

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

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IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

**ORIGINAL**

APPLICATION OF THE BOARD OF COUNTY  
COMMISSIONERS OR RIO ARRIBA COUNTY FOR  
CANCELLATION OR SUSPENSION OF APPLICATIONS  
FOR PERMITS TO DRILL FILED BY APPROACH  
OPERATING, LLC, RIO ARRIBA COUNTY, NEW MEXICO;  
APPLICATION OF APPROACH OPERATING, LLC FOR  
APPROVAL OF SIX APPLICATIONS FOR PERMITS TO  
DRILL, RIO ARRIBA COUNTY, NEW MEXICO;  
APPLICATION OF APPROACH OPERATING, LLC FOR  
APPROVAL OF FOURTEEN APPLICATIONS FOR  
PERMITS TO DRILL, RIO ARRIBA COUNTY,  
NEW MEXICO

CASE NUMBERS 14134, 14141, 14278

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
Hearing  
November 4, 2009  
9:55 a.m.  
1220 South St. Francis Drive, Room 10  
Santa Fe, New Mexico 87504

2009 NOV 17 A 11:38  
RECEIVED OCD

BEFORE: MARK E. FESMIRE, HEARING EXAMINER  
JAMI BAILEY, COMMISSIONER  
WILLIAM C. OLSON, COMMISSIONER  
MARK A. SMITH, ASSISTANT GENERAL COUNSEL

REPORTED BY: CONNIE JURADO, RPR, NM CCR #254  
Paul Baca Professional Court Reporters  
500 Fourth Street NW, Suite 105  
Albuquerque, New Mexico 87102

A P P E A R A N C E S

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For Approach Operating, LLC:

MONTGOMERY & ANDREWS LAW FIRM  
Attorneys at Law  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307  
BY: J. SCOTT HALL

1 MR. FESMIRE: The record should reflect that  
2 this is the regularly scheduled Wednesday, November 4, 2009  
3 meeting of the New Mexico Oil Conservation Commission. The  
4 record should also reflect that all three commissioners are  
5 present, commissioner Bailey, Commissioner Olson, and  
6 Commissioner Fesmire.

7 The first order of business before we -- we,  
8 therefore, have a quorum. The first order of business  
9 before the Commission is the adoption of the Commission  
10 minutes from the October 21, 2009 meeting. Have the  
11 commissioners had the opportunity to look at those minutes?

12 MS. BAILEY: Yes, I have, and I move that we  
13 adopt them.

14 MR. OLSON: Second.

15 MR. FESMIRE: All of those in favor signify  
16 by saying aye.

17 THE COMMISSIONERS: Aye.

18 MR. FESMIRE: Let the record reflect that the  
19 minutes have been adopted by the Commission, signed by the  
20 chairman, and conveyed to the secretary for recording.

21 The next order of business before the Commission  
22 are three cases that have been consolidated: Case Number  
23 14134, the Application of the Board of County Commissioners  
24 of Rio Arriba County for cancellation or suspension of the  
25 Applications for Permits to Drill filed by Approach

1 Operating, LLC, in Rio Arriba County, New Mexico; Case  
2 Number 14141, the Application of Approach Operating, LLC,  
3 for Approval of Six Applications for Permits to Drill, Rio  
4 Arriba County, New Mexico; and Case Number 14278, the  
5 Application of Approach Operating, LLC, for Approval of  
6 Fourteen Applications for Permits to Drill, Rio Arriba  
7 County, New Mexico.

8 Mr. Hall, since you here on behalf of Approach,  
9 would you like to enter your appearance?

10 MR. HALL: Yes, Mr. Chairman. Scott Hall  
11 from Montgomery & Andrews Law Firm in Santa Fe appearing on  
12 behalf of Approach Operating, LLC.

13 MR. FESMIRE: The record should reflect that  
14 the other attorney in the case is not present. The purpose  
15 of the -- having these cases on the docket is to sign an  
16 order reflecting the Commission's deliberations and decision  
17 from the last meeting. Have the Commissioners had a chance  
18 to review the order as presented by counsel?

19 MS. BAILEY: Yes, I have, and I think it does  
20 reflect the decisions we made at the earlier hearing.

21 MR. FESMIRE: Mr. Olson, have you had a  
22 chance to review it?

23 MR. OLSON: You're talking about the Approach  
24 -- the order for Approach?

25 MR. FESMIRE: Yes.

1 MR. OLSON: Yes, I have reviewed it, and I  
2 don't have any problems with it. I understand it was  
3 amended with the addition of the legal location for the  
4 Benjamin Trujillo Well, and I agree with the order.

5 MR. FESMIRE: At this time the Chair would  
6 accept a motion for adoption of the order as presented.

7 MS. BAILEY: I move it be adopted as  
8 presented.

9 MR. OLSON: Second.

10 MR. FESMIRE: All of those in favor signify  
11 by saying aye.

12 THE COMMISSIONERS: Aye.

13 MR. FESMIRE: Let the record reflect that the  
14 order is being signed by the commissioners and will be  
15 conveyed to the secretary.

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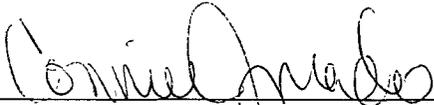
REPORTER'S CERTIFICATE

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I, CONNIE JURADO, do hereby certify that I reported the foregoing case in stenographic shorthand and transcribed, or had the same transcribed under my supervision and direction, the foregoing matter and that the same is a true and correct record of the proceedings had at the time and place.

I FURTHER CERTIFY that I am neither employed by nor related to 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 4th day of November, 2009.

  
\_\_\_\_\_  
Connie Jurado, CCR, RPR  
New Mexico CCR No. 254  
Expires: December 31, 2009