

## STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING	)	
CALLLED BY THE OIL CONSERVATION	)	
DIVISION FOR THE PURPOSE OF	)	
CONSIDERING:	)	CASE NO. 11,368
	)	
APPLICATION OF PLAINS PETROLEUM	)	
COMPANY	)	
_____	)	

REPORTER'S TRANSCRIPT OF PROCEEDINGSEXAMINER HEARING

ORIGINAL

BEFORE: DAVID R. CATANACH, Hearing Examiner

September 21, 1995

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, September 21st, 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.

\* \* \*

## I N D E X

September 21st, 1995  
Examiner Hearing  
CASE NO. 11,368

PAGE

REPORTER'S CERTIFICATE

6

\* \* \*

## E X H I B I T S

Applicant's	Identified	Admitted
Certificate of Mailing	4	4

\* \* \*

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

FOR THE APPLICANT:

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   2:31 p.m.:

3           EXAMINER CATANACH: At this time let me call Case  
4   11,368, which is the Application of Plains Petroleum  
5   Company for a pressure maintenance project, special project  
6   allowable, a qualification for the recovered oil tax rate  
7   pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea  
8   County, New Mexico.

9           Are there appearances in this case?

10          MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of  
11   the Santa Fe law firm of Kellahin and Kellahin, appearing  
12   on behalf of the Applicant.

13          EXAMINER CATANACH: Any additional appearances?  
14   There being none, Mr. Kellahin?

15          MR. KELLAHIN: Mr. Examiner, when you heard this  
16   case back on August 24th, the technical witnesses made  
17   their presentation concerning this project. It was  
18   identified on that docket as a waterflood project. It is  
19   not eligible for waterflood approval because the rates of  
20   the oil wells exceed the stripper well classification.

21           It was readvertised on this docket as a pressure-  
22   maintenance project with a special project allowable.

23           In addition, we've asked for qualification of the  
24   project for the recovered oil tax credit.

25           We have readvertised the case and sent new

1 notices. I have my certificate of notification here. I am  
2 aware of no objection.

3 The only remaining item from the last hearing is,  
4 you asked for verification as to whether or not there was  
5 any objection to a leasehold pressure maintenance project.  
6 You may remember that there were two 160-acre tracts, one  
7 out of the southeast of Section 34, the other out of the  
8 southwest of Section 35. Taken together, it was a  
9 consolidation of portions of two federal leases.

10 I received a phone call yesterday afternoon from  
11 Armando Lopez of the BLM in Roswell, advising me that the  
12 BLM had no objection to the consolidation on a leasehold  
13 project basis and that the BLM would not require  
14 unitization. Mr. Lopez said he would fax me today a letter  
15 of confirmation. Upon receipt of that letter, I will  
16 supply you with a copy.

17 And I believe that information completes the  
18 items that were left undone from the last hearing.

19 EXAMINER CATANACH: Okay. Nothing to submit at  
20 this point, Mr. Kellahin?

21 MR. KELLAHIN: Just the certificate of mailing.

22 EXAMINER CATANACH: Okay. The certificate will  
23 be admitted as evidence in this case.

24 MR. KELLAHIN: And if we may leave the record  
25 open until I get Mr. Lopez's letter to you, we'd like the

1 case taken under advisement.

2 EXAMINER CATANACH: We can do that.

3 In the absence of anything else in this case,  
4 Case Number 11,368 will be taken under advisement.

5 (Thereupon, these proceedings were concluded at  
6 2:34 p.m.)

7 \* \* \*

21 I do hereby certify that the foregoing is  
22 a complete record of the proceedings in  
the oral hearing of Case No. 11368,  
23 heard by me on 8/21 1998.

24 David R. Catnach, Examiner  
Oil Conservation Division

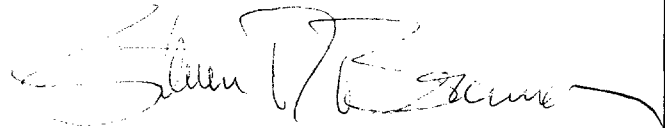
CERTIFICATE OF REPORTER

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 September 30th, 1995.



STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 14, 1998