

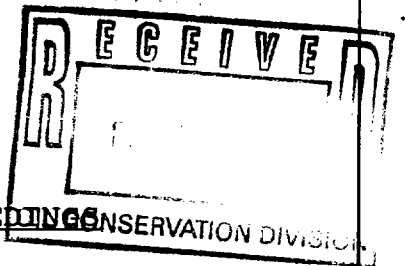
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 11,656

APPLICATION OF TEXACO EXPLORATION AND)
PRODUCTION, INC., FOR COMPULSORY)
POOLING, A HIGH ANGLE/HORIZONTAL)
DIRECTIONAL DRILLING PILOT PROJECT,)
UNORTHODOX LOCATION AND SPECIAL)
OPERATING RULES THEREFOR, LEA COUNTY,)
NEW MEXICO)

ORIGINAL



REPORTER'S TRANSCRIPT OF PROCEEDINGS OIL CONSERVATION DIVISION

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

February 6th, 1997

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, February 6th, 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.

* * *

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

I N D E X

February 6th, 1997
Examiner Hearing
CASE NO. 11,656

PAGE

REPORTER'S CERTIFICATE

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* * *

1 WHEREUPON, the following proceedings were had at
2 10:15 a.m.:

3 EXAMINER STOGNER: Similarly, I will call Case
4 Number 11,656, which is also an Application of Texaco
5 Exploration and Production, Inc., for compulsory pooling.
6 This differs, however, because they are requesting a high
7 angle/horizontal directional drilling pilot project and an
8 unorthodox location for that window in that project area
9 and special operating rules therefor, Lea County, New
10 Mexico.

11 Again, this case was heard with 11,678 at the
12 November 19th [sic] hearing before David R. Catanach and
13 was readvertised to include the nonstandard location
14 portion.

15 At this time, I'll call for appearances in this
16 matter.

17 There being none, then this matter will be taken
18 under advisement also.

19 (Thereupon, these proceedings were concluded at
20 10:16 a.m.)

21 I hereby certify that the foregoing is
22 a complete record of the proceedings in
23 the Examiner hearing of Case No. 11656,
24 heard by me on 11/19/97.

25  , 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 February 7th, 1997.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998