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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 DIVISION FOR THE PURPOSE OF CONSIDERING:

AMENDED APPLICATION OF HILCORP ENERGY CASE NOS. 16224, COMPANY FOR AN EXCEPTION TO THE WELL 16225, DENSITY REQUIREMENTS OF THE BLANCO-PICTURED 16226 CLIFFS POOL, RIO ARRIBA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

July 12, 2018

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER LEONARD LOWE, TECHNICAL EXAMINER DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Michael McMillan, Chief Examiner, Leonard Lowe, Technical Examiner, and David K. Brooks, Legal Examiner, on Thursday, July 12, 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

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| 1 | APPEARANCES | |
| 2 | FOR APPLICANT HILCORP ENERGY COMPANY: | |
| 3 | ADAM G. RANKIN, ESQ. HOLLAND & HART, LLC | |
| 4 | 110 North Guadalupe, Suite 1 Santa Fe, New Mexico 87501 | |
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- 1 (8:35 a.m.)
- 2 EXAMINER McMILLAN: Okay. 16224, 225 and
- 3 226?
- 4 MR. RANKIN: Correct.
- 5 EXAMINER McMILLAN: Please proceed.
- 6 MR. RANKIN: Mr. Examiner, at the time that
- 7 these applications were noticed, the incorrect pool name
- 8 was identified in the notice, so we have corrected that,
- 9 perfecting notice to the parties and publishing notice
- 10 with the new correct pool name.
- 11 So in each of these cases, we have an
- 12 additional exhibit -- or two exhibits to supplement the
- 13 record. In each case, we have an updated affidavit
- 14 indicating that we have provided notice to the parties
- 15 updating the correct pool name. That's Exhibit 1 in the
- 16 packet that I've just distributed. Exhibit Number 2 is
- 17 an Affidavit of Publication indicating that we have
- 18 published notice to -- in the newspaper of the county of
- 19 record identifying each of those parties by name and
- 20 reflecting the correct pool name.
- 21 And with that, Mr. Examiner, I would move
- 22 to admit Exhibits 1 and 2 in each of these cases into
- 23 the record.
- 24 EXAMINER McMILLAN: Okay. Exhibits 1 and 2
- 25 in Cases 16224, 16225 and 16226 may now be accepted as

Page 4 part of the record. (Hilcorp Energy Company Exhibit Numbers 1 and 2 are offered and admitted into evidence.) MR. RANKIN: Thank you, Mr. Examiner. I have no further questions and ask that these cases be taken under advisement. EXAMINER McMILLAN: Okay. Case Numbers 16224, 16225 and 16226 may now be taken under advisement. Thank you. MR. RANKIN: Thank you. (Case Numbers 16224, 16225 and 16226 conclude, 8:37 a.m.)

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- 1 STATE OF NEW MEXICO
- 2 COUNTY OF BERNALILLO

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- 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.
- 16 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 11th day of August 2018.

21

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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

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