

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

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APR 24 2003

CONTINUED AND DISMISSED CASES Oil Conservation Division

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: DAVID R. CATANACH and DAVID K. BROOKS, JR.,
Hearing Examiners

April 10th, 2003

Santa Fe, New Mexico

ORIGINAL

These matters came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH and DAVID K. BROOKS, JR., Hearing Examiners, on Thursday, March 13th, 2003, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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I N D E X

April 10th, 2003
Continued and Dismissed Cases

PAGE

REPORTER'S CERTIFICATE

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1 WHEREUPON, the following proceedings were had at
2 8:15 a.m.:

3 EXAMINER CATANACH: Call the hearing to order
4 this morning for Docket Number 09-03. We will call the
5 continuances and dismissals at this point.

6 On page 1, Case 13,010 is dismissed. Case 13,011
7 is dismissed.

8 On page 2, Case 13,034 is dismissed. Case 13,045
9 is dismissed. Case 13,046 is dismissed.

10 On page 3, Case 13,047 is continued to May 22nd.

11 On page 4, Case 13,050 is continued to May 8th.

12 And that's all the continuances and dismissals.

13 EXAMINER BROOKS: Okay --

14 MR. KELLAHIN: Mr. Examiner, I have three more
15 continuances, if you want to take them at this time, or I
16 can wait.

17 EXAMINER BROOKS: Okay.

18 EXAMINER CATANACH: We can do them now, Mr.
19 Kellahin.

20 MR. KELLAHIN: If you'll turn to page 3, the
21 first case is that Chesapeake Operating case, 13,006.
22 Chesapeake believes it's got a settlement with Yates.
23 They've signed the AFE and they're in possession of our
24 operating agreement, but it has not been signed by them.
25 And if you'll continue this one more time, I hope that will

1 give Yates time to sign the operating agreement and we'll
2 be done with that one.

3 EXAMINER BROOKS: Okay, I believe I indicated
4 that we would.

5 MR. KELLAHIN: Yeah, it's been continued twice
6 already.

7 EXAMINER BROOKS: Yeah, that was my
8 understanding. What period of time are you requesting
9 continuance?

10 MR. KELLAHIN: Well, till the next docket. That
11 will keep pressure on these guys to get this done.

12 EXAMINER BROOKS: Okay, 13,006 will be continued
13 till April 24th.

14 MR. KELLAHIN: The next case is a Chesapeake
15 case. Mr. Carr represents Conoco. He's asked me to ask
16 you to continue that case on his behalf until May 22nd, and
17 I do not oppose that continuance. Again, it will allow the
18 parties to see if we can't settle this up.

19 There's a dispute over this old Sapient well and
20 how to account for the fact the fact that the spacing unit
21 dedication has changed from an 80-acre to a 160-acre
22 dedication.

23 EXAMINER BROOKS: Is this 13,047?

24 MR. KELLAHIN: Yes, sir.

25 EXAMINER BROOKS: Okay, and that's already been

1 announced, has it not?

2 EXAMINER CATANACH: It was, but that's -- I'm
3 glad you clarified that on the record, Mr. Kellahin. So
4 that will be continued to May 22nd.

5 MR. KELLAHIN: And the last one I have is the one
6 at the bottom for Matador, 13,014. Again, Matador believes
7 they have agreement with Arch, and we need another couple
8 of weeks to make sure all the paperwork is exchanged.

9 And Mr. Bruce represents Arch. Unless he has an
10 objection, we'd like to continue that case for two more
11 weeks.

12 MR. BRUCE: I have no objection, Mr. Examiner.
13 As a matter of fact, I'd recommend that. I believe that
14 they've exchanged documents, and they're days away from
15 settling the matter.

16 EXAMINER BROOKS: Very good, Case Number 13,014
17 will be continued to April 24th.

18 MR. KELLAHIN: Thank you.

19 (Thereupon, these proceedings were concluded at
20 8:17 a.m.)

21 * * *

22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the Examiner hearing of Case No. _____

heard by me on April 10 192007.

25 David M. [Signature], Examiner
Oil Conservation Division

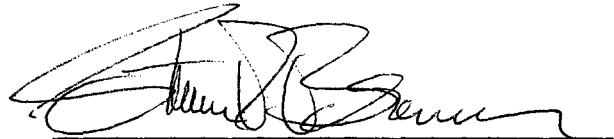
CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL April 11th, 2003.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006