

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:

CASE NOS: 21830 - 21833

APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER R-21311,
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
APRIL 22, 2021
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before
the New Mexico Oil Conservation Division, HEARING OFFICER
WILLIAM BRANCARD and TECHNICAL EXAMINER DYLAN ROSE COSS on
Thursday, April 22, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

For the Applicant:

DEANA BENNETT
MODRALL SPERLING ROEHL HARRIS & SISK PA
500 4th Street, NW, Suite 1000
Albuquerque, NM 87102
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I N D E X

CASE CALLED

SUMMARY OF CASE AND EXHIBITS 03

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E X H I B I T I N D E X

Admitted

Exhibits and Attachments 05

1 HEARING EXAMINER BRANCARD: All right. Let's do
2 some hearings. I'm now on case, on our agenda list it's
3 Number 28, and it's Case 21830, Colgate Operating. This is
4 a request for an amended order, Colgate, and I believe this
5 case is 21831, 21832, and 21833. Who is here for Colgate?

6 MS. BENNETT: Good morning, Mr. Examiner, this is
7 Deana Bennett on behalf of Colgate -- yes, yes, I am. Sorry
8 about that. I -- yes, so Deana Bennett from Modrall
9 Sperling on behalf of Colgate Energy in Case Number 21830,
10 21831, 21832 and 21833.

11 HEARING EXAMINER BRANCARD: Thank you. Let me
12 just -- if you can get yourself organized there, and I will
13 ask for any other appearances in this matter.

14 (No audible response.)

15 HEARING EXAMINER BRANCARD: Looks like it's all
16 yours, Ms. Bennett.

17 MS. BENNETT: Thank you. Thank you very much.
18 So these four cases involve orders that the Division
19 previously entered, and Colgate is requesting an extension
20 of time to commence drilling in each of the four cases.

21 The packet set before you was submitted on
22 Tuesday, and it contains Colgate's exhibits. And the
23 exhibits include the self-affirmed declaration of Mark
24 Hadjik, and he has previously testified before the Division.

25 And behind his declaration, you will find the

1 application to reopen the cases, and those are marked A-1
2 through A-4. And for the Division's convenience, we have
3 included exhibit -- the orders that were previously issued
4 as exhibits, and those are the orders that Colgate is
5 requesting be extended.

6 And in Mr. Hadjik's affidavit or declaration, you
7 will see that he requests an extension of time of one year
8 for each order, and the orders were entered on May 7 and May
9 19 of 2020, and so he outlines in his declaration the dates
10 and the order numbers for the extensions of time.

11 So for Order R-21311 Colgate is requesting an
12 extension of time through May 7, 2022; for Order 21312, from
13 May 7, 2021, to May 7, 2022; Order 21328 to May 19, 2022 and
14 Order 21329 to May 19, 2022. And Mr. Hadjik's affidavit
15 does explain the need for these extensions of time which is
16 based on the recent market conditions and limitations from
17 the COVID-19 pandemic, and so Colgate has adjusted its
18 schedule based on those extenuating circumstances, and that
19 has resulted in the need for these extensions of time.

20 We have also included as an exhibit an affidavit
21 from Mr. Hough of my office describing the notice that was
22 done for this case, and the notice of the hearings were
23 timely mailed, and publication in the newspaper was timely
24 filed.

25 And so the notice, notice was timely as

1 demonstrated by Mr. Hough's application -- I'm sorry,
2 affidavit.

3 So with that, I'm happy to stand for questions,
4 but I would ask that the exhibits that we submitted be
5 admitted into the record for these four cases.

6 HEARING EXAMINER BRANCARD: Thank you. Just to
7 be clear, is there one set of exhibits for all four cases?

8 MS. BENNETT: Yes, that's correct, one set of
9 exhibits for all four cases.

10 HEARING EXAMINER BRANCARD: I will go to Mr. Rose
11 Coss. Are there any questions or concerns with these four
12 applications?

13 TECHNICAL EXAMINER COSS: No Examiner Brancard,
14 as far as I can tell, everything is (inaudible).

15 MS. BENNETT: Thank you. Nice to see you again.

16 HEARING EXAMINER BRANCARD: So with that, are
17 there -- once again, to the audience, are there any other
18 concerns about these four cases? Other parties?

19 (No audible response.)

20 HEARING EXAMINER BRANCARD: Hearing none. In
21 Cases 21830, 21831, 21832, and 21833, the exhibits will be
22 admitted into the record and these cases will be taken under
23 advisement. Thank you.

24 MS. BENNETT: Thank you very much.

25 (Exhibits admitted.)

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(Taken under advisement.)

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

5 I, IRENE DELGADO, New Mexico Certified Court
6 Reporter, CCR 253, do hereby certify that I reported the
7 foregoing virtual proceedings in stenographic shorthand and
8 that the foregoing pages are a true and correct transcript
9 of those proceedings to the best of my ability.

10 I FURTHER CERTIFY that I am neither employed by
11 nor related to any of the parties or attorneys in this case
12 and that I have no interest in the final disposition of this
13 case.

14 I FURTHER CERTIFY that the Virtual Proceeding was
15 of poor to good quality.

16 Dated this 22nd day of April 2021.

17

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-21

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