

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

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

CASE NO. 11,925

APPLICATION OF KCS MEDALLION RESOURCES,)
INC., FOR AN UNORTHODOX GAS WELL)
LOCATION, EDDY COUNTY, NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: LORI WROTENBERY, CHAIRMAN
JAMI BAILEY, COMMISSIONER

OIL CONSERVATION DIV
93 AUG 20 AM 9:19

July 30th, 1998

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Thursday, July 30th, 1998, 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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I N D E X

July 30th, 1998
Commission Hearing
CASE NO. 11,925

PAGE

REPORTER'S CERTIFICATE

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A P P E A R A N C E S

FOR THE COMMISSION:

LYN S. HEBERT
Deputy General Counsel
Energy, Minerals and Natural Resources Department
2040 South Pacheco
Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 9:14 a.m.:

3 CHAIRMAN WROTENBERY: This is a specially called
4 hearing of the Oil Conservation Commission to consider one
5 application. It's the Application of KCS Medallion
6 Resources, Inc., for an unorthodox gas well location in
7 Eddy County, New Mexico. This is Case Number 11,925. This
8 Application is being heard by the Commission, *de novo*.

9 I'm Lori Wrotenbery, Chairman of the Oil
10 Conservation Commission. To my right is Commissioner Jami
11 Bailey. Commissioner Bill LeMay is not present today, but
12 we do have a quorum so we will continue to consider this
13 case.

14 We took testimony in this matter two weeks ago,
15 on July 16th, 1998. We are convening this special hearing
16 today to deliberate on the testimony that we received, and
17 we anticipate rendering a decision in the matter later
18 today.

19 In order for us to deliberate the matter, I'll
20 entertain a motion to move into executive session.

21 COMMISSIONER BAILEY: I move that we move into
22 executive session.

23 CHAIRMAN WROTENBERY: And I'll second that
24 motion. And I assume that we will both vote in favor of
25 the motion we just made and seconded --

1 COMMISSIONER BAILEY: Aye.

2 CHAIRMAN WROTENBERY: -- right?

3 COMMISSIONER BAILEY: Ayes

4 CHAIRMAN WROTENBERY: Okay. So for now we're
5 going to move into the Commission counsel's office to
6 deliberate on the matter.

7 We will reconvene in this room later, briefly.
8 We will try to make it as brief as possible, so as not to
9 interfere with your hearing. We're going to move out, so
10 you all stay here. Thank you.

11 (Thereupon, a recess was taken at 9:16 a.m.)

12 (The following proceedings had at 10:38 a.m.)

13 CHAIRMAN WROTENBERY: Okay, we'll go back on the
14 record now.

15 The Commission has met in executive session to
16 deliberate on the Application of KCS Medallion Resources,
17 Inc., for an unorthodox gas well location in Eddy County,
18 New Mexico.

19 For the record, the only matter that was
20 discussed by the Commission during the executive session
21 was this particular case; it's Case 11,925.

22 Commissioner, we have before us a draft order of
23 the Commission which reflects the deliberations we had
24 earlier this morning.

25 COMMISSIONER BAILEY: And it is my intention to

1 sign this order.

2 CHAIRMAN WROTENBERY: Okay, great. Thank you.

3 With that, I'll entertain a motion that the
4 Commission approve the order.

5 COMMISSIONER BAILEY: I move that we approve this
6 order.

7 CHAIRMAN WROTENBERY: I'll second that motion.
8 All in favor say "aye".

9 COMMISSIONER BAILEY: Aye.

10 CHAIRMAN WROTENBERY: Aye. So we'll sign this
11 order today.

12 That matter is taken care of, then, and there
13 being no further business before the Commission today, this
14 special Commission meeting is adjourned.

15 Thank you, everybody, I'm sorry to interrupt.

16 (Thereupon, these proceedings were concluded at
17 10:39 a.m.)

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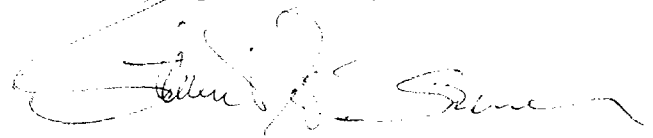
CERTIFICATE OF REPORTER

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 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 August 17th, 1998.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 1998