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 TEXACO EXPLORATION

AND PRODUCTION, INC.

(Consolidated)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

ORIGINAL

BEFORE: DAVID R. CATANACH, Hearing Examiner

RECEIVED

SEP 7 1995

August 24th, 1995

Oil Conservation Division

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, August 24th, 1995, at the New Mexico Energy, Minerals and Natural Resources

Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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August 24th, 1995 Examiner Hearing CASE NOS. 11,324, 11,325 and 11,326 (Consolidated)

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REPORTER'S CERTIFICATE

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EXHIBITS

Applicant's Identified Admitted

Affidavits 3

* * *

APPEARANCES

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

* * *

WHEREUPON, the following proceedings were had at 1 2 9:05 a.m.: EXAMINER CATANACH: At this time, let me call Cases 11,324, 11,325 and 11,326. 4 MR. CARROLL: All entitled, Application of Texaco 5 Exploration and Production, Inc., for a high-angle/ 6 7 horizontal directional drilling pilot project, special operating rules therefor, a nonstandard oil proration unit, 8 9 and a special project allowable, Rio Arriba County, New Mexico. 10 EXAMINER CATANACH: Are there appearances in 11 these cases? 12 MR. CARR: May it please the Examiner, my name is 13 14 William F. Carr with the Santa Fe law firm Campbell, Carr 15 and Berge. We represent Texaco Exploration and Production, 16 1.7 Inc., in each of these cases. These cases were originally presented to Examiner 18 19 Stogner on July 13th. At that time it was discovered there 20 were certain additional mineral interest owners and working interest owners who had not been noticed -- or provided 21 22 notice of the hearing. The cases were continued twice to enable Texaco 23 to provide appropriate notice to all affected interest 24 25 owners, and I have an affidavit signed by Patrick Lee

1 Callahan, attorney in fact for Texaco in each case. 2 Attached to the affidavit is a copy of the letter that was sent, the waivers that have been received, and the 3 green card showing that, in fact, each of the interest 4 5 owners affected has now received proper notice in accordance with OCD rules. 6 So I'd like to offer those in the affidavits in 7 each of these cases and request that the case be taken 8 under advisement, based on the July 13 record. 10 EXAMINER CATANACH: Okay, Mr. Carr, the 11 affidavits in each of the cases will be admitted as 12 evidence. 13 And at this time we'll take Case 11,324, 11,325 and 11,326 under advisement. 14 15 (Thereupon, these proceedings were concluded at 9:07 a.m.) 16 * * * 17 18 19 20 21 22 23 24 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 August 26th, 1995.

STEVEN T. BRENNER CCR No. 7

My commission expires: October 14, 1998

I do here, a certify that the foregoing is a co. the a second of the proceedings in the Examiner hearing of Case No. 1/394, 1/305, 1/326

eard by me on_

Oil Conservation Division

, Examiner

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