STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

CASE NO. 11,132

APPLICATION OF MERIDIAN OIL, INC.

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

November 10th, 1994

Santa Fe, New Mexico

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This matter came on for hearing before the Oil Conservation Division on Thursday, November 10th, 1994, at Morgan Hall, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico, before Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR (505) 989-9317

INDEX November 10th, 1994 Examiner Hearing CASE NO. 11,132 PAGE STATEMENT BY MR. KELLAHIN 3 **REPORTER'S CERTIFICATE** 5 * * * EXHIBITS Identified Admitted Exhibit 1 4 4 Exhibit 2 4 4 Exhibit 3 4 4 Exhibit 4 4 4 Exhibit 5 4 4 Exhibit 6 4 4 Exhibit 7 4 4 Exhibit 8 4 4 * * * APPEARANCES FOR THE DIVISION: RAND L. CARROLL Attorney at Law Legal Counsel to the Division State Land Office Building Santa Fe, New Mexico 87504 FOR THE APPLICANT: KELLAHIN & KELLAHIN 117 N. Guadalupe P.O. Box 2265 Santa Fe, New Mexico 87504-2265 By: W. THOMAS KELLAHIN * * *

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| 1 | WHEREUPON, the following proceedings were had at |
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| 2 | 8:20 a.m.: |
| 3 | EXAMINER CATANACH: At this time we'll call Case |
| 4 | 11,132. |
| 5 | MR. CARROLL: Application of Meridian Oil, Inc., |
| 6 | for downhole commingling, San Juan County, New Mexico. |
| 7 | EXAMINER CATANACH: Are there appearances in this |
| 8 | case? |
| 9 | MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of |
| 10 | the Santa Fe law firm of Kellahin and Kellahin, appearing |
| 11 | on behalf of the Applicant. |
| 12 | EXAMINER CATANACH: Are there additional |
| 13 | appearances in this case? |
| 14 | MR. KELLAHIN: Mr. Examiner, on behalf of |
| 15 | Meridian we have requested that this case be taken under |
| 16 | advisement in the absence of objection. |
| 17 | For your information, this is a request for a |
| 18 | triple downhole commingling. We have pre-filed the |
| 19 | technical exhibits with you. I represent to you that this |
| 20 | case is in compliance with the Administrative Order 303, |
| 21 | with the exception that we're requesting an exception from |
| 22 | the pressure differential. 303 has a 50-percent pressure |
| 23 | differential limitation. This case exceeds that. |
| 24 | The engineering justification for granting that |
| 25 | exception is detailed in the exhibit book behind Exhibit |
| | |

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| 1 | Number 7. Those engineering calculations were done by Mike |
| 2 | Pippin of Meridian, and we would request that you introduce |
| 3 | those Exhibits 1 through 8 into the record and take this |
| 4 | case under advisement. |
| 5 | EXAMINER CATANACH: Any objection? |
| 6 | There being none, Exhibit Numbers 1 through 8 |
| 7 | will be admitted as evidence in this case, and Case 11,132 |
| 8 | will be taken under advisement. |
| 9 | (Thereupon, these proceedings were concluded at |
| 10 | 8:22 a.m.) |
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STEVEN T. BRENNER, CCR (505) 989-9317

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 Division 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 November 10th, 1994.

STEVEN T. BRENNER CCR No. 7

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My commission expires: October 14, 1998

I do hereby cartify that the foregoing is a contract most the proceedings, in 主要 De a rigs pi Case No. henro Ly i e on Mamber 10 **__, Exe**miner Oil Conservation Division

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STEVEN T. BRENNER, CCR (505) 989-9317

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