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 P E D OIL CORPORATION FOR)
DIRECTIONAL DRILLING AND AN UNORTHODOX)
BOTTOMHOLE OIL WELL LOCATION,)
CHAVES COUNTY, NEW MEXICO)

CASE NO. 11,439



REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

December 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, December 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.

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INDEX

December 21st, 1995 Examiner Hearing CASE NO. 11,439

PAGE

REPORTER'S CERTIFICATE

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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

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 8:16 a.m.: 2 EXAMINER CATANACH: At this time let me call Case 3 11,439. 4 MR. CARROLL: Application of P E D Oil 5 Corporation for directional drilling and an unorthodox 6 bottomhole oil well location, Chaves County, New Mexico. 7 8 EXAMINER CATANACH: This case is styled such that 9 in the absence of objection this Application will be taken under advisement. 10 11 At this time I'll call for appearances in this 12 case. MR. CARR: May it please the Examiner, my name is 13 William F. Carr with the Santa Fe law firm Campbell, Carr 14 15 and Berge. We represent P E D Oil Corporation in this 16 matter. 17 EXAMINER CATANACH: Okay. Mr. Carr, you're not going to present anything in this case? 18 19 MR. CARR: No, we're presenting no testimony. Ιt is our understanding, pursuant to agreements with the 20 Division staff, that the data that now has been submitted 21 22 is adequate for the Division to make a determination on the 23 Application, that notice was provided to assure that no 24 offset would be in opposition to the matter. 25 EXAMINER CATANACH: Okay, there being no

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additional appearances in this case and nothing further,
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      this case, 11,439, will be taken under advisement.
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                  (Thereupon, these proceedings were concluded at
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      8:17 a.m.)
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                                         I do hereby certify that the foregoing to
                                         a complete record of the proceedings in
20
                                        the Examiner hearing of Case No. 11435
                                        heard by me on __
21
22
                                         Oll Conservation Division
                                                                 ., Examiner
23
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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 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 January 9th, 1996.

STEVEN T. BRENNER

CCR No. 7

Giller

My commission expires: October 14, 1998