STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

CASE NOS. 11,762, 11,745, 11,615, 11,720, 11,515, 11,635

AWAITING FINAL COMMISSION ACTION

NO EVIDENCE OR TESTIMONY TAKEN

REPORTER'S TRANSCRIPT OF PROCEEDINGS COMMISSION HEARING

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

1 188

June 5th, 1997

Santa Fe, New Mexico

These matters came on for hearing before the Oil Conservation Commission, WILLIAM J. LEMAY, Chairman, on Thursday, June 5th, 1997, 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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Commission Hearing
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11,515, and 11,635 (Awaiting final
Commission Action - No evidence or
testimony taken)

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REPORTER'S CERTIFICATE

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1 WHEREUPON, the following proceedings were had at 9:05 a.m.: 2 CHAIRMAN LEMAY: Okay, we shall commence. 3 is the Oil Conservation Commission. My name is Bill LeMay. 4 My fellow Commissioners are Bill Weiss and Jami Bailey, 5 representing the Commissioner of Public Lands, State of New 6 7 Mexico. 8 I think we only have one case, but we do have 9 some business to attend to, so maybe we can do that first. Also, let the record show that we are having our 10 11 July hearing in -- Is it the 8th? 12 COMMISSIONER WEISS: Yes. CHAIRMAN LEMAY: The 8th of July, rather than the 13 14 date that was previously listed. That was advertised in the docket because of schedule conflicts, one of the 15 Commissioners, myself. We had to change that one. 16 17 CHAIRMAN LEMAY: Also on the docket, the cases 18 listed that are awaiting final action -- Rule 111 is the 19 20 one, I think, that was the directional drilling. That one we will delay until the July 8th hearing to take final 21

listed that are awaiting final action -- Rule 111 is the one, I think, that was the directional drilling. That one we will delay until the July 8th hearing to take final action on it, so it will just be carried over. However -- COMMISSIONER WEISS: It's not on here, is it?

CHAIRMAN LEMAY: That's OCD Rule 111, that's the last one.

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1 COMMISSIONER WEISS: Is that General Rules and 2 Regulations? CHAIRMAN LEMAY: Yeah, General Rules and 3 Regulations. That's the one dealing with directionally 4 drilled wells. 5 So that will be -- final action will be taken on 6 7 that July 8th. 8 CHAIRMAN LEMAY: But we also have advertised a 9 special session for this hearing, in order to take action 10 11 on, I think, Rule 103. Is that the -- I'm sorry, 104-B, isn't it? Burlington, yes, Case 11,745. I'm sorry, I have 12 13 it right here. So we'll take that one up first, Case 11,745, which is the Application of Burlington Resources to 14 adopt new rules establishing 640-acre spacing for deep gas 15 16 in the San Juan Basin. 17 Commissioner Bailey, is it your intention to take 18 final action on that today? 19 COMMISSIONER BAILEY: Yes, it is. 20 CHAIRMAN LEMAY: Commissioner Weiss? 21 COMMISSIONER WEISS: Yes, it is. 22 CHAIRMAN LEMAY: And likewise, I intend to sign that order and take final action on it. 23 24 25 CHAIRMAN LEMAY: The other is Case Number 11,615,

1	which is the Application of Thornton Operating Corporation
2	for pool creation, special rules and regulations.
3	Commissioner Bailey, is it your intent to take
4	final action on that case today?
5	COMMISSIONER BAILEY: Yes, it is.
6	CHAIRMAN LEMAY: Commissioner Weiss?
7	COMMISSIONER WEISS: Yes, I do.
8	CHAIRMAN LEMAY: And I also plan to sign that
9	order, and so it will be done today.
10	* * *
11	CHAIRMAN LEMAY: And the Application of the Oil
12	Conservation Division to amend the Rule 103 of its General
13	Rules and Regulations pertaining to signs on wells.
14	Commissioner Bailey, is it your intent to take
15	final action on that today?
16	COMMISSIONER BAILEY: Yes, it is.
17	CHAIRMAN LEMAY: Commissioner Weiss?
18	COMMISSIONER WEISS: Yes, it is.
19	CHAIRMAN LEMAY: And also, I plan to take final
20	action on that.
21	* * *
22	CHAIRMAN LEMAY: And then that OCD plugging case,
23	Woosley Oil Company, is that also scheduled for final
24	action? I remember that.
25	Is it your intent to take final action on that,

1	Commissioner Bailey?
2	COMMISSIONER BAILEY: Yes, it is.
3	CHAIRMAN LEMAY: Commissioner Weiss?
4	COMMISSIONER WEISS: Yes, it is.
5	CHAIRMAN LEMAY: And likewise I plan to also sign
6	that order today.
7	* * *
8	CHAIRMAN LEMAY: And finally Case 11,635, which
9	is the rehearing on pollution and water abatement in New
10	Mexico with the rehearing and the final draft of that
11	order.
12	Is it your intent to take final action on that
13	case today, Commissioner Bailey?
14	COMMISSIONER BAILEY: Yes, it is.
15	CHAIRMAN LEMAY: Commissioner Weiss?
16	COMMISSIONER WEISS: Yes, it is.
17	CHAIRMAN LEMAY: And likewise I plan to sign that
18	order today.
19	So with the exception of Case Number 11,762,
20	which was final action is extended to the July 8th
21	hearing, those other five cases will be handled final
22	action will be taken on those today.
23	(Thereupon, these proceedings were concluded at
24	9:10 a.m.)
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 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 June 5th, 1997.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 14, 1998