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

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

APPLICATION OF DELAWARE ENERGY, LLC CASE NO. 15855 TO REVOKE THE INJECTION AUTHORITY (De novo) GRANTED UNDER SWD-1680 FOR THE ALPHA SWD NO. 1 WELL OPERATED BY ALPHA SWD OPERATING, LLC, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSIONER HEARING

August 20, 2018

Santa Fe, New Mexico

BEFORE: HEATHER RILEY, CHAIRWOMAN ED MARTIN, COMMISSIONER DR. ROBERT S. BALCH, COMMISSIONER BILL BRANCARD, ESQ.

This matter came on for hearing before the New Mexico Oil Conservation Commission on Monday, August 20, 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

Page 2 1 APPEARANCES 2 FOR APPLICANT ALPHA SWD OPERATING, LLC: 3 GARY W. LARSON, ESQ. HINKLE SHANOR, LLP 4 218 Montezuma Avenue Santa Fe, New Mexico 87501 (505) 982-4554 5 glarson@hinklelawfirm.com б 7 FOR DE NOVO APPLICANT DELAWARE ENERGY, LLC: 8 MICHAEL H. FELDEWERT, ESQ. HOLLAND & HART, LLP 9 110 North Guadalupe, Suite 1 Santa Fe, New Mexico 87501 (505) 988-4421 10 mfeldewert@hollandhart.com 11 12 13 INDEX 14 PAGE Case Number 15855 Called 3 15 16 Final Action on Case No. 15855 and Motion to Stay Injection Authority 3 17 18 Proceedings Conclude 22 19 Certificate of Court Reporter 23 20 21 22 EXHIBITS OFFERED AND ADMITTED 23 (No exhibits.) 24 25

Page 3 (9:11 a.m.) 1 2 CHAIRWOMAN RILEY: Moving on to number five: Final action may be taken on Case Number 15855, 3 de novo, which was continued from the July 19th 4 Commission meeting, application of Delaware Energy, LLC 5 to revoke the injection authority granted under SWD-1680 6 7 for the Alpha SWD Number 1 well operated by Alpha SWD 8 Operating, LLC, Eddy County, New Mexico. 9 The Commission may also deliberate on a Motion to Stay Injection Authority granted under 10 11 SWD-1680, filed by counsel for Delaware Energy, LLC in 12 the case. 13 So who do I have here representing this 14 matter? MR. FELDEWERT: Madam Chair, members of the 15 16 Commission, Michael Feldewert, with the Santa Fe office of Holland & Hart, appearing on behalf of Delaware 17 18 Energy, LLC. 19 CHAIRWOMAN RILEY: Good morning. 20 MR. LARSON: Good morning, Madam Chair, Commissioners. 21 22 Gary Larson, with the Santa Fe office of 23 Hinkle Shanor, on behalf of the Applicant, Alpha SWD 24 Operating. 25 CHAIRWOMAN RILEY: Good morning, gentlemen.

Page 4 Let me get the appropriate paperwork on 1 2 this one. 3 So let's start with the Motion to Stay Injection Authority. 4 5 Do you want to go ahead and start? 6 MR. FELDEWERT: Sure. 7 Madam Chair, members of the Commission, we 8 filed a motion requesting to continue the stay that was 9 granted at the July 20th hearing until there's been a final determination of an appeal or a remand of the 10 11 Commission's decision announced at the last hearing to vacate division Order R-14484-A, which you'll recall 12 revoked Alpha's injection authority following a hearing 13 before division examiners where they found that the 14 administrative order granting that authority had been 15 16 improperly issued because it violated the procedures for approval of administrative orders. And I point out that 17 18 there is absolutely no debate that that administrative 19 order was improperly issued in violation of the 15-day 20 waiting period required by the division rules. And rather than vacate that administrative order and remand 21 22 to the division for further discussion, the Commission 23 apparently intends to issue an order stating that the 24 division examiners did not have jurisdiction to review 25 whether an administrative order was properly issued.

Page 5 Now, Alpha never made that suggestion at 1 2 the division level. The examiners certainly didn't feel that they lacked jurisdiction when they entered that 3 decision. This was something that the Commission raised 4 sua sponte. And as you know, I strongly believe that's 5 I think division examiners do have the authority 6 wrong. 7 to review administrative orders and determine whether 8 they have been properly issued. And so we intend to ask for a reconsideration of that decision and, if 9 10 necessary, to seek an appeal to the district court on 11 this legal issue. So at the last hearing, upon hearing that, 12 13 you orally granted our stay -- request for a stay of the injection authority. You recognized the gross negative 14 consequences to Delaware, which had a prior-filed 15 16 application in the division, and we asked that you stay that while we now wrestle with this legal jurisdictional 17 18 issue. 19 I looked at their response, and they say a 20 couple of things. First they say, "Well, don't grant the stay because we'll be prevented from drilling our 21 proposed injection well." Well, the main reason they've 22 23 been prevented up to now is because that administrative order was improperly issued, as found by the examiners. 24

Secondly, they offer no evidence of any

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Page 6 drilling rig under contract, no evidence of a 1 surface-use agreement. They offer no evidence 2 whatsoever of an actual economic harm if this stay is 3 continued while the courts or yourselves, on a motion 4 for rehearing, address this jurisdictional issue that 5 was raised for the first time before this body. 6 7 Secondly, they suggest that it's improper 8 for the Commission to address a motion for a stay, and 9 they suggest that we should wait and have it addressed by the district court. That's wrong for three reasons. 10 11 First, there is not going to be an appeal 12 to district court until a request for rehearing is addressed by this Commission. So there is not going to 13 be any filing in the district court for at least another 14 month. 15 16 Secondly, the Commission rules provide for stays of division or Commission orders, 19.15.4.23B set 17 18 forth the authority to grant stays. It's a clear intent 19 expressed by the Commission -- the prior Commissions to 20 have the Commission or the division request stays of agency orders because they're familiar with the record; 21 22 they understand the issues. 23 Third, the Rules of Civil Procedure, in 24 fact, the very rule that's cited by Alpha, requires that 25 a party seek a stay first before the agency. And I'm

looking at Rule 74Q1A, "You must seek a stay before the 1 agency that issued the order or," as it says, "explain 2 to the Court why it was impracticable to seek a stay 3 before the agency." So you have to come before the 4 5 agency first. It makes sense, re-issue new orders. So it is not improper to bring a request for a stay before 6 7 this Commission, and, in fact, it's required by the Commission rules and the district court rules. 8 9 So if I look at this record, the division

Director Catanach, at the very beginning when this case 10 11 was filed, issued an emergency stay order. Okay? He recognized the need for and the appropriateness of a 12 stay in this particular matter. The Commission 13 recognized, at this last hearing, that nothing has 14 changed since that point. We're now going to have to go 15 16 address this jurisdictional issue, and so we ask that the stay issued by the Commission in July continue while 17 18 the parties deal with this jurisdictional issue first in 19 a motion for rehearing and then, if necessary, with an 20 appeal to the district court. 21 CHAIRWOMAN RILEY: Mr. Larson.

22 MR. LARSON: Madam Chair, Commissioners, I 23 filed a written response to the motion to stay on Friday 24 afternoon. I don't know if the commissioners have had 25 an opportunity to look at it. I can certainly hit the

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1 points I made in the response.

2	Alpha is not arguing that it's improper to
3	come to the Commission for a stay. What Alpha is
4	arguing is Mr. Feldewert is asking what effect is an
5	open-ended stay. If he appeals to the district court,
6	we're looking at at least a year. If he chooses to
7	appeal it further, we're talking another year or two.
8	And it's our position that the district court is better
9	situated and then potentially appellate court to enter a
10	stay of the duration that he's asking for.
11	Now, the Commission standard for a stay, as
12	applied to this case, includes two issues. The first
13	is: Are there correlative rights that need to be
14	protected? Mr. Feldewert's motion argues that it does.
15	This morning, he has not said that, and that's
16	appropriate because there are no correlative rights that
17	Delaware Energy has at risk.
18	The second issue is: Are there grave
19	economic consequences potentially inuring to Delaware?
20	My position is there are not and dispute, as the
21	Commission is aware of, as to whether that application
22	Mr. Feldewert refers to was canceled or suspended. And,
23	of course, it's Alpha's position, as reflected in the
24	division's records, that that application was canceled.
25	Again, the appropriate jurisdiction to

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Page 9 enter a stay of the length requested by Mr. Feldewert is 1 the district court for two reasons. 2 One, there is a more stringent legal 3 standard he will have to meet to get a stay, including 4 showing no harm to Alpha SWD. 5 б The second is the Court can enter a --7 require a bond or financial assurance as a prerequisite 8 for the stay. And up to this point, Delaware has had no 9 economic skin in the game. 10 And I have to disagree with Mr. Feldewert 11 that there is no economic harm to Alpha. It has had injection authority initially granted 14 months ago. 12 Ιt has not been able to take any action on its well. 13 Obviously, financial risk is at stake until these issues 14 are resolved. 15 16 So our bottom-line position is if there is going to be a stay, it's more appropriately entered by 17 18 the district court, and, therefore, Alpha SWD asks the 19 motion to stay be denied. 20 CHAIRWOMAN RILEY: Can we start asking 21 questions? 22 MR. BRANCARD: Yes. CHAIRWOMAN RILEY: Is there an APD filed on 23 24 that well? 25 MR. LARSON: Not that I'm aware of. And,

Page 10 again, the case is still pending, so it would be to 1 their detriment to develop a well given the uncertainty 2 3 presented by this case. COMMISSIONER BALCH: Could you go into a 4 little more detail of the harm that's being done to 5 б Alpha? They don't have an APD. They haven't spud the 7 well. 8 MR. LARSON: Well, they've been prevented 9 from doing so. That's the economic harm. If this case were finally concluded, they could take action the next 10 11 day. So they have a thing of value, which is a division-approved injection authority. They just 12 haven't been able to act on it. 13 CHAIRWOMAN RILEY: But they could still 14 file their APD. There is nothing precluding them from 15 16 filing an APD. 17 MR. LARSON: That is true. 18 CHAIRWOMAN RILEY: Pending resolution of 19 all of this, they could still have an APD. 20 MR. LARSON: That is true. 21 CHAIRWOMAN RILEY: Mr. Martin? 22 COMMISSIONER MARTIN: I don't have any questions. 23 24 MR. FELDEWERT: The only other thing I'd point out is this. The division record would reflect --25

<pre>1 and they don't deny it they wanted to sell this 2 authority to Delaware. That's how we found out about 3 this. 4 CHAIRWOMAN RILEY: Mr. Brancard, do you 5 want to 6 MR. BRANCARD: Yeah. I would just I 7 would just ask Mr. Feldewert to lay out how his clien 8 meets the standard in 23B on the motion to stay. 9 MR. FELDEWERT: On the motion for a sta 10 MR. BRANCARD: Yes. It's your motion. 11 MR. FELDEWERT: Sure. 12 Well, first off, gross negative 13 consequences if they drill this was Delaware 14 had a prior-filed application pending before the 15 division for a disposal well in the same area, in the 16 same zone. The division is not going to grant two</pre>	11
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16 same zone. The division is not going to grant two	
17 disposal wells in the same area, in the same zone. S)
18 if Alpha is authorized to go out now and file their A	PD
19 and drill their well and then commence injection, the	1
20 our application becomes moot and will not be consider	≥d
21 by the division. I'm not aware of any more gross	
22 negative consequences than having a prior-filed	
23 application than having somebody permit over top of i	-
24 without notice to you and take away your ability to	
25 inject in an area where you had planned to inject und	er

Page 12 a circumstance where it is undisputed that the authority 1 2 was granted improperly to Alpha. 3 MR. BRANCARD: What's the distance between 4 the two proposed wells? 5 MR. FELDEWERT: I don't remember. Very б close. 7 COMMISSIONER BALCH: Hundreds of feet? 8 MR. FELDEWERT: I'd have to look at the record, the transcript. 9 COMMISSIONER BALCH: Not thousands of feet? 10 11 MR. FELDEWERT: I'd have to look at the 12 transcript. I know it was close enough they're not going to grant both. That's why they --13 MR. BRANCARD: Which is why Delaware has 14 not been able to continue to pursue its application? 15 16 MR. FELDEWERT: Correct, because there is -- there is an order issued, which is then under 17 18 appeal. Because the objections have been withdrawn, but 19 the division by that time -- or, actually, the 20 objections to Delaware's application were withdrawn and notice sent to the division of that withdrawal the day 21 before the order was prematurely issued by the division. 22 23 But once that order was issued, then Delaware's 24 application could no longer move forward because it's in 25 the same area, same zone.

Page 13 MR. BRANCARD: And the division informed 1 2 you of that? 3 MR. FELDEWERT: Yes. 4 MR. BRANCARD: In writing? 5 MR. FELDEWERT: Not in writing. I don't think it's in writing. I'd have to check. We had a 6 7 hearing -- division hearing on these issues. 8 MR. BRANCARD: One option for the Commission is to grant a stay for a long enough period 9 10 of time if this case were to go to district court. 11 COMMISSIONER MARTIN: How do we determine 12 that? MR. BRANCARD: Well, you have 30 days -- if 13 you issue the order today -- really the motion is only 14 relevant if you issue the order, by the way. 15 16 MR. FELDEWERT: Good point. 17 MR. BRANCARD: We've done this sort of 18 backwards here. If you issue the order, they have 20 19 days to request a rehearing, ten days for the Commission 20 to consider it. That's 30 days. And after that, then 21 comes a 30-day period for an appeal. So I think if you were to grant the motion for a stay, you would grant it 22 for at least 60 days. You may want to add some time on 23 24 there to allow for people to take proper action in 25 district court. Just grant it for a period of time or

Page 14 until district court takes jurisdiction over the issue. 1 CHAIRWOMAN RILEY: That seems like it would 2 be appropriate, that we stay -- do a stay until all of 3 those time frames have exhausted, and then if it's in 4 5 district court, then they can issue another stay, 6 right --7 MR. BRANCARD: Yes. 8 CHAIRWOMAN RILEY: -- pending the outcome 9 of their decision? 10 COMMISSIONER MARTIN: Should things not 11 happen timewise, do we have the ability to come in and 12 extend that stay? MR. BRANCARD: Well, at some point -- I 13 mean, if they file an appeal with the district court, 14 the Commission essentially loses jurisdiction. 15 16 COMMISSIONER MARTIN: Oh, I see what you're 17 saying. 18 MR. BRANCARD: So they could file for an 19 emergency stay and then a longer stay with district 20 court, but you can give a period of time. 21 COMMISSIONER MARTIN: I prefer that to an open-ended stay. 22 COMMISSIONER BALCH: Well, I'm actually of 23 24 the other mind. I prefer the open-ended stay. The crux 25 of the issue is that Alpha was given a permit

Page 15 improperly. It shouldn't have happened. So I don't see 1 that they should be able to continue pursuing until the 2 entire issue is resolved one way or the other. 3 4 COMMISSIONER MARTIN: I agree with that, 5 but I think there should be a time limit. б COMMISSIONER BALCH: Sure, two years. 7 COMMISSIONER MARTIN: I think something 8 less than that. 9 CHAIRWOMAN RILEY: So I have a third opinion. I think that the stay should be tied to the 10 11 district court, it being moved jurisdictionwise to the 12 district court, because if they fail to timely file their appeal, then they won't get to file it. So there 13 is already a time frame because of that. 14 COMMISSIONER MARTIN: And I think we should 15 16 grant it based on that time frame. 17 COMMISSIONER BALCH: Let me ask you a 18 question, Mr. Brancard. If we give an open-ended stay 19 and it is appealed to district court and district court 20 takes over jurisdiction, couldn't they then modify the stay as they so choose? Does it restrict them from 21 22 their bonding and other abilities? 23 MR. BRANCARD: One of the parties would 24 have to go to the district court to request some sort of 25 relief.

Page 16 COMMISSIONER BALCH: That party could be 1 2 Alpha. 3 MR. BRANCARD: Could be Alpha, from the district court, or basically try to get some sort of 4 5 preliminary decision from the district court about the stay that's been issued. 6 7 I don't know that a district court is 8 necessarily going to easily overrule an agency making 9 that decision. I would think they would uphold the agency's decision. The timing of it, that would be an 10 11 issue, but -- and if you wanted to go that way, you would issue -- I think Mr. Feldewert's request was for 12 13 the pendency of the district court action. 14 Is that correct? MR. FELDEWERT: Yeah. And one of the 15 reasons I asked that is when I look at the state 16 proceedings, the Rules of Civil Procedure, 740 --17 18 okay? And you read it and it says, "Upon motion, a 19 district court may stay enforcement of an order for 20 decision under review." Okay? It says, "A motion for a 21 stay pending an appeal must state that a request for 22 stay was previously made to the agency and was denied or 23 explain why seeking a stay from the agency in the first 24 instance would be impracticable. So as I read this, it 25 contemplates that you go before the agency, and they

Page 17 determine whether the stay is appropriate while you're 1 2 on appeal to the district court, and you only raise the issue in the district court if the agency says no. 3 MR. BRANCARD: Well -- yes. Go ahead, 4 5 Mr. Larson. In the scenario you're 6 MR. LARSON: 7 discussing, I would have to go to the district court or 8 he would have to go to the district court and ask that 9 the Commission stay be commuted, or if you enter an 10 open-ended stay, there would be no reason for him to 11 seek a stay. He's already got it. And if I have to go 12 to the district court and ask them to commute it as, Mr. Brancard noted, it's difficult to overturn an 13 administrative decision. 14 Well, I mean, I don't want 15 MR. BRANCARD: 16 to give you-all ideas, but you could have two opposing appeals in front of the district court. I mean, if the 17 18 Commission grants the -- that's the big if. Delaware 19 could appeal the order, and if the Commission grants 20 this stay, Alpha could appeal that decision. 21 MR. LARSON: As a cross-appeal. 22 MR. BRANCARD: As a cross-appeal. 23 MR. FELDEWERT: So we requested -- and I've 24 done this before. We've requested a stay pending the 25 outcome of the appeal or remand from the district court

Page 18 back to the Commission. And my understanding -- as I 1 customarily understand it, it's been dealt with by the 2 agency because they have knowledge of the record; they 3 have knowledge of the issues. 4 5 COMMISSIONER MARTIN: I think that's essentially what I'm saying, if you want -- if it can be 6 7 worded that way. 8 COMMISSIONER BALCH: Yeah. I'm comfortable 9 with that wording as well. MR. BRANCARD: Well, that's fine, but my 10 11 suggestion is that the Commission first address the 12 order, decide if you want to go ahead with this decision, because until you've made this decision, there 13 is nothing to stay. And you're still in deliberation on 14 this case. You can still consider the evidence in the 15 16 case. This was a tough decision, and so it's still open for further deliberation. 17 18 So that would be my suggestion, that you 19 consider the order first. I mean, if you go ahead with 20 the order as written, seems then you have a path forward 21 with the motion to stay after that. And I guess I would word the stay as "to the conclusion of any district 22 court proceedings, " unless, of course, there is no 23 24 appeal filed. 25 CHAIRWOMAN RILEY: And then it expires.

Page 19 1 COMMISSIONER BALCH: Then given --2 something like that. 3 CHAIRWOMAN RILEY: So we need to talk about the order then next. Have you-all had a chance to look 4 through the proposed order? 5 6 COMMISSIONER MARTIN: I have. 7 COMMISSIONER BALCH: I have. 8 CHAIRWOMAN RILEY: Do any you have 9 comments? 10 COMMISSIONER MARTIN: No good ones. 11 CHAIRWOMAN RILEY: I know. 12 COMMISSIONER MARTIN: I don't have any 13 I guess I'm okay with the order. I do comments. applaud Mr. Brancard for the expertise on this. So I'd 14 have to go -- I defer to him and the accuracy of the 15 16 dates, and I think it accomplishes what Bill wanted to accomplish. 17 18 MR. BRANCARD: But does it accomplish what 19 you want to accomplish? 20 COMMISSIONER MARTIN: Yes. Yes, it does. MR. BRANCARD: I mean, if you have 21 22 significant heartburn with this, we can go back into deliberation about it. 23 24 COMMISSIONER BALCH: There's plenty of 25 heartburn with this.

	Page 20
1	CHAIRWOMAN RILEY: Yeah.
2	COMMISSIONER MARTIN: But is it is it
3	sufficient?
4	MR. BRANCARD: Is it significant?
5	COMMISSIONER BALCH: I don't see my mind
б	changing on the issue. The main problem we have is the
7	Commission is setting a bad precedent, so it's
8	unfortunate that this issue occurred. Hopefully we'll
9	get it resolved appropriately at some point in time by
10	the appropriate authority.
11	CHAIRWOMAN RILEY: I agree. I mean, I
12	think we can go back into deliberation, but we'll
13	probably just talk through all the same issue we did
14	before. I don't see it having a different outcome.
15	COMMISSIONER MARTIN: I agree.
16	CHAIRWOMAN RILEY: It was a tough this
17	was a really tough decision to make, and I don't think
18	any of us made it lightly. It's just untenable, no
19	matter how you look at it.
20	MR. BRANCARD: Well, true. I mean, I tried
21	to as I was drafting the order, going back through
22	the statutes, I was trying to come up with different
23	ways of looking at this. And there are. But the
24	solutions either way adversely affect one party or the
25	other in a way that they didn't intend to be impacted.

Page 21 1 CHAIRWOMAN RILEY: Based on that, we need 2 to make a decision on this order. Do you want to take an oral vote on the order? 3 4 COMMISSIONER MARTIN: I move it be adopted. 5 CHAIRWOMAN RILEY: Okay. COMMISSIONER BALCH: I'll second the 6 7 motion. 8 CHAIRWOMAN RILEY: That was appropriate. 9 Thank you. 10 We have a second. 11 So moved. 12 So let's do an oral vote. 13 Signify by saying aye if you approve of adopting this order. 14 15 COMMISSIONER BALCH: Aye. 16 COMMISSIONER MARTIN: Aye. 17 CHAIRWOMAN RILEY: Aye. 18 (Ayes are unanimous.) 19 CHAIRWOMAN RILEY: Will you please sign, Mr. Balch -- Dr. Balch? 20 COMMISSIONER BALCH: Sure. 21 22 Thank you, Bill, for writing that. 23 MR. BRANCARD: Mr. Larson got me started, 24 and I kept going. 25 CHAIRWOMAN RILEY: This one is not fun,

1 just for the record.

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2	MR. BRANCARD: You should look at the
3	order, Mr. Larson, because I added significantly to it.
4	So then we have a motion to stay. So if I
5	understand, the proposal would be to grant the motion to
б	a period of 60 days, and then it will automatically be
7	extended if an appeal is filed in district court or
8	through the pendency of that appeal in district court.
9	COMMISSIONER MARTIN: I move the stay be
10	granted under those terms.
11	COMMISSIONER BALCH: I second that motion.
12	CHAIRWOMAN RILEY: Okay. So moved.
13	MR. BRANCARD: Okay. I can draft a
14	separate order for the Chair to sign.
15	COMMISSIONER MARTIN: Okay.
16	(Case Number 15855 concludes, 9:39 a.m.)
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Page 23 1 STATE OF NEW MEXICO 2 COUNTY OF BERNALILLO 3 CERTIFICATE OF COURT REPORTER 4 5 I, MARY C. HANKINS, Certified Court Reporter, New Mexico Certified Court Reporter No. 20, 6 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 a true and correct transcript of those proceedings that 10 were reduced to printed form by me to the best of my 11 12 ability. 13 I FURTHER CERTIFY that the Reporter's Record of the proceedings truly and accurately reflects 14 the exhibits, if any, offered by the respective parties. 15 16 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or 17 18 attorneys in this case and that I have no interest in 19 the final disposition of this case. 20 DATED THIS 10th day of September 2018. 21 22 MARY C. HANKINS, CCR, RPR 23 Certified Court Reporter New Mexico CCR No. 20 Date of CCR Expiration: 12/31/2018 24 Paul Baca Professional Court Reporters 25