p>5 shall be continued. Case Number 20511 shall be</p> <p>6 continued. Case Number 20512 shall be continued. Case</p> <p>7 Number 20514 shall be continued. Case Number 20529</p> <p>8 shall be continued. Case Number 20530 shall be</p> <p>9 continued.</p> <p>10 Case Number 20602 shall be continued. Case</p> <p>11 Number 20606 shall be continued. Case Number 20603</p> <p>12 shall be continued. Case Number 20609 shall be</p> <p>13 dismissed. Case Number 20610 shall be dismissed. Case</p> <p>14 Number 20611 shall be dismissed. Case Number 20612</p> <p>15 shall be dismissed. Case Number 20613 shall be</p> <p>16 dismissed. Case Number 20615 shall be dismissed. Case</p> <p>17 Number 20608 shall be dismissed. Case Number 20604</p> <p>18 shall be continued. Case Number 20605 shall be</p> <p>19 continued. Case Number 20607 shall be continued. Case</p> <p>20 Number 20614 shall be dismissed. Case Number 20616</p> <p>21 shall be dismissed. Case Number 20617 shall be</p> <p>22 dismissed.</p> <p>23 Case Number 20424 shall be continued. Case</p> <p>24 Number 20399 shall be dismissed. 20400 shall be</p> <p>25 dismissed.</p>	<p style="text-align: right;"><b>Page 5</b></p> <p>1 shall be continued. Case Number 16495 shall be</p> <p>2 continued.</p> <p>3 Case Number 20249 shall be continued. Case</p> <p>4 Number 20250 shall be continued. Case Number 20251</p> <p>5 shall be continued. Case Number 16414 shall be</p> <p>6 continued. Case Number 20248 shall be continued. Case</p> <p>7 Number 20190 shall be continued.</p> <p>8 Case Number 20227 shall be dismissed. Case</p> <p>9 Number 20639 shall be dismissed. Case Number 20232</p> <p>10 shall be dismissed. Case Number 20371 shall be</p> <p>11 dismissed. Case Number 20210 shall be dismissed. Case</p> <p>12 Number 20319 shall be dismissed.</p> <p>13 Case Number 16381 shall be continued. Case</p> <p>14 Number 20276 shall be continued. Case Number 20277</p> <p>15 shall be continued. Case Number 20278 shall be</p> <p>16 continued. Case Number 20219 shall be continued. Case</p> <p>17 Number 20217 shall be continued, and Case Number 20218</p> <p>18 shall be continued.</p> <p>19 And I need to go back to Case Number 20659.</p> <p>20 That shall be heard on Friday.</p> <p>21 What did I miss?</p> <p>22 MS. SALVIDREZ: That's it.</p> <p>23 EXAMINER McMILLAN: Okay.</p> <p>24 MS. SHAHEEN: Mr. Hearing Examiner, with</p> <p>25 respect to Case Numbers 16467, 16430, 16431 -- that's on</p>

**2 (Pages 2 to 5)**

<p style="text-align: right;"><b>Page 6</b></p> <p>1 page 7 of 7, 105, 106 and 107.</p> <p>2 EXAMINER McMILLAN: Okay. What numbers are</p> <p>3 they?</p> <p>4 MS. SHAHEEN: On page 7, they're numbers</p> <p>5 105, 106 and 107.</p> <p>6 EXAMINER McMILLAN: Okay.</p> <p>7 MS. SHAHEEN: Those are competing proposals</p> <p>8 with 16381, which has been continued.</p> <p>9 Tap Rock is going to request that the</p> <p>10 Division dismiss its three cases, 16467, 16430 and</p> <p>11 16431, and I can send an email to that later today.</p> <p>12 EXAMINER McMILLAN: Yes. Please do that.</p> <p>13 MS. SHAHEEN: Thank you.</p> <p>14 MR. FELDEWERT: Mr. Examiner, Michael</p> <p>15 Feldewert with the Santa Fe office of Holland &amp; Hart.</p> <p>16 Earl, are you here?</p> <p>17 MR. DeBRINE: Yes.</p> <p>18 MR. FELDEWERT: Case number 21 on the</p> <p>19 docket, Case 20591, what do you show for that? Do you</p> <p>20 show it as dismissed?</p> <p>21 MR. DeBRINE: That's the Hayduke. Yeah,</p> <p>22 that case is going to be dismissed.</p> <p>23 MR. FELDEWERT: Yeah.</p> <p>24 Do you show it being dismissed?</p> <p>25 EXAMINER McMILLAN: No. I have it as</p>	<p style="text-align: right;"><b>Page 8</b></p> <p>1 STATE OF NEW MEXICO</p> <p>2 COUNTY OF BERNALILLO</p> <p>3</p> <p>4 CERTIFICATE OF COURT REPORTER</p> <p>5 I, MARY C. HANKINS, Certified Court</p> <p>6 Reporter, New Mexico Certified Court Reporter No. 20,</p> <p>7 and Registered Professional Reporter, do hereby certify</p> <p>8 that I reported the foregoing proceedings in</p> <p>9 stenographic shorthand and that the foregoing pages are</p> <p>10 a true and correct transcript of those proceedings that</p> <p>11 were reduced to printed form by me to the best of my</p> <p>12 ability.</p> <p>13 I FURTHER CERTIFY that the Reporter's</p> <p>14 Record of the proceedings truly and accurately reflects</p> <p>15 the exhibits, if any, offered by the respective parties.</p> <p>16 I FURTHER CERTIFY that I am neither</p> <p>17 employed by nor related to any of the parties or</p> <p>18 attorneys in this case and that I have no interest in</p> <p>19 the final disposition of this case.</p> <p>20 DATED THIS 13th day of September 2019.</p> <p>21</p> <p>22</p> <p>23 MARY C. HANKINS, CCR, RPR</p> <p>24 Certified Court Reporter</p> <p>25 New Mexico CCR No. 20</p> <p>Date of CCR Expiration: 12/31/2019</p> <p>Paul Baca Professional Court Reporters</p>
<p style="text-align: right;"><b>Page 7</b></p> <p>1 continued.</p> <p>2 MR. DeBRINE: Yeah. That one is going to</p> <p>3 be dismissed. We filed, and then we broke it up into</p> <p>4 two -- and that one superseded that case and that case</p> <p>5 will be dismissed.</p> <p>6 EXAMINER McMILLAN: Okay. Just send an</p> <p>7 email.</p> <p>8 MR. DeBRINE: Yes. We'll do that.</p> <p>9 EXAMINER McMILLAN: Go ahead, Kathleen.</p> <p>10 EXAMINER MURPHY: Please send your exhibits</p> <p>11 to me in an email as a PDF. And some are behind, but I</p> <p>12 just can't keep after people and have them -- I can't</p> <p>13 email people and remind them, so you need to send them</p> <p>14 to me, and then we'll enter them into the imaging</p> <p>15 system. But some people are a couple of hearings</p> <p>16 behind, and when the examiner goes to write the order</p> <p>17 and it's not there, it holds it up. So please be a</p> <p>18 little more on top of it. Most of you are.</p> <p>19 Thank you.</p> <p>20 (The proceedings conclude, 8:25 a.m.)</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	