

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

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION FOR
THE PURPOSE OF CONSIDERING:

ORIGINAL

APPLICATION OF THE NEW MEXICO OIL Case No. 14055
CONSERVATION DIVISION FOR A COMPLIANCE
ORDER AGAINST C&D MANAGEMENT, d/b/a FREEDOM VENTURES
COMPANY

DE NOVO APPLICATION OF THE NEW MEXICO Case No. 14041
OIL CONSERVATION DIVISION FOR A COMPLIANCE
ORDER AGAINST MARKS & GARNER PRODUCTION LTD. CO.,
AND A REQUEST FOR DETERMINATION OF NON-COMPLIANCE WITH
OCD RULE 19.15.5.9 NMAC FOR VIOLATION OF AN ORDER
REQUIRING CORRECTIVE ACTION.

Case No. 14326; Case No. 14365; Case No. 14366; Case No.
14382; and Case No. 14323: Continued to January 14, 2010

REPORTER'S TRANSCRIPT OF PROCEEDING
COMMISSIONER HEARING

RECEIVED OCD
DEC 31 A 7:52

BEFORE: MARK E. FESMIRE, Chairman
JAMI BAILEY, Commissioner
WILLIAM C. OLSON, Commissioner

December 16, 2009
Santa Fe, New Mexico

This matter came on for hearing before the New
Mexico Oil Conservation Commission, MARK E. FESMIRE,
Chairman, on Wednesday, December 16, 2009, at the New
Mexico Energy, Minerals and Natural Resources Department,
1220 South Saint Francis Drive, Room 102, Santa Fe, New
Mexico.

REPORTED BY: Jacqueline R. Lujan, CCR #91
Paul Baca Professional Court Reporters
500 Fourth Street, N.W., Suite 105
Albuquerque, NM 87103 505-843-9241

A P P E A R A N C E S

FOR THE OIL CONSERVATION COMMISSION:

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FOR THE NM OIL CONSERVATION DIVISION:

MIKAL ALTOMARE, ASSISTANT GENERAL COUNSEL
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FOR MARKS & GARNER LTD. CO.:

PADILLA LAW FIRM, P.A.
ERNEST L. PADILLA
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Santa Fe, New Mexico 87504

ALSO PRESENT:

Florene Davidson

WITNESSES:

PAGE

J. Daniel Sanchez:

Direct examination by Ms. Altomare	9
Cross-examination by Mr. Padilla	33
Redirect examination by Ms. Altomare	43
Examination by Chairman Fesmire	46

Quinton Welborn:

Direct examination by Mr. Padilla	52
Cross-examination by Ms. Altomare	65
Examination by Commissioner Bailey	76
Examination by Commissioner Olson	77
Examination by Chairman Fesmire	77

	INDEX	PAGE
1		
2	EXHIBITS A through G (Omitting Exhibit F)	86
3	EXHIBIT 1	86
4		
5	REPORTER'S CERTIFICATE	90
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 CHAIRMAN FESMIRE: At this time we'll go
2 on the record. The record should reflect that this is
3 the Wednesday, December 16th, 2009 meeting of the New
4 Mexico Oil Conservation Commission, and that all three
5 Commissioners are present, Commissioner Bailey,
6 Commissioner Olson and Commissioner Fesmire.

7 The record should also reflect that the first
8 order of business before the Commission this morning is
9 the adoption of the minutes from the November 4th, 2009
10 regulary-scheduled meeting. Have the Commissioners had
11 the opportunity to review the minutes?

12 COMMISSIONER BAILEY: Yes, I have, and I
13 move that we adopt them.

14 COMMISSIONER OLSON: I'll second that.

15 CHAIRMAN FESMIRE: All those in favor of
16 adopting the minutes as submitted by the secretary
17 signify by saying aye. Let the record reflect that the
18 minutes were unanimously adopted, signed by the Chairman
19 and transmitted to the secretary for recording.

20 The next order of business before the
21 Commission is Case Number 14055, the application of the
22 New Mexico Oil Conservation Division for a compliance
23 order against C&D Management d/b/a as Freedom Ventures
24 Company. Counsel has been asked to draft two orders.
25 The first is the order in the case. Have the

1 Commissioners had a chance to review that order?

2 COMMISSIONER BAILEY: Yes, I have, and I
3 intend to sign that order.

4 CHAIRMAN FESMIRE: Commissioner Olson,
5 have you had a chance to review it?

6 COMMISSIONER OLSON: Yes, I've also
7 reviewed that and I'm ready to sign it, as well.

8 CHAIRMAN FESMIRE: Let the record reflect
9 that I, too, have reviewed the order, and it correctly
10 memorializes the decision of the Commission in this case.
11 At this time the Chair would entertain a motion to adopt
12 the order as presented.

13 COMMISSIONER BAILEY: I move we adopt the
14 order.

15 COMMISSIONER OLSON: I'll second that.

16 CHAIRMAN FESMIRE: All those in favor
17 signify by saying aye. Let the record reflect that the
18 order was unanimously adopted, signed by the members of
19 the Commission and transmitted to the secretary for
20 recording.

21 The next order of business is also in that
22 case. It's the evaluation of the order denying in part
23 and granting in part C&D Management Company d/b/a
24 Freedom Ventures' motion for a continuance, and in the
25 alternative, for an extension of time within which to

1 file requests for findings of fact and conclusions of
2 law. Have the Commissioners had the opportunity to
3 review this order?

4 COMMISSIONER BAILEY: Yes, I have, and I
5 move that we also adopt this order.

6 COMMISSIONER OLSON: I've reviewed that,
7 as well. I'll second that motion.

8 CHAIRMAN FESMIRE: All those in favor of
9 adopting this order as presented, signify by saying aye.
10 Let the record reflect that the motion was unanimously
11 adopted and that the order has been signed by the
12 Commissioners and transmitted to the secretary.

13 The next order of business before the
14 Commission is Case Number 14041, the de novo application
15 of the New Mexico Oil Conservation Division for a
16 compliance order against Marks & Garner Production
17 Limited Company and a request for a determination of
18 noncompliance with OCD Rule 19.15.5.9 NMAC for violation
19 of an order requiring corrective action. Are counsel in
20 this case present?

21 MS. ALTOMARE: Yes.

22 MR. PADILLA: Yes.

23 CHAIRMAN FESMIRE: We'll take the entry of
24 appearance of counsel.

25 MS. ALTOMARE: Mikal Altomare on behalf of

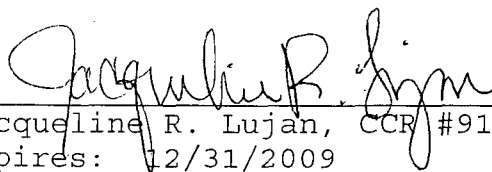
REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO
HEREBY CERTIFY that on December 16, 2009, proceedings in
the above captioned case were taken before me and that I
did report in stenographic shorthand the proceedings set
forth herein, and the foregoing pages are a true and
correct transcription to the best of my ability.

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

WITNESS MY HAND this 29th day of December,
2009.


Jacqueline R. Lujan, CCR #91
Expires: 12/31/2009