

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

COPY

REPORTER'S TRANSCRIPT OF PROCEEDINGS

PRE-HEARING TRANSCRIPT

BEFORE: RICHARD EZEANYIM, Presiding Examiner  
DAVID K. BROOKS, Legal Examiner

November 12, 2009

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, RICHARD EZEANYIM, Presiding Examiner, and DAVID K. BROOKS, Legal Examiner, on Thursday, November 12, 2009, 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  
Paul Baca Professional Court Reporters  
500 Fourth Street, N.W., Suite 105  
Albuquerque, NM 87103 505-843-9241

1 MR. EZEANYIM: The hearing will come to  
2 order. Before we proceed with the order of the day, I  
3 would like the legal counsel to make certain  
4 announcements into the record.

5 MR. BROOKS: Okay. The Division has  
6 decided to implement a new policy next year on the way we  
7 conduct hearings in response to some things you've read  
8 about in the newspaper.

9 We will be conducting two hearings per month,  
10 two dockets per month, as we have been, however, we will  
11 have two different types of dockets. We are going to  
12 institute a consent docket, what we're going to call a  
13 consent docket, which will consist exclusively of cases  
14 that are to be presented by affidavit without oral  
15 testimony and which are not contested. And the first  
16 docket of that character we will hold will be on January  
17 the 21st. Our first docket next year is January the 7th,  
18 and that will be a regular docket.

19 We will ask counsel when setting cases to  
20 indicate if those cases can be set on the consent docket.  
21 We will undertake to accommodate you -- although we are  
22 not making any commitments, we will undertake to  
23 accommodate you by getting out orders very promptly on  
24 the consent docket cases. Since we will not have a  
25 record, we will not have to wait for a transcript to

1 issue orders when opportunity permits.

2           The one docket each month will be the consent  
3 docket. The other docket will be the regular docket. If  
4 a case is set on the consent docket and a contest to that  
5 case is filed, then it will be moved to the next regular  
6 docket. It sometimes happens that an attorney files an  
7 entry of appearance but does not contest a case. So the  
8 mere filing of an entry of appearance will not cause it  
9 to be removed from the consent docket, unless the  
10 attorney also files a pre-hearing statement indicating  
11 that he will contest that case.

12           So if you have any questions, I'll be glad to  
13 talk to you about it after the hearing or call me or  
14 whatever. Florene is going to be implementing it, but  
15 she's going to be looking to me to answer questions. At  
16 the consent dockets, we will not have the reporter  
17 present.

18           I'm going to develop a form of certificate  
19 that the Examiner will execute, which will state that  
20 this case was called. But unless the attorneys who  
21 appear -- attorney or attorneys who appeared and the  
22 exhibits that were admitted into evidence and whether the  
23 case was taken under advisement or continued, so we will  
24 not have to have a reporter present. The reporter will  
25 be present at the regular dockets according to the

1 previous practice. Thank you. I think that's all.

2 MR. EZEANYIM: Are there any other  
3 comments? With that, then we go into the record for the  
4 regular docket today, November 12th. We are going to  
5 convene Docket Number 40-09. First order of business is  
6 to read all the continuances and dismissals. Starting on  
7 page 1, Case Number 14321 is continued to January 7th,  
8 2010. That's January 7th, the first docket. It's a  
9 regular docket.

10 On page 2, Case Number 14054 is dismissed. On  
11 page 3, Case Number 14396 is dismissed; Case Number 14282  
12 is continued to December 3; Case Number 14401 is  
13 continued to December 3; Case Number 14402 is continued  
14 to December 3; Case Number 14372 is continued to December  
15 3.

16 On page 4, Case Number 14351 is continued to  
17 December 3; Case Number 14352 is continued to December 3.  
18 Page 5, Case Number 14388 is dismissed.

19 Are there any other continuances or dismissals  
20 at this time?

21 MR. BRUCE: Mr. Examiner, at the bottom of  
22 page 4 and the top of page 5, the three Cimarex cases,  
23 14368, 14369 and 14370, please continue those to December  
24 3rd. I got the materials in too late to get prepared for  
25 the hearing, so --

1 MR. EZEANYIM: Let the record reflect that  
2 Case Number 14368, Case Number 14369 and Case Number  
3 14370 is continued to December 3.

4 First, I want to know whether this will be a  
5 problem for anybody. I would like to go first with Case  
6 Number 14400, and then next is Case Number 14393 before  
7 we go to 14353 and 14354. Are there any objections of  
8 taking Case Number 14400 before we go to the next case?  
9 The second case will be 14393.

10 MS. ALTOMARE: That's fine. We are going  
11 to need to set up a telephone for 14393 for the  
12 telephonic witnesses.

13 MR. EZEANYIM: Okay. So that would give  
14 us time to do that; right?

15 MS. ALTOMARE: Yes.

16 MR. EZEANYIM: Okay. So we'll proceed in  
17 that order, if there are no other comments.

18 \* \* \*

19  
20  
21 I do hereby certify that the foregoing is  
22 a complete record of the proceedings in  
the Exam. or hearing of Case No. 13152989  
heard by me on 13152989  
23  
24 Oil Conservation Division, Examiner  
25

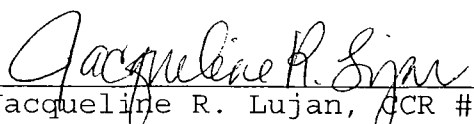
## REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO  
HEREBY CERTIFY that on November 12, 2009, 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 24h day of November, 2009.

  
Jacqueline R. Lujan, CCR #91  
Expires: 12/31/2009