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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

PRE-HEARING TRANSCRIPT

May 17, 2018

Santa Fe, New Mexico

BEFORE: SCOTT DAWSON, CHIEF EXAMINER
MICHAEL McMILLAN, TECHNICAL EXAMINER
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Scott Dawson, Chief Examiner, Michael McMillan, Technical Examiner, and David K. Brooks, Legal Examiner, on Thursday, May 17, 2018, 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
New Mexico CCR #20
Paul Baca Professional Court Reporters
500 4th Street, Northwest, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

- 1 (8:20 a.m.)
- 2 EXAMINER DAWSON: Good morning, ladies and
- 3 gentlemen. Today is Thursday, May 17th. It's
- 4 approximately 8:20 a.m. We're at 1220 South Saint
- 5 Francis, Santa Fe, New Mexico. We're going over Docket
- 6 20-18.
- 7 My name is Scott Dawson. To my right is
- 8 Michael McMillan, and to my left is our counsel, David
- 9 Brooks.
- 10 So we'll start out with the continuances.
- 11 And going to page number 1, the first case on the list,
- 12 Case Number 16132; the second case, Case Number 16133;
- third case, 16134; fourth case, 16160, those are going
- 14 to be heard tomorrow morning at 9:00 a.m., Friday
- 15 morning at 9:00 a.m., May 18th.
- Going on down the list, on page 5 of 12,
- 17 number 15 on the list, Case Number 16144, is continued
- 18 to June 14th. Number 18 on page 5 of 12, Case Number
- 19 16145, is continued to June 14th.
- 20 Going to page 6, case number 19, 16146, is
- 21 continued to June 14th. Number 20, Case Number 16147,
- 22 continued to June 14th. 21, Case Number 16148, is
- 23 continued to June 14th. 22, Case Number 16149, is
- 24 continued to June 14th. 23, Case Number 16150, is
- 25 continued to June 14th.

Going to page 7, number 24, Case Number

- 2 16151, is continued to June 14th.
- 3 Going to page 8 of 12, number 31, Case
- 4 Number 16157, is continued to May 31st.
- 5 Going to page 9 of 12, case number 16 --
- 6 number 34, Case Number 16042, is continued to May 31st.
- 7 Number 32, on page 9 of 12, Case Number 16158, has been
- 8 dismissed. It has been remanded back to administrative
- 9 application.
- Going to page 10 of 12, Case Number 16048
- is continued to May 31st. Number 38, on page 10 of 12,
- 12 Case Number 16161, is continued to May 31st. Number 39,
- 13 Case Number 16162, is continued to May 31st.
- 14 Going to page 11 of 12, number 40, 16024,
- is continued to May 31st. Number 41, 16076, is
- 16 continued to May 31st. 42, Case Number 16077, is
- 17 continued to May 31st. And that should do it.
- Does anybody else have any other
- 19 continuances or dismissals that I may have missed?
- 20 MR. HERRMANN: Mr. Examiner, Keith Herrmann
- 21 representing the Oil Conservation Division Compliance
- 22 and Enforcement Bureau.
- 23 Case Number 16075, number 37, we would
- 24 request that that also receive a two-week continuance.
- 25 EXAMINER DAWSON: Okay. On page 10 of 12,

- 1 number 37, 16075, will be continued to May 31st.
- 2 EXAMINER McMILLAN: Let me ask the attorney
- 3 another question. What about case number 35, 16047?
- 4 MR. HERRMANN: We will be presenting that
- one, Mr. Examiner. It will be submitted by affidavit.
- 6 EXAMINER McMILLAN: Okay.
- 7 EXAMINER DAWSON: And we were going to do
- 8 that first.
- 9 MR. HERRMANN: If you would like us to.
- 10 EXAMINER DAWSON: Yeah.
- 11 So Case Number 35, page 9 of 12, 16047 --
- 12 EXAMINER McMILLAN: Hold on.
- 13 EXAMINER DAWSON: -- will be submitted by
- 14 affidavit.
- 15 EXAMINER McMILLAN: That's fine. Go ahead.
- 16 MR. FELDEWERT: Mr. Examiner, Michael
- 17 Feldewert of Holland & Hart.
- 18 On page 7, numbers 26 and 27, 16153 and
- 19 16154, applications of Hilcorp, those have been
- 20 continued to May 31st.
- 21 EXAMINER DAWSON: Okay.
- 22 MR. FELDEWERT: And continuing on to page
- 23 8 --
- 24 EXAMINER BROOKS: Which one is the first
- 25 one that you said? I thought you said case number

- 1 seven. That's Mewbourne.
- 2 EXAMINER DAWSON: So he is on page 7 of 12,
- 3 case number 26, which is Case Number 16153, and number
- 4 27, Case Number 16154, are both continued to May 31st.
- 5 MR. FELDEWERT: In addition to that,
- 6 Mr. Examiner, if you continue to the next page, page 8,
- 7 numbers 28 and 29, Case Numbers 16155 and 16156, for
- 8 OXY, those have been dismissed.
- 9 EXAMINER DAWSON: Dismissed. Okay.
- 10 MR. BRUCE: Mr. Examiner, at the bottom of
- 11 page 2, Case Number 16002, please continue that for two
- weeks.
- 13 EXAMINER DAWSON: Okay. On page 2 of 12,
- 14 number five on the list, Case Number 16002, will be
- 15 continued to May 31st.
- 16 EXAMINER McMILLAN: Let me ask a question
- 17 about that case. Is that the case where you're going to
- 18 be submitting a letter? Is that the one -- is this the
- 19 case that goes with the --
- 20 MR. BRUCE: No. I will submit that --
- 21 well, not tomorrow because I'm involved. That is not.
- 22 This is not one of those cases.
- EXAMINER McMILLAN: Okay. Thank you.
- 24 EXAMINER DAWSON: Is that all the
- 25 continuances and dismissals?

```
Page 6
                    Okay. I don't think I got emails on those,
 1
     so that's why I missed those few.
 2
 3
                    (The pre-hearing proceedings conclude, 8:27
                    a.m.)
 4
 5
 6
 7
 8
 9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
```

- 1 STATE OF NEW MEXICO
- 2 COUNTY OF BERNALILLO

3

- 4 CERTIFICATE OF COURT REPORTER
- 5 I, MARY C. HANKINS, Certified Court
- 6 Reporter, New Mexico Certified Court Reporter No. 20,
- 7 and Registered Professional Reporter, do hereby certify
- 8 that I reported the foregoing proceedings in
- 9 stenographic shorthand and that the foregoing pages are
- 10 a true and correct transcript of those proceedings that
- 11 were reduced to printed form by me to the best of my
- 12 ability.
- I FURTHER CERTIFY that the Reporter's
- 14 Record of the proceedings truly and accurately reflects
- 15 the exhibits, if any, offered by the respective parties.
- I FURTHER CERTIFY that I am neither
- 17 employed by nor related to any of the parties or
- 18 attorneys in this case and that I have no interest in
- 19 the final disposition of this case.
- 20 DATED THIS 19th day of June 2018.

21

22

MARY C. HANKINS, CCR, RPR Certified Court Reporter

New Mexico CCR No. 20

Date of CCR Expiration: 12/31/2018
Paul Baca Professional Court Reporters

25

24