

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

CASE NOS. 13,274 *de novo* and 13,531 (Continued);
13,762 (Dismissed)

ORIGINAL

CONTINUED AND DISMISSED CASES
TRANSCRIPT OF PROCEEDINGS

BEFORE: MARK E. FESMIRE, CHAIRMAN
JAMI BAILEY, COMMISSIONER
WILLIAM C. OLSON, COMMISSIONER

October 19th, 2006

Santa Fe, New Mexico

These matters were dismissed or continued to
future hearing dates by MARK E. FESMIRE, Chairman, New
Mexico Oil Conservation Commission, on Thursday, October
19th, 2006, 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.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

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I N D E X

October 19th, 2006
 Commission Hearing
 Continued and Dismissed Cases

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A P P E A R A N C E S

FOR THE COMMISSION:

CHERYL BADA
 Assistant General Counsel
 Energy, Minerals and Natural Resources Department
 1220 South St. Francis Drive
 Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 9:00 a.m.:

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5 CHAIRMAN FESMIRE: At this time we'll call the
6 Thursday, October 19th, meeting of the New Mexico Oil
7 Conservation Commission to order.

8 The first order of business is the reading and
9 approval of the minutes of the September 21st, 2006,
10 meeting. At this time I'll ask the Commissioners if they
11 have had the opportunity to review the minutes as presented
12 by the secretary.

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

15 CHAIRMAN FESMIRE: Is there a second?

16 COMMISSIONER OLSON: Second.

17 CHAIRMAN FESMIRE: The minutes as presented by
18 the secretary -- the motion has been made that they be
19 adopted and signed.

20 All those in favor?

21 COMMISSIONER BAILEY: Aye.

22 COMMISSIONER OLSON: Aye.

23 CHAIRMAN FESMIRE: Opposed?

24 Let the record reflect that the minutes were
25 adopted unanimously by the Commission. They will be signed

1 and conveyed to the Secretary at this time.

2 * * *

3
4 CHAIRMAN FESMIRE: The meeting was called to
5 order at nine o'clock by the Chairman. The Commissioners
6 present were Commissioner Bailey, Commissioner Olson and
7 Commissioner Fesmire. The Commission therefore has a
8 quorum.

9 The first case before the Commission is Case
10 Number 13,274, *de novo*, continued from the September 21st,
11 2000, meeting. It's the Application of Arch Petroleum,
12 Inc., for approval of two nonstandard gas spacing and
13 proration units in the Jalmat Gas Pool, Lea County, New
14 Mexico.

15 At the request of counsel, the case will be
16 continued to the November 16th, 2006, Commission meeting.

17 * * *

18
19 CHAIRMAN FESMIRE: The next case is Case Number
20 13,531. It was continued from the September 21st, 2006,
21 Commission meeting. It's the Application of Yates
22 Petroleum Corporation for an order directing Pride Energy
23 to reimburse Yates with the well costs incurred by Yates in
24 an attempt to re-enter the State "X" Well Number 1, API
25 Well Number -- API Number 30-025-01838, located in Section

1 12, Township 12 South, Range 34 East, NMPM.

2 Again at the request of counsel, Mr. Carr, at the
3 request of counsel this has been --

4 MR. CARR: This is Pride's appeal of that order,
5 and Mr. Bruce advised me that he was requesting a one-month
6 continuance.

7 CHAIRMAN FESMIRE: Okay. That case will be
8 continued to the November 16th, 2006, Commission meeting.

9 * * *

10

11 CHAIRMAN FESMIRE: The next is Case Number
12 13,762. It was continued from the August 31, 2006,
13 Examiner Hearing. This case will be dismissed. It's the
14 Application of Lynx Petroleum Consultants, Inc., for an
15 adjudicatory hearing in Eddy County, New Mexico.

16 There are some motions pending on that case. Are
17 these motions mooted by the actions of the parties?

18 MS. BADA: (Nods).

19 CHAIRMAN FESMIRE: Okay, let the record reflect
20 that the Commission will not act on the motions presented
21 by the parties in that case because the case has been
22 settled; is that correct?

23 MS. BADA: Yes.

24 CHAIRMAN FESMIRE: And -- There has actually been
25 a dismissal order drafted.

1 Let the record reflect that the Chairman has
2 signed the dismissal order in Cause Number 13,762, and
3 conveyed that order to the Secretary.

4 (Thereupon, these proceedings were concluded at
5 9:05 a.m.)

6 * * *

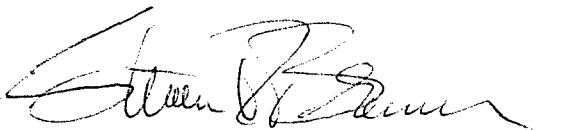
CERTIFICATE OF REPORTER

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 Commission 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 October 19th, 2006.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2010