

## NEW MEXICO OIL CONSERVATION DIVISION

COMMISSION HEARINGSANTA FE, NEW MEXICOHearing Date FEBRUARY 26, 2000 Time 9:00 A.M.

NAME	REPRESENTING	LOCATION
<i>R. Kellerman</i> ALAN ALEXANDER	<i>Kellerman</i> BURLINGTON RESOURCES	<i>Santa Fe</i> FARMINGTON
<i>Jim Sawkin</i>	BP Amoco	Houston
<i>Darrell J. Carrigan</i>	TEXACO	HOBBS, NM
<i>8/P...</i>	<i>Yates Pet.</i>	Artesia, NM
Jim Lohls	BLM - Farmington	Farmington, NM
Larry Sanders	Phillips Petroleum	Odessa, TX
William A. Hay	<i>Gallagher, Law Firm</i>	Santa Fe
Michael Feldner	"	"
<i>Dave Kellerman</i>	<i>Gallagher Law Firm</i>	Santa Fe
<i>Erie Padilla</i>	<i>Padilla Law Firm</i>	STF
Michael Corbin	Gallagher Law Firm	Santa Fe
Scott Prather	Phillips Petroleum	Farmington
Mikel Drimer	"	"
Craig Van Kirk	Hartman Oil	Denver

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. 12,333

APPLICATION OF NEW MEXICO OIL )  
CONSERVATION DIVISION TO AMEND )  
DIVISION RULES 103 AND 202 )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: LORI WROTENBERY, CHAIRMAN  
JAMI BAILEY, COMMISSIONER  
ROBERT LEE, COMMISSIONER

OIL CONSERVATION DIV.  
COPIES - 9 PM 2:53

February 25th, 2000

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Friday, February 25th, 2000, 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

February 25th, 2000  
Commission Hearing  
CASE NO. 12,333

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   9:04 a.m.:

3           CHAIRMAN WROTENBERY: And then we need to wrap up  
4   business today in Case 12,333. This is the Application of  
5   the New Mexico Oil Conservation Division to amend Division  
6   Rules 103 and 202.

7           The Commission heard testimony on this particular  
8   Application at its last hearing on January 21st. At the  
9   end of that hearing, we continued the case for additional  
10   comment. We requested that comments be submitted -- by  
11   last Friday, I believe, Florene? And we didn't receive any  
12   formal written comments.

13           I did get an e-mail message from Rick Foppiano  
14   indicating that he had circulated the proposed changes  
15   among the NMOGA Regulatory Practices Committee, and he  
16   didn't receive any comments back. So he says if the OCD  
17   and the Oil Conservation Commission think that these  
18   changes are necessary, they could work on them.

19           And I believe we had a couple of questions  
20   pending from the last meeting. Ms. Hebert, do you want to  
21   address those?

22           MS. HEBERT: Commissioner Bailey, at the last  
23   meeting, inquired as to why the change is being made from  
24   60 to 90 days on the sign change, when there's been a  
25   change of operator name, and whether or not it was intended

1 to leave out the no-exceptions provision for that, or have  
2 an extension with good cause.

3 I talked with District Supervisor Chris Williams,  
4 and it was at his request that the change be made from 60  
5 days to 90 days, because he was receiving so many requests  
6 for extensions of time, and he felt by extending it to 90  
7 days it would cut down on those numbers of extension.

8 He said he didn't feel strongly about continuing  
9 the provision of an extension with good cause shown. So  
10 the rule as it now appears has the 90-day provision as well  
11 as an extension for good cause shown.

12 The other question I believe Commissioner Bailey  
13 had was as to whether the Rule 202 and other of our rules  
14 would be applicable to the general public, as opposed to  
15 just permittees of OCD. And under the Oil and Gas Act, the  
16 Oil and Gas Act and the rules promulgated under that act  
17 are applicable to the general public in the State of New  
18 Mexico.

19 So I don't think that we should have any problem  
20 with the below-ground or the above-ground clauses.

21 CHAIRMAN WROTENBERY: Thank you. And we did  
22 circulate a draft of the order of the Commission approving  
23 this Application and amending Division Rules 103 and 202  
24 concerning well signs and plugged-and-abandoned markers.

25 Commissioners, have you had a chance to review

1 the draft?

2 COMMISSIONER BAILEY: Yes.

3 COMMISSIONER LEE: Yes.

4 CHAIRMAN WROTENBERY: I'll entertain a motion,  
5 then, that we adopt the proposed order of the Commission.

6 COMMISSIONER BAILEY: With the explanation of Ms.  
7 Hebert, I move that we accept this.

8 CHAIRMAN WROTENBERY: Do we have a second?

9 COMMISSIONER LEE: Second.

10 CHAIRMAN WROTENBERY: All in favor say "aye".

11 COMMISSIONER BAILEY: Aye.

12 COMMISSIONER LEE: Aye.

13 CHAIRMAN WROTENBERY: Aye. And we all three  
14 should sign this one.

15 I believe, Florene, that was all of the business  
16 for the last meeting and for the first part of this  
17 meeting.

18 (Thereupon, these proceedings were concluded at  
19 9:07.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 February 25th, 2000.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 2002