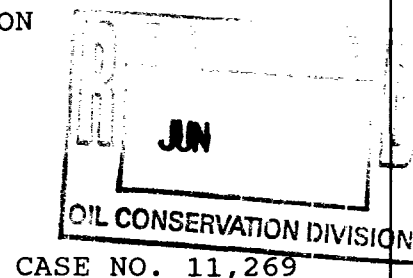


STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING)
CALLED BY THE OIL CONSERVATION)
DIVISION FOR THE PURPOSE OF)
CONSIDERING:)
)
APPLICATION OF AMERADA HESS)
CORPORATION)
)



CASE NO. 11,269

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

May 18th, 1995

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Thursday, May 18th, 1995, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, 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

I N D E X

May 18th, 1995
Examiner Hearing
CASE NO. 11,269

PAGE

REPORTER'S CERTIFICATE

5

* * *

A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
Attorney at Law
Legal Counsel to the Division
2040 South Pacheco
Santa Fe, New Mexico 87505

FOR THE APPLICANT:

CAMPBELL, CARR & BERGE, P.A.
Suite 1 - 110 N. Guadalupe
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
By: WILLIAM F. CARR

FOR KAISER-FRANCIS OIL COMPANY:

KELLAHIN & KELLAHIN
117 N. Guadalupe
P.O. Box 2265
Santa Fe, New Mexico 87504-2265
By: W. THOMAS KELLAHIN

* * *

1 WHEREUPON, the following proceedings were had at
2 9:52 a.m.:

3 EXAMINER STOGNER: Call Case Number 11,269.

4 MR. CARROLL: Application of Amerada Hess
5 Corporation for pool creation, the promulgation of special
6 pool rules, and for an unorthodox gas well location, Lea
7 County, New Mexico.

8 EXAMINER STOGNER: Call for appearances in this
9 matter.

10 MR. CARR: May it please the Examiner, my name is
11 William F. Carr with the Santa Fe law firm Campbell, Carr
12 and Berge.

13 We represent Amerada Hess Corporation in this
14 matter.

15 EXAMINER STOGNER: I believe -- Mr. Carr, help me
16 on this. This case was heard on the 20th of April; is that
17 correct?

18 MR. CARR: Yes, sir, it was.

19 EXAMINER STOGNER: Okay. Are there any other
20 appearances in this matter?

21 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
22 the Santa Fe law firm of Kellahin and Kellahin, appearing
23 today on behalf of Kaiser-Francis Oil Company.

24 MR. CARR: Mr. Examiner, as you correctly noted,
25 the case was heard on April the 20th.

1 It was continued and readvertised for this date
2 to correct an error in the ad.

3 We would request that the case be taken under
4 advisement, based on the record made on April the 20th.

5 Since the hearing, Kaiser-Francis has filed its
6 entry of appearance in the case. It is my understanding
7 that they are now in agreement with Amerada Hess concerning
8 640-acre gas spacing in this area, and I believe there is
9 nothing further to be presented, but Mr. Kellahin can
10 confirm that.

11 MR. KELLAHIN: Mr. Examiner, on behalf of Kaiser-
12 Francis Oil Company, Mr. Jim Wakefield, an engineer with
13 their company and their designated agent on behalf of that
14 company, has advised me that they're in support of granting
15 this Application, that Kaiser-Francis has farmed out its
16 interest in the affected area to Amerada Hess and fully
17 supports the issuance of an order authorizing the
18 development of the deep gas on 640-acre gas spacing.

19 | EXAMINER STOGNER: Mr. Kellahin.

20 Anything further in Case Number 11,269 at this
21 time?

22 Then this matter will be taken under advisement.

23 (Thereupon, these proceedings were concluded at
24 9:55 a.m.)

25 | * * *

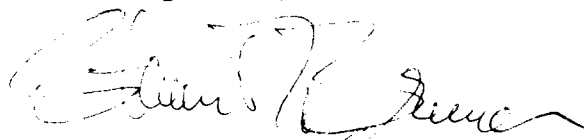
CERTIFICATE OF REPORTER

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 May 23rd, 1995.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceeding in the Examiner hearing of Case No. 11269, heard by me on 18 May 1995.


 Oil Conservation Division