

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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

PRE-HEARING TRANSCRIPT - CONTINUANCES AND DISMISSALS

February 21, 2019

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER
PHILLIP GOETZE, TECHNICAL EXAMINER
TERRY WARNELL, TECHNICAL EXAMINER
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Michael McMillan, Chief Examiner; Phillip Goetze and Terry Warnell, Technical Examiners; and David K. Brooks, Legal Examiner, on Thursday, February 21, 2019, 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 (8:15 a.m.)

2 EXAMINER McMILLAN: Good morning. Today's
3 date is February 21st, 2019. The time is 8:15 a.m.
4 My name is Michael McMillan. I will be the hearing
5 examiner.

6 To my right is Phillip, and he will be
7 essentially doing the saltwater disposal wells.

8 To my left is counsel, David Brooks.

9 What I'm going to do now is go through the
10 continuances.

11 Okay. On page 1, Case 16231 shall be
12 continued to March the 31st.

13 EXAMINER BROOKS: 21st.

14 EXAMINER McMILLAN: March the 31st.

15 EXAMINER BROOKS: I thought you said the
16 31st.

17 (The court reporter confirmed Examiner
18 Brooks' comment.)

19 (Laughter.)

20 EXAMINER McMILLAN: You're wrong.

21 (Laughter.)

22 EXAMINER WARNELL: Come on. We've got a
23 long ways to go.

24 EXAMINER McMILLAN: Okay. Case Number
25 16344 shall be continued till March the 21st. Case

1 16345 shall be continued till March the 21st, and case
2 number nine, Case 2255 [sic], shall be continued till
3 March the 21st.

4 Turning to page 2, Case 16412 shall be
5 continued till March the 21st. Case 16292 shall be
6 continued till March the 21st. Case 20166 shall be
7 continued till March the 21st. Case Number 20168 shall
8 be continued till March the 21st. Case 20167 shall be
9 continued till March the 21st. Case Number 20201 shall
10 be continued till March the 21st. Case Number 20170
11 shall be continued till March the 21st. And then I have
12 Case 20254 shall be continued until March the 21st.

13 Turning to page 3, Case Number 16166 shall
14 be dismissed. Case Number 16167 shall be dismissed.
15 Case Number 16168 shall be dismissed. Case Number 20105
16 shall be continued till March the 21st. Case Number
17 20106 shall be continued to March the 21st. Case Number
18 20107 shall be continued till March the 21st. Case
19 Number 16489 shall be continued till March 21st. Case
20 Number 20248 shall be continued till March 21st.

21 Turning to page 4, Case Number 16492 shall
22 be continued to March the 21st. Case Number 16493 shall
23 be continued till March the 21st. Case Number 16494
24 shall be continued till March the 24th -- 21st. Excuse
25 me. Case Number 16495 shall be continued till March the

1 21st. Case Number 20249 shall be continued till March
2 the 21st. Case Number 20250 shall be continued till
3 March the 21st. Case Number 20251 shall be continued
4 till March the 21st. Case Number 20053 shall be
5 continued till March the 21st. Case Number 20054 shall
6 be continued till March the 21st. Case Number 20179
7 shall be continued till March the 21st.

8 Turning to page 5, Case Number 20174 shall
9 be continued till March the 21st. Case Number 20175
10 shall be continued until March the 21st. Case Number
11 20176 shall be continued till March the 21st. Case
12 Number 20177 shall be continued till March the 21st.
13 Case Number 20178 shall be till March the 21st. Case
14 Number 20173 shall be continued till March the 21st.
15 Case Number 20180 shall be continued till March the
16 21st. Case Number 16488 shall be continued till March
17 the 21st. Case Number 16487 shall be continued till
18 March the 21st. Case Number 16414 shall be continued
19 until March the 21st.

20 Turning to page 6, Case 16470 shall be
21 continued until March the 21st. 16471 shall be
22 continued till March the 21st. Case Number 16473 shall
23 be continued till March the 21st. Case Number 16473
24 shall be continued till March the 21st. Case Number
25 16474 shall be continued till March the 21st.

1 Turning to page 7, Case Number 16475 shall
2 be continued until March the 21st. Case Number 20074
3 shall be continued till March the 21st. Case Number
4 20075 shall be continued till March the 21st. Case
5 Number 20077 shall be continued till March the 21st.
6 Case Number 20076 shall be continued until March the
7 21st. Case Number 20260 shall be continued to March the
8 21st.

9 Turning to page 8, Case Number 20259 shall
10 be continued till March the 21st. Case Number 20162
11 shall be continued till March the 21st. 20169 shall be
12 continued till March the 21st. Case Number 20164 shall
13 be continued till March the 21st. Case Number 20163
14 shall be continued till March the 21st.

15 Turning to page 9, Case Number 20118 shall
16 be continued till March the 21st. Case Number 20119
17 shall be continued till March the 21st. Case Number
18 20165 shall be continued till March the 21st. Case
19 Number 20253 shall be continued till March the 21st.
20 Case Number 16455 shall be dismissed. Case Number 16504
21 shall be continued till March the 21st. Case Number
22 16506 shall be continued till March the 21st.

23 Turning to page 10, Case Number 20150 shall
24 be continued till March the 21st. Case Number 16507
25 shall be continued till March the 21st. Case Number

1 20140 shall be continued until March the 21st. Case
2 16509 shall be continued till March the 21st. Case
3 Number 20141 shall be continued till March the 21st.
4 Case Number 20151 shall be continued till March the
5 21st. Case Number 20142 shall be continued till March
6 the 21st. Case Number 20113 shall be continued until
7 March the 21st.

8 And those are all the continuances and
9 dismissals.

10 Any others?

11 MR. McMILLAN: Mr. Examiner, Seth McMillan,
12 Montgomery & Andrews. Mr. Bruce and I had a couple of
13 competing cases. Number 20248, which is 31 on the
14 docket, is correctly identified as having been continued
15 until March 21st.

16 EXAMINER McMILLAN: Yes.

17 MR. McMILLAN: The companion case is number
18 59, 20190. That one should also be continued to March
19 21st for the time being, and I guess we'll need to find
20 a special docket date or something for those.

21 MR. BRUCE: Mr. Examiner, on the last page,
22 Case 20113, the Solaris case regarding the Aspen SWD
23 No. 1, please continue that to March 21. I think I sent
24 an email yesterday.

25 EXAMINER McMILLAN: Which one?

1 MR. BRUCE: 20113.

2 EXAMINER McMILLAN: Yeah. It's continued
3 until March the 21st.

4 MR. BRUCE: Yeah.

5 EXAMINER McMILLAN: Okay.

6 MR. FELDEWERT: Mr. Examiner, Michael
7 Feldewert. Case number 21, 20102, should be dismissed,
8 as well as Case Number --

9 EXAMINER McMILLAN: 77?

10 MR. FELDEWERT: -- Case 77, McElvain's
11 case, should be dismissed.

12 EXAMINER McMILLAN: Does the other counsel
13 agree?

14 MR. DeBRINE: Yes, Mr. Examiner.

15 EXAMINER McMILLAN: Okay. Thank you.

16 So 20102 and 16469 shall be dismissed.

17 Thank you.

18 MR. FELDEWERT: And then, Mr. Examiner, if
19 we look at case number 68, 20125 --

20 EXAMINER McMILLAN: Yes.

21 MR. FELDEWERT: -- I think that case has
22 also been dismissed.

23 And then right above that, case number 67
24 on your docket, Case Number 20191, by Percussion --

25 EXAMINER McMILLAN: Yes.

1 MR. FELDEWERT: -- that case was actually
2 presented on February 7th. So I think it was placed on
3 this docket by accident.

4 EXAMINER McMILLAN: And was it taken under
5 advisement then?

6 MR. FELDEWERT: Yes.

7 EXAMINER McMILLAN: Are there any others?
8 And my question is: Case Number 20114,
9 what is the status of that?

10 MR. BRUCE: Mr. Examiner, Jim Bruce
11 representing the Applicant. That case was originally
12 filed by administrative application. Due to objections,
13 it was set for hearing. The objections have been
14 withdrawn. So Solaris requests that this application be
15 dismissed and the case be remanded to the administrative
16 docket.

17 EXAMINER McMILLAN: Okay. Case Number
18 20114 shall be dismissed.

19 MS. BENNETT: May I briefly speak to that?

20 We were -- NGL was one of the parties that
21 was objecting to Case 20114, and I know the State Land
22 Office had also entered an appearance in that case. And
23 I don't know that the State Land Office has had an
24 opportunity to weigh in on Mr. Bruce's decision to
25 remand this case administratively. And I also know that

1 the State Land Office entered an appearance in our
2 cases, in NGL's cases, with some questions about
3 proximity to state lands, and those issues are at issue
4 in the Telluride case. So I'm just trying to be --
5 allow the State Land Office the opportunity to weigh in
6 on this.

7 EXAMINER McMILLAN: Okay. Let's go
8 (indicating.)

9 MS. ANTILLON: Mr. Examiner, my name is
10 Andrea Antillon. I represent the State Land Office.
11 And we are -- Deana's correct. We have entered an
12 appearance in the matter -- in the Solaris matter, and
13 we are reviewing that application, and we would like to
14 retain our objection to that case.

15 EXAMINER BROOKS: Well, if there is a party
16 in there that is not satisfied with remanding it to the
17 administrative process, then we need to continue it
18 until March 21st. We could do something else if it can
19 be done between now and then.

20 Mr. Bruce?

21 MR. BRUCE: Well, Mr. Examiner, all that
22 was entered was an appearance. I never received any
23 objection.

24 EXAMINER BROOKS: Well, I'm not sure it's
25 clear to everybody what they're supposed to do when

1 there is already a hearing case set and somebody else
2 has an objection where they have to -- does the case die
3 for lack of them filing an objection, or does it
4 continue until dismissed? And I don't think that it's
5 clear. So I would say there is no harm done by keeping
6 the case on the docket. It can be dismissed anytime the
7 parties are satisfied that it's time to dismiss it.

8 MR. BRUCE: That's fine. And I'll be in
9 touch with the State Land Office, but this is the first
10 I heard that the land office was objecting.

11 EXAMINER BROOKS: Yeah. Well, it would
12 probably be better if people filed sooner, but I think
13 probably the rules have been complied with.

14 EXAMINER McMILLAN: Okay. So Case Number
15 20114 shall be continued until March the 21st.

16 EXAMINER BROOKS: And I want to
17 congratulate Mr. McMillan for literally following the
18 rule, 19.15.4.15.

19 (Laughter.)

20 EXAMINER BROOKS: That rule seems to be --
21 it seems to be somewhat --

22 EXAMINER McMILLAN: Okay. This is what
23 we're doing on the hearing. We're now going to go over
24 the saltwater disposal wells.

25 (The pre-hearing proceedings, continuances

and dismissals, conclude, 8:33 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.

13 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 27th day of March 2019.

21

22

23 MARY C. HANKINS, CCR, RPR
24 Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
Paul Baca Professional Court Reporters

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