| | Page 1 |
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| 1 | STATE OF NEW MEXICO |
| 2 | ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT |
| 3 | OIL CONSERVATION DIVISION |
| 4 | |
| 5 | |
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| 7 | REPORTER'S TRANSCRIPT OF PROCEEDINGS |
| 8 | |
| 9 | PRE-HEARING |
| 10 | DOCKET NO. 23-10 |
| 11 | |
| 12 | July 8, 2010 Santa Fe, New Mexico |
| 13 | July 8, 2010 Santa Fe, New Mexico |
| 14 | |
| 15 | BEFORE: TERRY WARNELL: Hearing Examiner |
| 16 | DAVID BROOKS: Legal Advisor |
| 17 | |
| 18 | This matter came for hearing before the New Mexico Oil Conservation Division, Terry Warnell, Hearing |
| 19 | Examiner, on July 8, 2010, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South St. |
| 20 | Francis Drive, Room 102, Santa Fe, New Mexico. |
| 21 | |
| 22 | REPORTED BY: Peggy A. Sedillo, NM CCR No. 88 Paul Baca Court Reporters |
| 23 | 500 Fourth Street, NW, Suite 105 Albuquerque, NM 87102 |
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Page 2 HEARING EXAMINER: Good morning, everyone. 1 We'll qo ahead and call Docket No. 23-10. Today's date is 2 July 8, 2010, and it's 8:15 in the morning. 3 I'd like to start by reading the known 4 continuances and dismissals on the docket here. 5 On Page 1, the first case we'll hear, I'd like б to hear that in our number two slot, if that's all right 7 with you, Mr. Kellahin. 8 The second case, Case No. 14499 has been 9 continued to August 5th. Case No. 14500 is continued to 10 July 22nd. 11 On the second page, Case No. 14501 is continued 12 to July 22nd. The next two cases I'd like to here in 13 order, three and four, Ocean. I know this is confusing, 14 but we're getting around to Mr. Bruce's being number one. 15 And there's a reason for that. I think he's 16 going to take just a couple minutes, and then he'll be 17 exiting the premises. 18 Case No. 14438 down at the bottom of Page 2 has 19 been continued to August 5th. 20 Page 3, there's that case that we'll hear first. 21 The next case on Page 3, Case 14504 is continued to 22 August 5th. Case 14505 has been continued to August 5th. 23 Case 14506 has been continued to August 5th. And Case 24 8352 at the bottom of Page 3 has been continued to 25

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| _ | Page 3 |
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| 1 | August 19th. |
| 2 | And the fourth and last page, Case No. 14462 has |
| 3 | been dismissed. |
| 4 | Is there anything I missed or misrepresented? |
| 5 | All right. I appreciate that. |
| 6 | (Whereupon, the proceedings concluded.) |
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| STATE OF NEW MEXICO) SS. COUNTY OF BERNALILLO) REPORTER'S CERTIFICATE | |
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| 5 REPORTER'S CERTIFICATE | |
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| 7 I, PEGGY A. SEDILLO, Certified Court | |
| 8 Reporter of the firm Paul Baca Professional | |
| 9 Court Reporters do hereby certify that the | |
| 10 foregoing transcript is a complete and accurate | 9 |
| 11 record of said proceedings as the same were | |
| 12 recorded by me or under my supervision. | |
| 13 Dated at Albuquerque, New Mexico this | |
| 14 12th day of July, 2010. | |
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| 18 Page Natilla | |
| 19 PEGGY A SEDILLO, CCR NO. 88 | |
| 20License Expires 12/31/10 | |
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