

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:

Application of Colgate Operating, LLC,           Case No. 21947  
to Amend Order No. R-21438  
Eddy County, New Mexico.

Application of Colgate Operating, LLC,           Case No. 21948  
to Amend Order No. R-21439  
Eddy County, New Mexico.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, JUNE 3, 2021

This matter came on for hearing before the  
New Mexico Oil Conservation Division,  
Legal Examiner William Brancard, Technical  
Examiner Leonard Lowe, on Thursday, June 3, 2021  
via Webex Virtual Conferencing Platform.

Reported by:   Mary Therese Macfarlane  
New Mexico CCR No. 122  
PAUL BACA COURT REPORTERS  
500 Fourth Street NW, Suite 105  
Albuquerque, New Mexico 87102  
(505) 843-9241

1 A P P E A R A N C E S.

2 FOR COLGATE OPERATING, LLC: Lance Hough, Esq.  
3 Modrall Sperling  
4 P.O Box 2168  
5 Albuquerque, NM  
(505) 848-1845  
ldh@modrall.com

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6 I N D E X

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9	PRESENTATION BY MR. HOUGH:	3
10	TAKEN UNDER ADVISEMENT:	5

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

13	COLGATE OPERATING, LLC EXHIBITS:	PAGE
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17	A-3 Order No. R-21438	5
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21	B-2 Certified Mail Log/Notice May 12, 2021 Certified Mail Log/Report June 1, 2021	5
22	B-3 Affidavit of Publication	5

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1 (Time noted 9:07 a.m.)

2 HEARING EXAMINER BRANCARD: I now call Cases  
3 21947, 21948, Items 22 and 23 on our docket.

4 Modrall Sperling.

5 MR. HOUGH: Thank you, Mr. Examiner. One more  
6 time here Lance Hough here on behalf of Colgate Operating,  
7 LLC, and I would like to present these two cases as  
8 consolidated.

9 HEARING EXAMINER BRANCARD: Thank you.

10 Are there any other interested parties in  
11 Cases 21947, 21948? (Note: No response.)

12 Hearing none, please proceed, Mr. Hough.

13 MR. HOUGH: Thank you, Mr. Examiner.

14 Both these case are for one-year extension  
15 requests, and this would be for amending Order 21438 and  
16 21439. Both of these would be for extensions out to  
17 August 24th, 2022.

18 Provided in support of these two requests  
19 are the exhibit packets we submitted, which include  
20 Exhibit A, the Self-Affirmed Declaration of Mark Hajdik.  
21 Again he provides a description of the dedicated acreage  
22 and wells. These are in the Big Burro well family.

23 He also provides that good cause for the  
24 extensions exist due to the recent market conditions and  
25 limitations from Covid 19, and as a result they had to

1 adjust their rig schedule.

2 Also included in support of this is the  
3 application itself, or the applications, and of course the  
4 two Orders.

5 And then Exhibit B is my affidavit with  
6 respect to Notice being timely, and attached to that B-1  
7 B-2, B-3, so that is the Notice itself, the status of  
8 mailings, and then the Affidavit of Publication in a  
9 newspaper of general circulation.

10 So again just one-year extension request up  
11 to August 24, 2022.

12 So unless the Division has any questions, I  
13 would ask that these exhibits be admitted into the record  
14 and these matters be taken under advisement.

15 THE HEARING OFFICER: Thank you.

16 Mr. Lowe, any questions?

17 EXAMINER LOWE: I do not have any questions.  
18 Thank you.

19 HEARING EXAMINER BRANCARD: Okay. Once again  
20 any other parties interested in Cases 21947, 21948?

21 (Note: Pause.) Hearing none, the exhibits in these two  
22 cases will be admitted into the record and the case will  
23 be taken under advisement.

24 And we would like to thank Mr. Hough for  
25 all his wonderful appearances before the Division.

1 Mr. Hough and I go back a little further, actually. We  
2 first dealt with each other when you were with a prior law  
3 firm at the Questa mine working on the Superfund in the  
4 reclamation.

5 Good luck in your future endeavors.

6 MR. HOUGH: Thank you. I appreciate it.

7 I enjoyed cutting my teeth up in Questa and  
8 doing the work before the Division. I just want to thank  
9 everyone. I appreciate the professional candor of  
10 everyone in this practice. It's not always the same in  
11 some of the other practices. So thank you all.

12 HEARING EXAMINER BRANCARD: Thank you.

13 (Time noted 9:10 a.m.)

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1 STATE OF NEW MEXICO )

2 : SS

3 COUNTY OF TAOS )

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REPORTER'S CERTIFICATE

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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CCR No. 122, DO HEREBY CERTIFY that on Thursday, June 3,

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2021, the proceedings in the above-captioned matter were

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taken before me; that I did report in stenographic

10

shorthand the proceedings set forth herein, and the

11

foregoing pages are a true and correct transcription to

12

the best of my ability and control.

13

I FURTHER CERTIFY that I am neither employed by

14

nor related to nor contracted with (unless excepted by the

15

rules) any of the parties or attorneys in this case, and

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that I have no interest whatsoever in the final

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disposition of this case in any court.

18

/s/ Mary Macfarlane

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MARY THERESE MACFARLANE, CCR

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NM Certified Court Reporter No. 122

License Expires: 12/31/2021

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