STATE OF NEW MEXICO 1 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT 2 OIL CONSERVATION DIVISION 3 4 5 IN THE MATTER OF THE HEARING) CALLED BY THE OIL CONSERVATION) DIVISION FOR THE PURPOSE OF 6) CONSIDERING: CASE NO. 11,044 7 APPLICATION OF THE 8 OIL CONSERVATION DIVISION UPON ITS OWN MOTION 9 7 IQCA 10 RIGINAL 11 12 **REPORTER'S TRANSCRIPT OF PROCEEDINGS** EXAMINER HEARING 13 BEFORE: JIM MORROW, Hearing Examiner 14 15 July 21, 1994 16 17 Santa Fe, New Mexico 18 19 20 This matter came on for hearing before the Oil 21 Conservation Division on Thursday, July 21, 1994, at Morgan Hall, State Land Office Building, 310 Old Santa Fe Trail, 22 Santa Fe, New Mexico, before Steven T. Brenner, Certified 23 Court Reporter No. 7 for the State of New Mexico. 24 * * * 25

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1 INDEX 2 July 21, 1994 3 Examiner Hearing 4 CASE NO. 11,044 5 PAGE 6 **APPLICANT'S WITNESSES:** 7 DAVID R. CATANACH 8 Direct Examination by Mr. Carroll 3 9 REPORTER'S CERTIFICATE 6 10 * * * 11 12 EXHIBIT 13 Identified Admitted 14 Exhibit A 4 4 15 * * * 16 17 APPEARANCE 18 19 20 FOR THE DIVISION: 21 RAND L. CARROLL Attorney at Law 22 Legal Counsel to the Division State Land Office Building Santa Fe, New Mexico 87504 23 * * * 24 25

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WHEREUPON, the following proceedings were had at 1 2 12:33 p.m.: 3 EXAMINER MORROW: We'll call the hearing back to order in Docket Number 21-94 and call Case 11,044. 4 This is the Oil Conservation Division's 5 6 nomenclature list. 7 Call for appearances. 8 MR. CARROLL: Yes, Rand Carroll on behalf of the 9 Division, Mr. Examiner. 10 I have one witness to be sworn. 11 EXAMINER MORROW: Will the witness please stand? 12 DAVID R. CATANACH, the witness herein, after having been first duly sworn upon 13 14 his oath, was examined and testified as follows: DIRECT EXAMINATION 15 16 BY MR. CARROLL: Mr. Catanach, would you please state your name, 17 Q. the place where you're employed and your position? 18 19 Α. David Catanach. I'm employed with the Oil 20 Conservation Division in Santa Fe as a petroleum engineer. And have you testified before the Division 21 Q. 22 before? Yes, sir. 23 Α. 24 Q. And have your qualifications been accepted as an 25 expert witness?

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Α. Yes, sir. 1 Today are you prepared to make recommendations 2 ο. concerning the nomenclature concerning certain pools in 3 Eddy and Chaves Counties, New Mexico? 4 Sir, I believe it's just Eddy County. 5 Α. Just Eddy, okay. 6 Q. 7 Yes, I am. Α. And how are those recommendations set forth? 8 Q. 9 We can call these Exhibit A. Α. 10 Have you had an opportunity to review Exhibit A Q. and compare it with the docket that's been prepared for 11 today's hearing to determine if there's any discrepancies 12 between the two? 13 I have briefly reviewed it, and I find no 14 Α. 15 discrepancies. 16 Q. Was the exhibit A prepared by the Division in the ordinary course of its business? 17 18 Α. Yes, sir. And has it been reviewed for the accuracy? 19 Q. 20 I don't know --Α. Has the accuracy been determined? 21 Q. I don't know the answer to that. 22 Α. MR. CARROLL: Mr. Examiner, I have nothing 23 further of this witness, and I offer Exhibit A as evidence. 24 25 EXAMINER MORROW: Exhibit A is accepted into the

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1 record. And it was reviewed, for the record, for 2 3 accuracy. Anything further, Mr. Carroll? 4 5 MR. CARROLL: No, that's it, Mr. Examiner. EXAMINER MORROW: Case 11,044 will be taken under 6 7 advisement. 8 (Thereupon, these proceedings were concluded at 9 12:34 p.m.) 10 * * 11 12 13 14 15 16 17 18 19 20 21 I do hereby certify that the foregoing is 22 a complete reco of the proceedings in the Examinar graging of Case No. 1044 23 heard by me for 19 94 24 Leve, Examiner Of Con ervation Division 25

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CERTIFICATE OF REPORTER 1 2 3 STATE OF NEW MEXICO)) ss. 4 COUNTY OF SANTA FE) 5 I, Steven T. Brenner, Certified Court Reporter 6 7 and Notary Public, HEREBY CERTIFY that the foregoing 8 transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; 9 10 and that the foregoing is a true and accurate record of the 11 proceedings. I FURTHER CERTIFY that I am not a relative or 12 13 employee of any of the parties or attorneys involved in 14 this matter and that I have no personal interest in the 15 final disposition of this matter. 16 WITNESS MY HAND AND SEAL July 26, 1994. 17 4 ... 18 STEVEN T. BRENNER CCR No. 7 19 20 21 My commission expires: October 14, 1994 22 23 24 25

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