STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES BEPAREMENT
OIL CONSERVATION COMMISSION 1 6 10 11 12 TRANSCRIPT OF PROCEEDINGS 13 Tuesday, January 22, 2008 14 9:00 a.m. 15 New Mexico Energy, Minerals and 16 Natural Resources Department Porter Hall 17 1220 South St. Francis Drive Santa Fe, New Mexico 18 19 20 21 22 REPORTED BY: CHERYL ARREGUIN, RPR, CCR No. 21 Kathy Townsend Court Reporters 23 110 Twelfth Street, Northwest Albuquerque, New Mexico 87102 24 25

## APPEARANCES For the Oil Conservation Commission: MARK FESMIRE, Chairman JAMI BAILEY CHERYL L. BADA Assistant Attorney General New Mexico Energy, Minerals and Natural Resources Department 1220 South St. Francis Drive Santa Fe, New Mexico 87505

MR. FESMIRE: At this time, we're going to call the January 22nd regularly scheduled New Mexico Oil Conservation Commission meeting to order.

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Let the record reflect that Commissioners

Bailey and Fesmire are present, Commissioner Olson is

not present; however, two members of the Commission are
a quorum, and we are authorized by law to go ahead and
conduct business as the Commission this morning.

The first case on the docket is Case Number 13870, the application of Quest Cherokee, LLC, for approval of an application for a permit to drill in Lea County, New Mexico.

This case will be continued to the March 13th, 2008, regularly scheduled Commission meeting.

The next case is Case Number 13962. It is the application by Gandy Corporation for authorization to inject.

This case also will be continued to the March 13th, 2008, regularly scheduled Commission meeting.

The next case on the docket is Case Number 13812. This case is the application of Coleman Oil & Gas, Inc., for an amendment of Administrative Order SWD-806-B, in San Juan County, New Mexico.

This case also will be continued to the

1 March 13, 2008, regularly scheduled Commission docket. The next case is Case Number 13945. 2 This case will be continued to the March 13th, 3 2008, Commission meeting. 4 It's the application of Occidental Permian, 5 Ltd., for cancellation of a drilling permit, for a 6 determination of the right to drill and approval of a 8 drilling permit, in Lea County, New Mexico. 9 The next case is Case Number 13912, the application of EOG Resources, Inc., for compulsory 10 11 pooling, in Lea County, New Mexico. 12 This case is also continued to the March 13th, 2008, Commission meeting. 1.3 14 And the last case scheduled today is Case 15 Number 14000. This is the application of Harvey E. 16 Yates Company for expansion of a unit area, in Otero County, New Mexico. 17 And this case will be continued to the 18 19 March 13th, 2008, regularly scheduled Commission 20 meeting. Also before the Commission today is the 21 reading of the minutes of the last regular -- the 22 23 October 22nd, 2007, Commission meeting -- excuse me --24 of the --

MS. BADA: December 6th.

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7 MR. FESMIRE: -- December 6th, 2007, Commission meeting. 2 3 The minutes have been prepared and presented to the Commission by the Commission secretary. 4 5 Commissioner Olson -- Commissioner Bailey, have you had a chance to review the minutes as 6 7 presented? 8 MS. BAILEY: Yes, I have, and I move that we 9 adopt them. MR. FESMIRE: I will second that. 1.0 11 All those in favor signify by saying aye. 12 MS. BAILEY: Ave. 13 MR. FESMIRE: Ave. Let the record reflect that the Commission 14 adopted the minutes as presented, that they will be 15 signed by the Chairman and transmitted to the secretary. 16 The next order of business before the 17 Commission is the adoption of a resolution establishing 18 the procedures for giving notice of meetings of the New 19 2.0 Mexico Oil Conservation Commission. 21 Commissioner Bailey, have you had a chance to review this resolution? 22 MS. BAILEY: Yes, I have, and I move that we 2.3 24 adopt it. 25 MR. FESMIRE: I, too, have reviewed the

1 resolution and will second that motion. 2 All those in favor signify by saying aye. 3 MS. BAILEY: Aye. 4 MR. FESMIRE: Aye. Let the record reflect that the resolution was 6 adopted by both members of the Commission present, who 7 will sign it and transmit it to the secretary for 8 recording. 9 MS. BADA: Okay. This meeting is to make up 10 for how long March is going to be, right? 11 MR. FESMIRE: Let the record reflect that the 12 resolution was signed and transmitted by both members of 13 the Commission present and transmitted to the secretary. 14 Is there any other evidence before the 15 Commission this morning -- any other business before the 1.6 Commission this morning? 17 MS. BAILEY: No. 1.8 MR. FESMIRE: Is there a motion for adjournment? 19 20 MS. BAILEY: I move that we adjourn. 21 MR. FESMIRE: All those in favor signify by 22 saying aye. 23 MS. BAILEY: Aye. 24 MR. FESMIRE: Aye. 25 Let the record reflect that the motion passed,

1	STATE OF NEW MEXICO )
2	) ss.
3	COUNTY OF BERNALILLO )
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6	I, CHERYL ARREGUIN, the officer before whom the
7	foregoing proceedings was taken, do hereby certify that
8	I personally recorded the proceedings by machine
9	shorthand; that said transcript is a true record of the
10.	proceedings; that I am neither attorney nor counsel for,
11	nor related to or employed by any of the parties to the
12	action in which this proceeding is taken, and that I am
13	not a relative or employee of any attorney or counsel
14	employed by the parties hereto or financially interested
15	in the action.
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17	NOTA BY PUBLIC
18	CCR License Number: 21 Expires: 12/31/08
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20	My Commission Expires: 12/12/11
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