

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

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

ORIGINAL

DE NOVO AMENDED APPLICATION OF ENERGEN Case No. 13957
RESOURCES CORPORATION TO AMEND THE COST RECOVERY
PROVISIONS OF COMPULSORY POOLING ORDER NO. R-1960, TO
DETERMINE REASONABLE COSTS, AND FOR AUTHORIZATION TO
RECOVER COSTS FROM PRODUCTION OF POOLED MINERAL
INTERESTS, RIO ARriba COUNTY, NEW MEXICO

REOPENED APPLICATION OF THE NEW Case No. 14255
MEXICO OIL CONSERVATION DIVISION, THROUGH ITS
ENVIRONMENTAL BUREAU CHIEF, FOR ADOPTION OF AN AMENDMENT
TO 19.15.39 NMAC ADDING NEW SECTIONS TO BE CODIFIED AT
19.15.39.9 AND 19.15.39.10 NMAC ADDRESSING SPECIAL
PROVISIONS FOR SANTA FE COUNTY AND THE GALISTEO BASIN,
SANTA FE, SANDOVAL AND SAN MIGUEL COUNTIES, NEW MEXICO

APPLICATION OF THE NEW MEXICO OIL Case No. 14292
CONSERVATION DIVISION FOR ADOPTION OF AMENDMENTS
TO RULE 19.15.17 (THE "PIT RULE") STATEWIDE

Case No. 14055; Case No. 14149; Case No. 14150:
Continued to June 18, 2009

Case No. 14134; Case No. 14141; Case No. 14278
Continued to July 16, 2009

REPORTER'S TRANSCRIPT OF PROCEEDINGS
COMMISSIONER HEARING

BEFORE: MARK E. FESMIRE, Chairman
JAMI BAILEY, Commissioner
WILLIAM C. OLSON, Commissioner

May 28, 2009
Santa Fe, New Mexico

This matter came on for hearing before the New
Mexico Oil Conservation Commission, MARK E. FESMIRE,
Chairman, on Thursday, May 28, 2009, at the New Mexico
Energy, Minerals and Natural Resources Department, 1220
South Saint Francis Drive, Room 102, Santa Fe, New
Mexico.

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1 COMMISSIONER OLSON: Finding of Fact 60 in
2 the OCD's clarification.

3 CHAIRMAN FESMIRE: Since we're talking
4 about the numbering, Mr. Brooks uses lawyer's numbering
5 and goes from 45 to 56 to 47.

6 COMMISSIONER OLSON: I think that's the
7 only other things I found in there.

8 CHAIRMAN FESMIRE: Commissioner Bailey, do
9 you have anything to add on that case?

10 COMMISSIONER BAILEY: No.

11 CHAIRMAN FESMIRE: On that, we will
12 continue Case Number 14292 to the next regularly
13 scheduled meeting of the Oil Conservation Commission --
14 which is June 16th?

15 MS. DAVIDSON: 18th.

16 CHAIRMAN FESMIRE: I got it wrong again --
17 which is June 18.

18 We will address the next items before the
19 Commission. The first is Case Number 14055, the
20 application of the New Mexico Oil Conservation Division
21 for a compliance order against C&D Management Company
22 d/b/a Freedom Ventures Company. It has been continued to
23 the --

24 MS. DAVIDSON: I don't know which hearing
25 you want to continued it to. They didn't ask for a

1 Number 14141. It is the application of Approach
2 Operating, LLC, for approval of six applications for
3 permits to drill, in Rio Arriba County, New Mexico. This
4 is a related case and it will be continued also to the
5 July 16th, 2009 Commission meeting.

6 The next case before the Commission is also
7 related to the previous two. It's Case Number 14278, the
8 application of Approach Operating, LLC, for approval of
9 14 applications for permits to drill in Rio Arriba
10 County, New Mexico. This case will also be continued to
11 the July 16th, 2009 Commission meeting.

12 MS. DAVIDSON: Could you continue that
13 Case Number 14055 to the June 18th Commission meeting so
14 we don't have to readvertise it?

15 CHAIRMAN FESMIRE: This --

16 MS. DAVIDSON: The compliance case.

17 CHAIRMAN FESMIRE: Against C&D?

18 MS. DAVIDSON: Um-hum.

19 CHAIRMAN FESMIRE: I need to make a
20 correction here. Case Number ~~14055~~ the application of
21 the New Mexico Oil Conservation Division for a compliance
22 order against C&D Management Company d/b/a Freedom
23 Ventures, will be continued to the June 18th regularly
24 scheduled Commission meeting and not continued
25 indefinitely. I want to repeat. Case Number 14055 will

1 be continued to the June Commission meeting. Is there
2 any other business before the Commission?

3 COMMISSIONER BAILEY: No.

4 COMMISSIONER OLSON: No.

5 CHAIRMAN FESMIRE: The Chair would
6 entertain a motion to adjourn, if anybody were so
7 inclined.

8 COMMISSIONER BAILEY: I so move.

9 COMMISSIONER OLSON: Second.

10 CHAIRMAN FESMIRE: All those in favor
11 signify by saying aye. The record should reflect that we
12 were adjourned at 1:00 p.m. on the 28th of May. Thank
13 you all very much.

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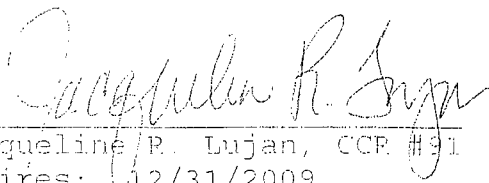
REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91. DO
HEREBY CERTIFY that on May 28, 2009, 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 9th day of June, 2009.


Jacqueline R. Lujan, CCR #91
Expires: 12/31/2009