

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. 12,360

APPLICATION OF DOYLE HARTMAN, OIL)
OPERATOR, FOR RESCISSION AND)
RECONSIDERATION OF PORTIONS OF DIVISION)
ORDER NO. R-9073, AS AMENDED, AFFECTING)
LANDS IN TOWNSHIPS 22 AND 23 SOUTH,)
RANGE 36 EAST, LEA COUNTY, NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

May 4th, 2000

Santa Fe, New Mexico

CO MAY 23 AM 5:30

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, May 4th, 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.

* * *

I N D E X

May 4th, 2000
 Examiner Hearing
 CASE NO. 12,360

PAGE

REPORTER'S CERTIFICATE

6

* * *

E X H I B I T

Applicant's	Identified	Admitted
Exhibit 1	5	5

* * *

A P P E A R A N C E S

FOR THE DIVISION:

LYN S. HEBERT
 Attorney at Law
 Legal Counsel to the Division
 2040 South Pacheco
 Santa Fe, New Mexico 87505

FOR THE APPLICANT:

GALLEGOS LAW FIRM
 460 St. Michael's Drive, #300
 Santa Fe, New Mexico 87505
 By: J.E. GALLEGOS

FOR RAPTOR RESOURCES, INC.:

CAMPBELL, CARR, BERGE and SHERIDAN, P.A.
 Suite 1 - 110 N. Guadalupe
 P.O. Box 2208
 Santa Fe, New Mexico 87504-2208
 By: MICHAEL FELDEWERT

* * *

1 WHEREUPON, the following proceedings were had at
2 4:46 p.m.:

3 EXAMINER CATANACH: All right, at this time I'll
4 call Case 12,360, the Application of Doyle Hartman, oil
5 operator, for rescission and reconsideration of portions of
6 Division Order Number R-9073, as amended, affecting lands
7 in Townships 22 and 23 South, Range 36 East, Lea County,
8 New Mexico.

9 Call for appearances.

10 MR. GALLEGOS: Appearing for the Applicant Doyle
11 Hartman, Gene Gallegos, Santa Fe, New Mexico.

12 MR. FELDEWERT: Mr. Examiner, Michael Feldewert
13 with the law firm of Campbell, Carr, Berge and Sheridan,
14 appearing for Raptor Resources, Inc.

15 EXAMINER CATANACH: Any additional appearances?

16 Mr. Gallegos?

17 MR. GALLEGOS: Yes, Mr. Examiner, and if you'd
18 like, I can be placed under oath, but I would like to make
19 a statement that, if accepted by the Division, would result
20 in a modification but not a rescission of Order R-9073.

21 The Application of Doyle Hartman requested that
22 Raptor Resources be required to separately meter all of the
23 wells that were under Order 9073 and to separately provide
24 for the production from those wells and to rescind that
25 order.

1 Since that Application was filed, a compromise
2 has been reached between Hartman and Raptor Resources. And
3 I have an Exhibit Number 1, which I'd like to submit as a
4 joint exhibit, joint Hartman-Raptor exhibit. By that
5 compromise we would submit an amendment to Order 9073. And
6 I think right now how it stands is that that order has been
7 amended as R-9073-A, 9073-B, 9073-C and 9073-C-1, which was
8 a *nunc pro tunc* order. So perhaps this would be R-9073-D.

9 I would point out that in the original order
10 entered in December of 1989 the Division made a finding,
11 finding number 15 on page 3, and I quote:

12
13 The Division should be empowered to
14 administratively rescind any portion of this order or
15 require that a particular well or wells be metered
16 individually if it should appear that such action
17 would prevent waste and protect correlative rights.

18
19 And decretal paragraph 5 provided, and I quote:

20
21 The Division may administratively rescind any
22 portion of this order or require a particular well or
23 wells be metered individually if it should appear
24 necessary to prevent waste and to protect correlative
25 rights.

1 What the parties are asking is that there be an
 2 amendment to provide that certain described wells which are
 3 contained on Exhibit Number 1 be separately metered and
 4 that any future wells drilled or recompleted on the
 5 properties described on Exhibit 1 be separately metered,
 6 with the exception of some marginal low-production wells
 7 that are specified also on Exhibit Number 1.

8 And we would submit that the Division accept this
 9 agreement between the parties and amend the order
 10 accordingly.

11 EXAMINER CATANACH: And Raptor agrees with this
 12 amendment?

13 MR. FELDEWERT: Yes, we do, Mr. Examiner.

14 EXAMINER CATANACH: Okay, Hartman-Raptor Exhibit
 15 Number 1 will be admitted as evidence in this matter.

16 And do you gentlemen have anything further?

17 MR. GALLEGOS: Nothing further, thank you.

18 EXAMINER CATANACH: There being nothing further,
 19 Case Number 12,360 will be taken under advisement.

20 (Thereupon, these proceedings were concluded at
 21 4:50 p.m.)

22 * * *

23 I do hereby certify that the foregoing is
 24 a complete record of the proceedings in Case No. 12360.
 25 heard by me on May 4, 1960.

David R. Catnach

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 May 19th, 2000.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 2002

Proposed Amendment To Order R-9073, As Previously Amended

The operator of certain Jalmat Pool gas wells, presently Raptor Resources, Inc., shall comply with NMOCD Rule 403.A by proceeding with due diligence to separately meter the below described seven (7) wells and any future wells drilled or recompleted on the following properties:

S/2 of Section 8 and the SW/4 of Section 9 in T-22-S, R-36-E (encompassing Well Nos. 54, 24 and 4)

SE/4 of Section 3, the NE/4 of Section 10 and the N/2 of Section 11 in T-23-S, R-36-E (encompassing Well No. 58). Raptor is not required to meter Well No. 64 in Section 3 since it is a marginal well nor is Raptor required to meter Well No. 81 in Section 10 since it is outside of the NE/4 and is a marginal well.

SW/4 of Section 14, the S/2 of Section 15, the W/2 of Section 22 and the NW/4 of Section 23 in T-23-S, R-36-E (encompassing the Matkins No. 3, the Matkins No. 6, and Well No. 72).

12361

[Handwritten signature]