STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

CASE NOS. _____le 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

JUS NOU

October 19th, 2006

Santa Fe, New Mexico

PM 4

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.

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APPEARANCES

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 9:00 a.m.: 2 3 4 CHAIRMAN FESMIRE: At this time we'll call the 5 Thursday, October 19th, meeting of the New Mexico Oil 6 Conservation Commission to order. 7 The first order of business is the reading and 8 9 approval of the minutes of the September 21st, 2006, meeting. At this time I'll ask the Commissioners if they 10 11 have had the opportunity to review the minutes as presented 12 by the secretary. COMMISSIONER BAILEY: Yes, I have, and I move we 13 adopt them. 14 CHAIRMAN FESMIRE: Is there a second? 15 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? Let the record reflect that the minutes were 24 25 adopted unanimously by the Commission. They will be signed

and conveyed to the Secretary at this time.

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

The first case before the Commission is Case

Number 13,274, de novo, continued from the September 21st,

2000, meeting. It's the Application of Arch Petroleum,

Inc., for approval of two nonstandard gas spacing and

proration units in the Jalmat Gas Pool, Lea County, New

Mexico.

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

* * *

CHAIRMAN FESMIRE: The next case is Case Number 13,531. It was continued from the September 21st, 2006, Commission meeting. It's the Application of Yates

Petroleum Corporation for an order directing Pride Energy to reimburse Yates with the well costs incurred by Yates in an attempt to re-enter the State "X" Well Number 1, API

Well Number -- API Number 30-025-01838, located in Section

12, Township 12 South, Range 34 East, NMPM. 1 2 Again at the request of counsel, Mr. Carr, at the request of counsel this has been --3 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 The next is Case Number 11 CHAIRMAN FESMIRE: 12 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 adjudicatory hearing in Eddy County, New Mexico. 15 16 There are some motions pending on that case. 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.

Let the record reflect that the Chairman has signed the dismissal order in Cause Number 13,762, and conveyed that order to the Secretary. (Thereupon, these proceedings were concluded at 9:05 a.m.)

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