

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 ROCKWOOD RESOURCES, LLC, et al.,
TO REOPEN MEWBOURNE OIL COMPANYS
POOLING CASE NO. 21390,
LEA COUNTY, NEW MEXICO.

CASE NO. 22539
Re: Case No. 21390
Order No. R-21527

APPLICATION OF ROCKWOOD RESOURCES, LLC, et al.,
TO REOPEN MEWBOURNE OIL COMPANYS
POOLING CASE NO. 21391,
LEA COUNTY, NEW MEXICO.

CASE NO. 22540
RE: CASE NO. 21391
ORDER NO. R-21528

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
MARCH 3, 2022
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 DEAN McCLURE on
Thursday, March 3, 2022, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253
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A P P E A R A N C E S

For Rockwood Resources, Christina Brock
and Rebecca J. Babbitt:

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I N D E X

CASE CALLED	
MOTIONS	03
REPORTER CERTIFICATE	25

1 HEARING EXAMINER BRANCARD: Okay. So we've got
2 three more items on the agenda today, which may take up a
3 little bit of time, so I'm looking at Cases 61 and 62, the
4 Rockwood Resources, 22539, 22540, we can do that, possibly
5 FAE. I'm thinking that 22599 maybe after lunch, just to let
6 people know where I think we are headed here. But let me
7 check in with our court reporter first.

8 (Discussion with reporter.)

9 MR. RANKIN: Mr. Examiner, if I may let my
10 witnesses know we will be going after lunch in the Enduring
11 Resources Case 22599 I will do so, and then that way they
12 don't have to be waiting around, if that's okay with you.

13 HEARING EXAMINER BRANCARD: That will be fine,
14 too, I think Mr. Hall may be waiting, too.

15 MR. RANKIN: Yeah, thank you.

16 HEARING EXAMINER BRANCARD: So let's take a look
17 at Cases 22539 and 22540. We have a group of parties led by
18 Rockwood Resources.

19 MR. SAVAGE: Yes, Darin Savage with Abadie &
20 Schill on behalf of Rockwood Resources.

21 HEARING EXAMINER BRANCARD: I believe you were
22 representing some other folks, too; is that correct?

23 MR. SAVAGE: That is correct. There is a
24 Rockwood Group, and that would be Miss Christina Brock and
25 Rebecca J. Babbitt.

1 HEARING EXAMINER BRANCARD: Okay. Mewbourne Oil
2 Company?

3 MS. HARDY: Dana Hardy with Hinkle Shanor on
4 behalf of Mewbourne.

5 HEARING EXAMINER BRANCARD: All right. Any other
6 interested persons for cases 22539, 22540?

7 (No audible response.)

8 HEARING EXAMINER BRANCARD: Hearing none -- so
9 this case is an attempt to reopen a case where we have
10 already issued a final order. I'm not exactly sure --

11 MR. SAVAGE: Mr. Examiner --

12 HEARING EXAMINER BRANCARD: -- what relief you
13 are looking for, Mr. Savage, but you can explain that here.
14 So we also have a motion to dismiss that's filed by
15 Mewbourne. These cases were originally set as a status
16 conference, but I issued an order saying that we would
17 consider the motion to dismiss today. There is obviously a
18 lot more going on than that, and then we may need a hearing
19 date to deal with all the factual questions surrounding the
20 issues raised, that is, if the motion to dismiss is not
21 granted.

22 So Mr. Savage, do you want to summarize what your
23 clients are after?

24 MR. SAVAGE: Yes, Mr. Examiner, last night after
25 receiving Mewbourne's reply, I submitted an emergency

1 request for a continuation. Did you receive that?

2 HEARING EXAMINER BRANCARD: Yes, woke me up.

3 MR. SAVAGE: Okay, thank you. Can I address that
4 first before -- to get your thoughts on that, or have you
5 made a decision already? We also filed a motion to strike
6 the reply because we feel it's highly prejudicial, and I
7 would like to discuss that too as a preface to moving
8 forward with the motion hearing.

9 HEARING EXAMINER BRANCARD: I guess so, you know,
10 Robert's rule, the motion to continue gets dealt with first.
11 And by Robert, that's my middle name, so I get to make up
12 the rules.

13 So why don't you, why don't we talk about that.
14 I mean, my personal preference is to try to deal with
15 something today, you know, to try to move this case along or
16 to resolve it if necessary.

17 MR. SAVAGE: I agree with that, and Rockwood has
18 some ideas on how to focus in on some of the issues that
19 would -- still remaining for the threshold question of the
20 motion to dismiss. And I will talk about that if that would
21 be appropriate as I talk about the continuance.

22 HEARING EXAMINER BRANCARD: Why don't you first
23 deal with the continuance, and I will have Ms. Hardy
24 respond.

25 MR. SAVAGE: From Rockwood's perspective, an

1 unexpected last-minute development occurred yesterday, and
2 that's the filing of an 11-page -- basically a law-review
3 caliber pleading at 4 p.m. drafted by the talented Ms. Hardy
4 who was able to crank out that kind of product.

5 For average persons like myself who has to review
6 that the day before the motion hearing and has to evaluate
7 it, this presents a difficulty. And Rockwood found on
8 review of the reply that a number of material issues within
9 the Mewbourne's reply are prejudicial to Rockwood,
10 technically they are highly prejudicial.

11 Rockwood has enumerated them in detail in its
12 request for a continuance. As a result, Rockwood has filed
13 a motion to strike Mewbourne's reply from the record, and
14 Rockwood respectfully requests the Division continue the
15 motion hearing until a decision can be made about the reply
16 and the focus of the motion hearing.

17 Also, the pleadings seem to be getting quite
18 wieldy and they mix motions, responses, and responses with
19 replies because everybody seems to be trying to account for
20 every single circumstance and issue, and at this time I
21 would like to talk about the remaining threshold issues that
22 need to be addressed the Division would like to make an
23 informed decision and how to maybe proceed about receiving
24 that. And if, if you, if Mr. Examiner finds it appropriate,
25 I would like to discuss that or bring up some ideas.

1 HEARING EXAMINER BRANCARD: We will discuss that.

2 MR. SAVAGE: Okay.

3 HEARING EXAMINER BRANCARD: Ms. Hardy, quick
4 response to this motion to continue, or where do you think
5 we are at here?

6 MS. HARDY: Sure. Thank you, Mr. Examiner.
7 Mewbourne's reply was I think completely appropriate and
8 necessary to be filed given the issues that were raised in
9 Rockwood's response. They filed their response to our
10 motion to dismiss on Tuesday, and attached two or three
11 affidavits and exhibits that they hadn't provided previously
12 with their initial filing which was their motion to
13 establish facts and conclusions.

14 So there are a number of issues raised by their
15 response that we needed to address in our reply, so we did
16 that and filed it yesterday. I don't think there was
17 anything improper whatsoever about the reply or the filing
18 of the reply.

19 I think that issue that the Division really needs
20 to deal with is standing. That was really the basis of
21 our motion to dismiss and we also raised issues regarding
22 the notice requirement, and I think standing is certainly a
23 threshold issue that needs to be considered before we get to
24 anything else because it's jurisdictional.

25 So I am ready to go forward and argue the motion

1 to dismiss. If the Division feels it needs more time to
2 evaluate pleadings, then of course I don't have an issue
3 with the continuance, but that's really where Mewbourne is
4 at this point.

5 HEARING EXAMINER BRANCARD: Okay. Thank you.
6 Let me just throw some thoughts out here, I guess the reason
7 I looked for an argument on a motion to dismiss today is
8 sort of what Ms. Hardy mentioned is are there threshold
9 legal issues here that prevent us from going forward with
10 this case.

11 And I'm trying to avoid digging into what the
12 parties are already doing which is throwing lots of factual
13 allegations out in pieces of paper; that's what we have
14 hearings for.

15 And so if we get to the underlying issue about
16 notice, et cetera, there will be plenty of opportunity to
17 provide factual background to the issues. And so that's my
18 thought, that if we are going to look at a motion to
19 dismiss, it needs to be a purely legal jurisdictional issue.

20 Of course, the standing issue that has been
21 raised by Mewbourne has the factual predicates to it, too,
22 that can be argued about here. I frankly there are other
23 jurisdictional issues that have not been raised that hit me
24 right away, like, for instance, what is the Division's
25 jurisdiction to hear this case at all.

1 We have a final order from the Division after a
2 hearing, we have a statute, although along with that that
3 says if you get a decision after a hearing, you have the
4 right within 30 days to take it to the Oil Conservation
5 Commission for a de novo hearing. That did not happen here,
6 and I guess I'm wondering what the Division's authority is
7 to sort of reach back to a decision it made over a year ago
8 and say, "Oh, that was a bad decision. We are going to do
9 that one over again."

10 So that's an issue that I struggle with, you
11 know. Tied to that, I think is an issue of laches. I mean,
12 you know, how long back can the Division, if the Division
13 does have the ability to go back and correct what may have
14 been an error absent the Commission correcting the error,
15 you know, how far back can we go?

16 When we issue a compulsory pooling order we give
17 the parties a year to drill a well, so it's not like we are
18 issuing orders forever, there are things that are going to
19 happen soon, so our ability to reach back is limited in some
20 way or another.

21 So I guess those are concerns I have that neither
22 party has addressed here. We dealt with this issue to a
23 certain extent, Mr. Feldewert is probably still on the line
24 and can remember that in Alpha Delaware case whereas
25 Commission counsel I said, "No, the Division can't go back

1 and relitigate the issue, reopen cases."

2 The court said, "No, the Division can," about in
3 that case there was no hearing before the Division. And the
4 court latched onto this provision in the Act and in our
5 rules that say, "After a hearing, you appeal to the
6 Commission." Here, we had a hearing, and nobody bothered to
7 appeal to the Commission.

8 So when is, when is an order final then? What is
9 our ability to go back and relook at a case?

10 Notice, I will say on the other flip side, notice
11 is a particularly difficult issue because that kind of
12 throws out some claims you might have had saying if Mr.
13 Savage's clients had appealed to the Commission, and
14 somebody said, "Well, They weren't a party (inaudible),"
15 because the statute does say you have to be a party to
16 appeal to the Commission.

17 So notice is a tricky thing. Due process issues
18 are a tricky thing. And I think we're also dealing with
19 some questions here that could be pretty important for the
20 Division and the Commission to contemplate about what is
21 basic notice requirements.

22 You know, that's the case that the parties have
23 looked at, and I do recall the case very specifically, the
24 McElvain case in the Supreme Court a few years ago, you
25 know, dealt with something that was decades old and whether

1 you could attack that. Ultimately they decided they didn't,
2 but they make that intriguing comment that Mr. Savage
3 latches on about saying, "Well, today things are different.
4 There are other ways of finding people," and I don't know
5 whether that changes what proper notice is. And so that's
6 another way of saying there might be some significant issues
7 here.

8 I'm tempted a little bit to simply find a way to
9 dismiss this case in front of the Division. That sounds a
10 little rude, but the point is, it would give, if they wanted
11 to, Mr. Savage's clients a quick case to the Commission.

12 After that they have a decision from the director
13 that they could then take right away to the Commission on a
14 de novo case, you don't have to argue whether the Division
15 was right or not in dismissing it, you get to start all over
16 again with whatever your application is. And presumably you
17 get to write a better application, Mr. Savage, because now
18 you know what Mewbourne's arguments are.

19 MR. SAVAGE: Yes, thank you.

20 HEARING EXAMINER BRANCARD: So that's sort of
21 among the many things rattling around in my head right now
22 in trying to do this. If we are going to do something today
23 it has to be sort of fact free because there is a lot of
24 allegations here about who knows what and when and who
25 should have known what and when that I think we can only

1 really address through witnesses and a hearing, and don't
2 know if we really want to get into that -- in fact, I know
3 we don't.

4 So that's what I'm going to throw back at the
5 parties, and since I raised other issues, would it be
6 worthwhile having the parties address those other issues at
7 another motion hearing before we get into a factual hearing?
8 Again, assuming that the case is not dismissed and you both
9 go running off to the Commission.

10 That's, that's kind of what I'm throwing out
11 here, trying to get a grip on what is not a normal procedure
12 here to reopen a case, particularly reopening from a third
13 party.

14 So that's the concern. Is there something worth
15 discussing here? Should we argue about the motion to
16 dismiss that Mewbourne has filed, or should we put it off
17 and argue about these other issues I have raised?

18 MR. SAVAGE: Mr. Examiner, if I may speak, I
19 agree this is a very important case on both sides of the
20 fence. On the operator's side there needs to be certainty
21 about what constitutes notice at all levels, and I think
22 this case would provide an opportunity. On the public side,
23 as you know, this is an area of high emotions, and people,
24 owners call in and they are often disgruntled and feel like
25 their rights are violated and the Division has a

1 responsibility in that area and I think they handle it well,
2 talking to Mr. Carter today, for example, is a good example,
3 but, but important issues on both sides of the fence.

4 I think the outstanding issue that is the main
5 issue, the critical issue, however, given Rockwood's
6 position as an individual owner, as a -- as some kind of
7 representative or associate with, with the original owners,
8 you know, the third party, and then also pursuing a matter
9 in which the New Mexico Public Importance Doctrine comes
10 into play, the issues outstanding are very nuanced and
11 complicated, and I think they should be developed, and I
12 think there should be opportunity and time to develop them
13 to see exactly what we are dealing with, in addition to the
14 other questions of, of standing and laches and whether or
15 not the jurisdictional issues that you bring up. So I would
16 like to do a continuance and identifying folks exactly on
17 what we should address to help the Division.

18 HEARING EXAMINER BRANCARD: Well, let me -- I
19 guess I didn't quite get an answer to the first question I
20 asked you right at the beginning of this earlier discussion,
21 Mr. Savage, which is, what relief are your clients seeking?

22 MR. SAVAGE: They would seek to be able -- to be
23 able to have an opportunity to elect and participate in the
24 wells under working interest owners. So they would seek --
25 they would seek that the pooling orders would not be

1 bound -- would not bind those, their interests that they
2 required, that they provide a service to unaware owners
3 regarding their notice rights and election rights and their
4 opportunities to acquire market value of their interests
5 under conditions of notice.

6 As you pointed out, the Division, unlike some
7 other states doesn't do a fair market assessment of the
8 value of owners among the public, the value of their
9 interest. The only way they know about the value and the
10 opportunity to gain conversation is through notice, and then
11 when a party identifies he did not receive proper notice and
12 provides the service provider fair market value, that
13 surrogate should have a right to participate in the, in the
14 unit.

15 Because under those conditions it would seem that
16 the notice requirements were not met, and the -- and the
17 acreage would be open for participation. Now, that does not
18 mean that every owner out there who is unlocatable would
19 have that opportunity, it would only be those very, very few
20 that, that did not receive proper notice, and that's a very
21 few. You know, there are steps, there are very clear steps
22 and processes that could be shown to the Division as part
23 of, for example, the chronology of contacts and the, and
24 follow up, and follow up address. Usually when we are
25 talking about unlocatable parties, it's like we are dealing

1 with a handful, nine or five, that, you know, the -- so I
2 don't think it would open the floodgates, I don't think it
3 would create a problem, I think it would inform and tighten
4 the rules and allow a party who provides a very important
5 public service to, to benefit from the being able to
6 participate.

7 HEARING EXAMINER BRANCARD: I don't want to put
8 words in your mouth, but are you looking then, the clients
9 looking then to keep the pooling order in place, but amend
10 it either to say it doesn't apply to your clients?

11 MR. SAVAGE: I believe that's --

12 HEARING EXAMINER BRANCARD: Or to say it applies
13 to your clients, but they are given an additional period of
14 time to elect.

15 MR. SAVAGE: I would, I would have to closely
16 review this, but I think it would be the scenario where
17 under, for example, under Dugan versus the Commission, or
18 under the other case, another case involving the Commission
19 is Johnson in which the parties, the owners did not receive
20 proper notice, and they, the order was found to be non-
21 binding or was void with respect to their interests.

22 And so, you know, I think that would be the
23 scenario, and if a third party purchased -- had purchased
24 those interests, I think the -- I mean, it's similar to
25 like when you -- when somebody has a -- when there is a

1 pooling order and somebody assigns an interest, an owner who
2 has been pooled assigns an interest to an assignee, a
3 subsequent owner, if I understand this right, the assignee,
4 if they are still within the election period has a right to
5 participate, with that, with that interest, and they would
6 be -- they would be aware of that right because they would
7 be informed from the original owner who had been pooled. So
8 that would be a direct connection and transfer of interest
9 with the information that was provided by notice.

10 And in this scenario, a party, let's say a party
11 acquires interest from an owner, but unfortunately -- and it
12 was within the, it was within the election period -- but
13 unfortunately that information cannot be transferred or
14 communicated to the purchaser because that person did not
15 receive notice, should have received notice, that -- the
16 buyer would be deprived of the value of that interest, and
17 the, the seller would be deprived of the potential market
18 value of what they could sell it for.

19 So I do, I do think it is the scenario that you
20 described that would -- because proper notice wasn't
21 provided, the existing order would stay in place, but it
22 would be void to those owners shown to be not provided
23 proper notice. And there is such easy ways for an operator
24 to establish that notice was accomplished. It would be
25 hardly any burden upon an operator to establish that under

1 the rules and law and what, what minor things they would
2 need to do.

3 HEARING EXAMINER BRANCARD: That's a whole other
4 issue.

5 MR. SAVAGE: Yes.

6 HEARING EXAMINER BRANCARD: I haven't even
7 started tackling it. I was going to get there. We are
8 still working on threshold issues.

9 Ms. Hardy, has your client drilled a well yet?

10 MS. HARDY: I believe so, I believe they have.
11 And so I think at this point the proper procedure really
12 would be to look at the threshold issues, and I think the
13 standing issue is certainly one -- and we did raise in our
14 motion the fact that Rockwood is trying to raise and
15 challenge these orders more than a year after they were
16 issued, and that's improper under the Oil & Gas Act and that
17 is at Page 7 and 8 of our motion.

18 So we did discuss that. We didn't call it laches
19 or jurisdiction, but we do have that argument presented, and
20 I think it's appropriate for the Division at this point to
21 dismiss the cases based on a lack of standing and the other
22 issues that are -- that you mentioned that are concerning.

23 On standing, I'm not going to go into details,
24 but, for example, Ms. Babbitt has elected to participate in
25 the wells. Mewbourne gave her that opportunity because

1 Rockwood contacted them within a certain time period and
2 gave them assignments.

3 So Babbitt has no standing at all, and I don't
4 know why we are talking about Mr. Babbitt here. And
5 Mr. Utter is also mentioned in the briefing by Rockwood, he
6 is not a party to Rockwood's application, so I don't know
7 why we are talking about Mr. Utter, either. So I think
8 there are enough issues here that warrant dismissal of the
9 application, so I think that's where -- that's what I would
10 request.

11 HEARING EXAMINER BRANCARD: Okay. Mr. Savage,
12 are you ready to talk about standing?

13 MR. SAVAGE: Mr. Examiner, that is a complicated
14 issue under this scenario. I think if the Division truly
15 wants to be informed on this and the benefit of our legal
16 research to address the broader issues and be informed, I
17 think we really -- we have to continue this and really
18 explore what standing is under this circumstance.

19 It is not, it is not as straightforward as, you
20 know, injury, causation and redressability basic facts, it's
21 more nuance than that. It includes those, I mean it
22 includes those three elements, but includes them within a
23 broader context, and I just don't see how -- you know,
24 Mewbourne mentions that, you know, that Babbitt doesn't have
25 standing. If you look closely at our response, we agree

1 with that. That's the only issue on standing that Mewbourne
2 brought up was the Babbitt issue, they devote their entire
3 argument, their legal argument after the introduction on
4 standing regarding Babbitt.

5 They do not challenge or even provide any legal
6 arguments about how Brock may have or may not have standing,
7 and the Utter interest, Mr. Utter's interest is in the same
8 boat as Brock. Even though they are not part of this
9 application, they are the same threshold issues about
10 whether or not they could also make application. And I
11 believe that there shouldn't be any prejudice if the
12 Division finds those threshold questions are met.

13 So I think, I just can't imagine jumping into
14 this unprepared, both parties are truly unprepared to really
15 inform the Division of what it needs to know about this
16 issue.

17 HEARING EXAMINER BRANCARD: Okay. Let's set a
18 hearing for April 7. At the April 7 hearing, I would like
19 the parties -- and you can file, I will start with Mewbourne
20 because they would be the one -- this would be a motion to
21 dismiss for lack of jurisdiction. The question is what is
22 the Division's authority to hear this case.

23 It is my inclination to deny the motion to
24 dismiss based on standing because it appears that Brock is
25 somebody entitled to notice. One thing the parties didn't

1 discuss, I don't think it was mentioned at all is that we
2 have procedural rules that say who has standing. 19.15.4,
3 any party entitled to notice has standing.

4 So I would deny it simply from the basis that at
5 least one party seems to have standing. Without getting
6 into whether the other parties had it, it's enough to move
7 forward. But standing for what, is the question that still
8 rattles around in my brain. What is the Division's
9 authority to revisit a final order of the director when
10 there is no availing of the appeal to the Commission, we
11 have a well that may already be drilled, what are we doing
12 here, is my point.

13 And so that's sort of the basic thing to look at.
14 You can look at how the Commission lost on this issue in
15 front of the district court in the Alpha Delaware cases. If
16 the parties need a copy of that district court opinion, I
17 can send it around.

18 And of course the issue is whether or not it's
19 controlling in this situation here we have. That was an
20 administrative order, that was not a hearing order, and
21 that's what the court focused on, the fact there had not
22 been a hearing, therefore, the Division could hold a hearing
23 because it hadn't had one before. In this case the Division
24 had a hearing, so what is the authority of the Division to
25 revisit this?

1 I always think of what is the precedent here, you
2 know, can a party, you know, can someone who realizes that a
3 well is really hitting pay dirt, go looking through the
4 files to find somebody who didn't get notice and grab on to
5 them and come running in and say, "I'm willing to pay, you
6 know, \$2,000 towards the cost of this well to get \$50,000."

7 So that's, that's obviously something that we
8 want to avoid, but on the other hand, as Mr. Savage points
9 out, notice is a big issue, doing it right is a big issue.
10 You know, it is my -- as I said, it's my temptation that
11 this may be a better case for the Commission to handle
12 because of the policy questions here.

13 You know, I could see one of the things the
14 Commission doing is saying, "Well, who cares about this
15 case, we need new rules," and force the Division to do a
16 rulemaking on this, which would address everybody, bring
17 everybody into the process rather than just these two
18 parties.

19 But that's a ways down the road, I'm just
20 speculating here. So anyway, that's what we want to do,
21 April 7. If Mewbourne could file an initial briefing, on
22 the issue of what is the jurisdiction of the Division to
23 even consider reopening this case and then a response.

24 So I guess I should give you some deadlines. So
25 Mewbourne will have until March 15 to file its initial

1 brief, and then Rockwood Group will have until March 25 to
2 file its response. Do we want to do a reply? I'm not a big
3 fan of replies.

4 MS. HARDY: I would like to have the option, Mr.
5 Examiner.

6 MR. SAVAGE: Mr. Examiner, if we have a reply,
7 can we limit it to a certain number of pages?

8 HEARING EXAMINER BRANCARD: Absolutely. So what
9 are we thinking about page limits here, 15, 20?

10 MR. SAVAGE: I think so.

11 MS. HARDY: I think 20 pages would be more than
12 sufficient. I would think we could do it within 15, but --

13 HEARING EXAMINER BRANCARD: Mr. Savage?

14 MR. SAVAGE: I agree with that, I think 15 to 20
15 is what we are looking at.

16 HEARING EXAMINER BRANCARD: All right. So 15 for
17 the initial brief, 15 for the response, seven for the reply?

18 MS. HARDY: That sounds fine to me.

19 MR. SAVAGE: Mr. Examiner, how about five for the
20 reply?

21 HEARING EXAMINER BRANCARD: I was thinking five,
22 but I -- barely getting wound up after five pages.

23 MR. SAVAGE: The emergency continuance I filed I
24 believe that was about five, but you know we got the five in
25 there, we got the 15, 15, it looks so pretty to say five.

1 HEARING EXAMINER BRANCARD: We will make it five,
2 15, 15, five.

3 MS. HARDY: Okay. And what about the deadline
4 for our reply?

5 HEARING EXAMINER BRANCARD: Right. So then we'll
6 do that one April 1.

7 MS. HARDY: Thank you.

8 HEARING EXAMINER BRANCARD: So what do we have
9 3-15, 3-25, 4-1. Is that right?

10 MS. HARDY: That's right.

11 HEARING EXAMINER BRANCARD: Because I wasn't
12 taking notes.

13 MS. HARDY: That's correct.

14 HEARING EXAMINER BRANCARD: Okay. All right. I
15 hope this is a path forward.

16 MR. SAVAGE: I hope so. Thank you, Mr. Examiner.

17 MS. HARDY: Thank you.

18 HEARING EXAMINER BRANCARD: Thank you. Well,
19 since I muddied those waters pretty well, what can we do
20 now? We have the waterflood case, and I don't know, is Mr.
21 Goetze with us?

22 MR. GOETZE: Always with you. I'm actually here
23 in my old office, so I'm here.

24 HEARING EXAMINER BRANCARD: Are you ready to go
25 now, or you want to take a lunch break?

1 REPORTER: I need to take a lunch break.

2 HEARING EXAMINER BRANCARD: So at 1 o'clock, we
3 will resume with Cases 22593 and then 22599. Thank you
4 all.

5 (Lunch recess taken.)

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REPORTER'S CERTIFICATE

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

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

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

Dated this 3rd day of March 2022.

/s/ Irene Delgado

Irene Delgado, NMCCR 253
License Expires: 12-31-22