

## NEW MEXICO OIL CONSERVATION COMMISSION

## COMMISSION HEARING

SANTA FE, NEW MEXICO

Hearing Date

DECEMBER 14, 1995

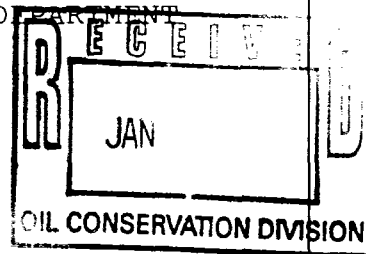
Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
William F. San	Campbell, San + Suge	Santa Fe
DAVE BONEAU	VATCO PETROLEUM CORPORATION	ARTESIA
Scott Lansdown	Exxon	Midland
Jessie Naughton	Unit Petroleum Company	Tulsa OK
DAVE CANTRELL	EXXON	HOUSTON, TX
Gilbert Beuhler	Exxon	Houston, TX
JOE B. THOMAS	Exxon	MIDLAND, TX
Bill Duncan	"	"
Ron Mayhew	"	"
W. Kellahin	Kellahin + Kellahin	Santa Fe
James Buer	Hinkle Law Firm	SF
John S. S. S.	Bayland	H
Terry Rayne	Premier	Austin, TX

## STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION COMMISSION



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

CASE NO. 11,354

HEARING CALLED BY THE OIL CONSERVATION )  
 DIVISION ON ITS OWN MOTION )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGSCOMMISSION HEARING

BEFORE: WILLIAM J. LEMAY, CHAIRMAN  
 WILLIAM WEISS, COMMISSIONER  
 JAMI BAILEY, COMMISSIONER

December 14th, 1995

Santa Fe, New Mexico

This matter came on for hearing before the Oil  
 Conservation Commission on Thursday December 14th, 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.

\* \* \*

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

## I N D E X

December 14th, 1995  
Commission Hearing  
CASE NO. 11,354

PAGE

REPORTER'S CERTIFICATE

6

\* \* \*

## A P P E A R A N C E S

## FOR THE COMMISSION:

MARGARET CORDOVANO  
Assistant General Counsel  
Energy, Minerals and Natural Resources Department  
2040 South Pacheco  
Santa Fe, New Mexico 87505

## FOR THE OIL CONSERVATION DIVISION:

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

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   9:08 a.m.:

3           CHAIRMAN LEMAY: We will now call Case 11,354,  
4   which is the Application of the Oil Conservation Division  
5   on a motion to permit the operator, Nerdhlic Company to  
6   show cause why they should not plug various wells.

7           Appearances in this case?

8           MR. CARROLL: Yes, Mr. Chairman, Rand Carroll on  
9   behalf of the Oil Conservation Division.

10          Mr. Ernie Padilla, counsel for Nerdhlic,  
11   requested a continuance, which I've agreed to, so I ask  
12   this case be continued to January 18th, 1996.

13          CHAIRMAN LEMAY: Are there any objections to a  
14   continuance? If not, Case 11,354 will be continued to the  
15   January 18th, 1996 hearing.

16          I would also like to indicate, before calling the  
17   next case, that our next hearing case will be January 18th,  
18   for those of you that didn't get the docket for 1996.

19          Also, the February hearing, which will be  
20   February -- Okay, I have that somewhere. I think that was  
21   given out. I just want to -- February 15th, I think, is  
22   the date.

23          All right, February 15th will be our proration  
24   hearing. Those of you that were involved in the proration  
25   hearing a year ago probably missed our proration hearing in

1 August because we didn't have one. But we are going to  
2 have one the 18th. We used the evidence on the February,  
3 1995, hearing, to write the proration order for the second  
4 period of 1995. What we will be doing is taking testimony  
5 for the proration hearing, which we anticipate will be a  
6 half a day.

7 And then we'll have what we've had before or  
8 started last year, which was the industry speaks-  
9 Commissioner listens format. So those of you that have  
10 some ideas how we could do a better job or how the Division  
11 -- changes you'd like to see instituted, procedurally or  
12 otherwise, bring those ideas before us.

13 I think it went over pretty well last time. At  
14 least, the comments we heard were very positive in that  
15 regard. So we'll try it again, unless there's objection to  
16 that.

17 Does anyone have any comment on that format that  
18 we used last year that we plan to incorporate again this  
19 coming year?

20 I see you shaking your heads, so I assume you  
21 assume it was a worthwhile endeavor. So we'll do that  
22 again in the February 15th hearing, have a joint session:  
23 proration, plus you all line up your ideas and bring them  
24 to us.

25 That being the -- That was a fairly short

1 business meeting, 12 minutes. Hope it won't interfere.  
2 We're just getting more organized and more in conformity  
3 with the open-meeting laws.

4 (Thereupon, these proceedings were concluded at  
5 9:12 a.m.)

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# 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 Commission 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 December 17th, 1995.

\_\_\_\_\_  
 STEVEN T. BRENNER  
 CCR No. 7

My commission expires:   October 14, 1998