

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

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

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AGAVE ENERGY COMPANY'S MOTION TO  
AMEND ORDER NO. R-13507, LEA COUNTY,  
NEW MEXICO

Case No. 14720

CASE No.  
14763

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
COMMISSIONER HEARING

BEFORE: JAMI BAILEY, Chairman  
DR. ROBERT BALCH, Commissioner  
SCOTT DAWSON, Commissioner

June 28, 2012  
Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Commission, JAMI BAILEY, Chairman, on Thursday, June 28, 2012, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South St. 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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Assistant General Counsel  
1220 S. St. Francis Drive  
Santa Fe, New Mexico 87504

FOR AGAVE ENERGY COMPANY:

Hinkle, Hensley, Shanor & Martin, LLP  
Gary W. Larson  
P.O. Box 2068  
Santa Fe, New Mexico 87504

ALSO PRESENT:

Florene Davidson

WITNESSES:

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Ivan Villa:

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1                   CHAIRMAN BAILEY: Good morning. This is  
2 the meeting of the Oil Conservation Commission on June  
3 28th, in Porter Hall, in the Wendell Chino Building here  
4 in Santa Fe, New Mexico.

5                   I am Jami Bailey, Chairman of the Commission.  
6 To my right is Scott Dawson, designee of the Commissioner  
7 of Public Lands; and to my left is Dr. Robert Balch, who  
8 is the designee of the Secretary of Energy, Minerals and  
9 Natural Resources. All three Commissioners are here  
10 today, so there is a quorum of the Commission.

11                   We have cases to be continued. Case Number  
12 14763, which is the application of Mack Energy  
13 Corporation for compulsory pooling in Lea County, New  
14 Mexico, will be continued to the July 18th, 2012,  
15 Commission meeting.

16                   Case 14764, which is the application of  
17 Cimarex Energy Company of Colorado for approval of a  
18 non-standard oil spacing and proration unit, unorthodox  
19 location and compulsory pooling in Lea County, New  
20 Mexico, that case is continued to the July 18th, 2012,  
21 Commission meeting.

22                   Now I call Case Number 14720, which is the  
23 application of Agave Energy Company's Motion to Amend  
24 Order Number R-13507, requesting the Commission to amend  
25 Order R-13507, which authorizes Agave Energy to dispose

REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO  
HEREBY CERTIFY that on June 28, 2012, 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 11th day of July, 2012.

*Jacqueline R. Lujan*  
Jacqueline R. Lujan, CCR #91  
Expires: 12/31/2012