

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

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
PRE-HEARING TRANSCRIPT

BEFORE: RICHARD EZEANYIM, Hearing Examiner

February 2, 2012

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, RICHARD EZEANYIM, Hearing Examiner, on Thursday, February 2, 2012, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South St. Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: Jacqueline R. Lujan, CCR #91  
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1 HEARING EXAMINER EZEANYIM: This hearing  
2 will come to order. Good morning everybody. Today is  
3 February 2nd, at approximately 8:15 in the morning.  
4 Today we're going to consider Docket Number 4-12.

5 And before I start with the docket, I wanted  
6 to make an announcement for the record. The Division has  
7 adopted a policy. This policy is unwritten. Anyway,  
8 it's important, and we want to communicate it to  
9 everybody that continuances are allowed three times only.  
10 After the third continuance, the fourth time, the case  
11 has to be heard or dismissed.

12 So how would that happen? I have been  
13 communicating to all of the attorneys. From this hearing  
14 today, February 2nd, I've just drawn a line across all  
15 the cases that have been continued. There were four that  
16 were continued for three or four times. Those ones don't  
17 count. I just drew a line below it.

18 I will say, "First continuance, February 2nd  
19 2012." If it's continued again, then that will be second  
20 continuance. If it's continued again, that will be third  
21 continuance, and that's it. Then it has to be heard in  
22 that hearing. If it's going to be continued, then that  
23 case will be dismissed.

24 So we want to grandfather all continuances  
25 before we start this process. We want to clean up the

1 docket, because a lot of them have been sitting on the  
2 docket for years and we don't know what to do with them.  
3 So we want to allow all the operators to decide what they  
4 want to do.

5 One thing you can do is, if you want to  
6 continue it, you can continue it for six months, that's  
7 one continuance. You can continue it for one year,  
8 that's one continuance. If you continue it for two  
9 weeks, that's one continuance; one month, one continuance;  
10 two months -- so if you think you are not going to use  
11 that application, you can continue it for a longer time  
12 to decide what you want to do so that it's not dismissed  
13 after you continue it for two weeks, three weeks and so  
14 forth. So that's how we want to see if we can clean up  
15 our docket.

16 Now, as you can see, the room is empty. The  
17 first order of business is to continue with the  
18 dismissals and continuances on Docket Number 4-12. We go  
19 to page 1. On page 1, Case Number 14787 is continued to  
20 March 1st, and that is the first continuance for this  
21 case. Usually they have been continued for a long time.

22 On page 2, Case Number 14746 is continued to  
23 March 1st; Case Number 14671 is dismissed; Case Number  
24 14754 is dismissed; Case Number 14779 is dismissed.

25 On page 3, Case Number 14780 is dismissed;

1 Case Number 14686 is continued to March 1st; Case Number  
2 14687 is continued to March 1st; Case Number 14659 is  
3 continued to March 1st; Case Number 14767 is continued to  
4 March 15th.

5 Page 4, Case Number 14768 is continued to  
6 March 15th; Case Number 14769 is continued to March 15th;  
7 Case Number 14770 is continued to March 15th; Case Number  
8 14771 is continued to March 15th.

9 Page 5, Case Number 14772 is continued to  
10 March 15th; Case Number 14781 is continued to March 15th;  
11 Case Number 14791 is continued to March 15th; Case Number  
12 14792 is continued to March 15th; Case Number 14793 is  
13 continued to March 15th.

14 Page 6, Case Number 14794 is continued to  
15 March 15th; Case Number 14795 is continued to March 15th;  
16 Case Number 14629 is dismissed.

17 Are there any other continuances or dismissals  
18 at this time?

19 MR. FELDEWERT: Mr. Examiner, Michael  
20 Feldewert, with Holland & Hart, appearing on behalf of  
21 the applicant Caza Petroleum in Case 14789. We ask that  
22 that case be continued for two weeks.

23 HEARING EXAMINER EZEANYIM: So February  
24 16th?

25 MR. FELDEWERT: I believe that's the next

1 hearing date, yes.

2 HEARING EXAMINER EZEANYIM: Okay. Let it  
3 be in the record that Case Number 14789 is continued to  
4 February 16th.

5 Any other continuances or dismissals? At this  
6 point, nothing remains on the docket and, therefore, this  
7 hearing is concluded.

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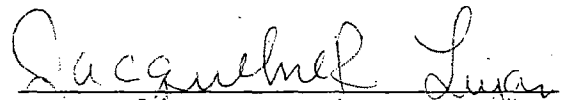
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## REPORTER'S CERTIFICATE

I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO  
HEREBY CERTIFY that on February 2, 2012, proceedings in  
the above captioned case were taken before me and that I  
did report in stenographic shorthand the proceedings set  
forth herein, and the foregoing pages are a true and  
correct transcription to the best of my ability.

I FURTHER CERTIFY that I am neither employed by  
nor related to nor contracted with any of the parties or  
attorneys in this case and that I have no interest  
whatsoever in the final disposition of this case in any  
court.

WITNESS MY HAND this 7th day of February, 2012.

  
Jacqueline R. Lujan, CCR #91  
Expires: 12/31/2012