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. 11,790

APPLICATION OF MANZANO OIL CORPORATION FOR COMPULSORY POOLING AND UNORTHODOX LOCATION, LEA COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

May 29th, 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, May 29th, 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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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 and SHERIDAN, P.A. Suite 1 - 110 N. Guadalupe P.O. Box 2208
Santa Fe, New Mexico 87504-2208
By: WILLIAM F. CARR

* * *

1 WHEREUPON, the following proceedings were had at 10:55 a.m.: 2 EXAMINER STOGNER: At this time I'll call Case 3 Number 11,790. 4 MR. CARROLL: Application of Manzano Oil 5 Corporation for compulsory pooling and unorthodox location, 6 7 Lea County, New Mexico. 8 MR. CARR: May it please the Examiner, I would request that this case be continued for two weeks. 9 EXAMINER STOGNER: Mr. Carr, at that time --10 because this matter is advertised "in the absence of 11 objection..." 12 MR. CARR: Yes, sir. 13 EXAMINER STOGNER: Is it Manzano's proposal to --14 MR. CARR: Mr. Stogner, when they did the 15 Division order title opinion they discovered a couple of 16 additional interests that hadn't previously surfaced, and 17 they have contacted those individuals. 18 I have by phone confirmed that they have done a 19 search to locate the whereabouts of one person whose name 20 appeared but still cannot be located. 21 But since I did not have written confirmation of 22 all that to present to you today, I couldn't provide the 23 supporting data and, for that reason, have requested a 24 25 continuance so when the case does come up I can give you

1 the backup data to confirm that there has been an appropriate effort to locate and give these people a chance 2 to participate. 3 4 EXAMINER STOGNER: How about the unorthodox 5 portion of this Application? MR. CARR: I think that there's an order already 6 7 outstanding approving that, and it was just an effort to pick up a very -- and I've been advised it's an extremely 8 small percentage, but they felt better giving these people 9 an opportunity to join since their names did pop up when 10 the drilling title opinion was prepared. 11 EXAMINER STOGNER: In that case, 11,790 will be 12 13 continued to June 12th, 1997. (Thereupon, these proceedings were concluded at 14 15 10:56 a.m.) 16 17 18 19 20 21 22 23 24 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 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 June 4th, 1997.

STEVEN T. BRENNER CCR No. 7

My commission expires: October 14, 1998

do hereby second of the proceeding is a complete hearing of the proceeding is in the Examination 1997.

Examination 1997.

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