2

#### 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:

HEARING CALLED BY THE OIL

CONSERVATION DIVISION UPON

ITS OWN MOTION

CASE NO. 11,381

#### REPORTER'S TRANSCRIPT OF PROCEEDINGS

#### EXAMINER HEARING

# ORIGINAL

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

September 8th, 1995 Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Friday, September 8th, 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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#### INDEX

September 8th, 1995 Examiner Hearing CASE NO. 11,381

PAGE

#### DIVISION WITNESS:

#### DAVID R. CATANACH

Direct Examination by Mr. Carroll

3

REPORTER'S CERTIFICATE

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## EXHIBITS

Division Identified

Identified Admitted

Exhibit 1

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#### APPEARANCES

### FOR THE DIVISION:

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

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WHEREUPON, the following proceedings were had at 1 2 8:45 a.m.: EXAMINER STOGNER: This hearing will come to 3 4 order. We'll resume from yesterday. At this time I'll call Case Number 11,381, which 5 6 is in the matter of the hearing called by the Oil Conservation Division upon its own motion for an order 7 8 creating and extending certain pools in Chaves and Eddy Counties, New Mexico, better known as District 2. 10 At this time I'll call for appearances. MR. CARROLL: Rand Carroll on behalf of the Oil 11 Conservation Division. I have one witness to be sworn. 12 EXAMINER STOGNER: Are there any other 13 appearances? 14 There being none, will the witness please stand 15 16 to be sworn? 17 (Thereupon, the witness was sworn.) EXAMINER STOGNER: You may continue, Mr. Carroll. 18 19 DAVID R. CATANACH, 20 the witness herein, after having been first duly sworn upon 21 his oath, was examined and testified as follows: DIRECT EXAMINATION 22 23 BY MR. CARROLL: (By Mr. Carroll) Mr. Catanach, will you please 24 state your name, your employer and your position for the 25

record, please?

- A. David Catanach. I work for the Oil Conservation Division here in Santa Fe as a petroleum engineering specialist.
- Q. And have you testified before the Division before regarding nomenclature in certain pools in New Mexico and had your qualifications accepted?
  - A. Yes, I have.

MR. CARROLL: Mr. Examiner, are Mr. Catanach's qualifications acceptable?

EXAMINER STOGNER: Why, yes, they are.

- Q. (By Mr. Carroll) Mr. Catanach, today are you prepared to make certain recommendations regarding the creation and extension of certain pools in Chaves and Eddy Counties, New Mexico?
  - A. Yes, I am.
  - Q. And how are your recommendations set forth?
- A. They're set forth in the form of an exhibit which we can mark Exhibit Number 1.
  - Q. Okay. And have you had an opportunity to compare what is going to be marked as OCD Exhibit Number 1 with the docket that's been prepared for today's hearing to determine if there's any discrepancy between the two?
  - A. Mr. Carroll, I've briefly compared the two. I rely basically on conversation with Florene Davidson, our

1	staff specialist, who has informed me that she has
2	carefully reviewed them and there are no differences
3	between the two.
4	Q. And was Exhibit 1 prepared by the Oil
5	Conservation Division in its ordinary course of business?
6	A. Yes, sir.
7	Q. And will the creation and extension of these
8	pools prevent waste or protect correlative rights?
9	A. Yes, they will.
10	MR. CARROLL: That's all I have of this witness,
11	Mr. Examiner, and I offer what is going to be marked as OCD
12	Exhibit Number 1 for the record.
13	EXAMINER STOGNER: Exhibit Number 1 will be
14	admitted into evidence.
15	I have no questions of Mr. Catanach. He may be
16	excused.
L7	Anything further in Case Number 11,381? There
18	being none, this case will be taken under advisement.
L9	(Thereupon, these proceedings were concluded at
20	8:46 a.m.)
21	* * * I do hereby certify that the foregoing is
22	a complete record of the proceedings in the Examiner hearing of Case No. 1/38/,
23	heard by me on 85 September 1995.
24	Oil Conservation Division
25	S. Consei Adiioti 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 16th, 1995.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 14, 1998