Davidson, Florene, EMNRD

From:Jones, William V, EMNRDSent:Wednesday, April 13, 2016 11:56 AMTo:Herrmann, Keith, EMNRD; Goetze, Phillip, EMNRDCc:Davidson, Florene, EMNRD; Dawson, Scott, EMNRD; Padilla Law Firm, P.A.Subject:RE: Lanexco

Sounds good...continued.

Sent via the Samsung GALAXY S® 5, an AT&T 4G LTE smartphone

------ Original message ------From: "Herrmann, Keith, EMNRD" <Keith.Herrmann@state.nm.us> Date: 04/13/2016 11:02 AM (GMT-07:00) To: "Jones, William V, EMNRD" <WilliamV.Jones@state.nm.us> Cc: "Davidson, Florene, EMNRD" <florenc.davidson@state.nm.us>, "Dawson, Scott, EMNRD" <Scott.Dawson@state.nm.us>, "Padilla Law Firm, P.A." <padillalaw@qwestoffice.net> Subject: FW: Lanexco

Mr. Jones,

After speaking with opposing counsel in OCD Case 15446, we concur on their request for a two week continuance so they may prepare for hearing and we can continue settlement discussions.

Please let me know if you require anything further.

Thanks

Keith Herrmann Office of the General Counsel Energy Minerals and Natural Resources Department 1220 S. St. Francis Dr. Santa Fe, NM 87505 Tel: (505) 476-3463 Fax: (505) 476-3462 Keith.Herrmann@state.nm.us

From: Padilla Law Firm, P.A. [mailto:padillalaw@qwestoffice.net] Sent: Wednesday, April 13, 2016 10:48 AM To: Herrmann, Keith, EMNRD Subject: FW: Lanexco

Keith,

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I am forwarding an email from Rae Ham indicating that all of Lanexco's wells have been shut-in.

Please let me know if the compliance hearing will be continued. Thank you.

Ernie

From: Rae Ham [mailto:raeham@verizon.net] Sent: Wednesday, April 13, 2016 9:34 AM To: Padilla Law Firm, P.A. Subject: Re: Lanexco

Mr. Padilla,

Yes Sir, all New Mexico wells have been shut in until further notice.

Thank you, Rae Ham

----- Original Message -----From: <u>Padilla Law Firm, P.A.</u> To: <u>raeham@verizon.net</u> Sent: Tuesday, April 12, 2016 3:35 PM Subject: FW: Lanexco

Ms. Ham:

Attached is an email from Mr. Herrmann to me setting forth conditions for continuance of the OCD on Thursday. Please review it and let me know if you approve.

When I spoke with Charles this morning he indicated that all wells had been shut in. Please verify that for me.

Ernie

From: Herrmann, Keith, EMNRD [mailto:Keith.Herrmann@state.nm.us]
Sent: Tuesday, April 12, 2016 11:56 AM
To: Padilla Law Firm, P.A.
Cc: Sanchez, Daniel J., EMNRD
Subject: RE: Lanexco

Ernie,

As discussed, the OCD is reluctant to grant another continuance because we have already agreed to a continuance before the March 17 hearing that Lanexco was originally set for and seen almost no progress from Lanexco (see attached email). However, we consider hiring counsel to advise them on legal matters a prudent step forward and will help facilitate communication, now that this case has been set for a formal compliance hearing.

We feel that there is very little to dispute about the fact regarding Lanxco's compliance status regarding the violations outlined in the OCD's hearing application. We are still investigating the full scope of their additional violations, however there are several wells that are still pumping, and some that are transporting gas that we will be monitoring.

If Lanexco would shut in their wells, provide assurance that they have ceased operating illegally, and would meet with OCD within the next week to discuss the status of their wells, the OCD would not oppose a 2 week continuance.

Please let me know if the terms are acceptable.

Thanks Keith

From: Padilla Law Firm, P.A. [mailto:padillalaw@qwestoffice.net] Sent: Monday, April 11, 2016 3:39 PM To: Herrmann, Keith, EMNRD Subject: RE: Lanexco

Keith,

I have spoken with Rae Ham, and have made representation arrangements with her. When I asked her who was coming to testify in the case, she said that she was on oxygen and could not come to Santa Fe's altitude. Her accountant had surgery last week and her production person quit last week. She is checking with her doctor about coming here.

That is not all. When I did check my schedule for Thursday, I have two depositions which I thought had gone away as a result of a partial settlement. They are still on, and Friday is the discovery deadline.

Obviously, I will need a continuance of two weeks because of the depositions. Additionally, based on what I have learned about the facts of this case, is that an agreed compliance order would work best for setting compliance deadlines.

Please let me know if you are agreeable to a continuance and whether an agreed compliance order may be a more workable solution.

Ernie

From: Herrmann, Keith, EMNRD [mailto:Keith.Herrmann@state.nm.us] Sent: Monday, April 11, 2016 10:23 AM To: padillalaw@qwestoffice.net Subject: FW: Lanexco

From: Herrmann, Keith, EMNRD Sent: Monday, April 11, 2016 10:21 AM To: 'padillalaw@qwestofficw.net' Subject: Lanexco

Ernie,

Per our conversation.

Keith

Keith Herrmann Office of the General Counsel Energy Minerals and Natural Resources Department 1220 S. St. Francis Dr. Santa Fe, NM 87505 Tel: (505) 476-3463 Fax: (505) 476-3462 Keith.Herrmann@state.nm.us

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