

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. 12,157
)
APPLICATION OF CHI ENERGY, INC., FOR)
COMPULSORY POOLING, LEA COUNTY,)
NEW MEXICO)
_____)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

June 10th, 1999

Santa Fe, New Mexico

99 JUN 24 AM 7:06
OIL CONSERVATION DIV

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, June 10th, 1999, 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.

* * *

I N D E X

June 10th, 1999
 Examiner Hearing
 CASE NO. 12,157

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E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 12	3	4

* * *

A P P E A R A N C E S

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: PAUL R. OWEN

* * *

1 WHEREUPON, the following proceedings were had at
2 9:03 a.m.:

3 EXAMINER CATANACH: At this time we'll call Case
4 12,157.

5 MR. CARROLL: Application of Chi Energy, Inc.,
6 for compulsory pooling, Lea County, New Mexico.

7 EXAMINER CATANACH: Call for appearances in this
8 case.

9 MR. OWEN: Paul Owen of the Santa Fe law firm of
10 Campbell, Carr, Berge and Sheridan, on behalf of the
11 Applicant, Chi Energy, Inc.

12 EXAMINER CATANACH: Any additional appearances?
13 Okay, Mr. Owen?

14 MR. OWEN: Mr. Examiner, this case was originally
15 heard by Mr. Stogner on May 13th, and all the evidence, all
16 the substantive evidence in this case, was taken at that
17 time.

18 At that hearing it was determined that one
19 individual, Mr. James Burr, had not been fully notified of
20 these proceedings. Since that time our office has notified
21 Mr. Burr of the pending Application and today's hearing
22 date.

23 And I offer as evidence of that notification Chi
24 Energy Exhibit Number 12, which is sequentially the next
25 exhibit following the exhibits that were introduced at the

1 May 13th hearing. That exhibit is an affidavit from Mr.
 2 Carr of our office, evidencing Mr. James Burr's
 3 notification of this proceeding.

4 In addition, at the time of the May 13th hearing
 5 full agreement had not been reached with Santa Fe Energy,
 6 Inc. Since that time, I can affirmatively state that Santa
 7 Fe and Chi have reached an understanding, and Santa Fe
 8 supports Chi's Application at this time.

9 With the evidence of the additional notice and
 10 Santa Fe's support for Chi's Application in the record, we
 11 request that Chi's Application be approved at this time,
 12 Mr. Examiner.

13 EXAMINER CATANACH: Okay, Exhibit 12 will be
 14 admitted as evidence in this case.

15 And there being nothing further, Case 12,157 will
 16 be taken under advisement.

17 MR. OWEN: Thank you, Mr. Examiner.

18 (Thereupon, these proceedings were concluded at
 19 9:07 a.m.)

20 * * *

21
 22 I do hereby certify that the foregoing is
 23 a complete record of the proceedings of
 the Examiner hearing of Case No. 12157
 heard by me on June 13 1957.

24 David H. Catnach, Examiner
 25 Of Conservation Division

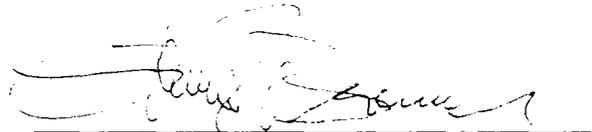
CERTIFICATE OF REPORTER

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 June 11th, 1999.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 2002