

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: )  
 )  
 APPLICATION OF OXY USA, INC., FOR )  
 COMPULSORY POOLING, EDDY COUNTY, )  
 NEW MEXICO )

CASE NO. 12,391

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

May 4th, 2000

Santa Fe, New Mexico

OIL CONSERVATION DIVISION  
 MAY 23 AM 5:15

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.

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I N D E X

May 4th, 2000  
Examiner Hearing  
CASE NO. 12,391

PAGE

REPORTER'S CERTIFICATE

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\* \* \*

E X H I B I T

Applicant's

Identified

Admitted

Exhibit 1

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\* \* \*

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:

KELLAHIN & KELLAHIN  
117 N. Guadalupe  
P.O. Box 2265  
Santa Fe, New Mexico 87504-2265  
By: W. THOMAS KELLAHIN

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   8:25 a.m.:

3           EXAMINER CATANACH: At this time I'll call Case  
4   12,391, the Application of OXY USA, Incorporated, for  
5   compulsory pooling in Eddy County, New Mexico.

6           This case is also styled in the absence of  
7   objection this matter will be taken under advisement. I  
8   will call for appearances at this time.

9           MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of  
10   the Santa Fe law firm of Kellahin and Kellahin, appearing  
11   on behalf of the Applicant.

12          EXAMINER CATANACH: Any additional appearances?

13          MR. KELLAHIN: Mr. Examiner, OXY's Application in  
14   this case follows the same process as I followed for the  
15   Trilogy Operating Company, which was the prior case. It's  
16   organized in the same fashion and follows the same  
17   procedure as outlined in Division Rule 1207.

18          You'll find when you review this matter that the  
19   Application is the first attachment. The affidavit then  
20   follows, and all the appropriate attachments to that  
21   affidavit. This affidavit is attested to by OXY's landman,  
22   petroleum engineer and geologist, and they conclude that in  
23   the Section 9 it's appropriate to enter a compulsory  
24   pooling order for the various formations indicated in this  
25   Application.

1           Once again, this is an effort to obtain a  
2 compulsory pooling order based upon the affidavit, so that  
3 the witnesses are not required to come to Santa Fe and  
4 testify in person.

5           You'll find when you look behind Enclosure A,  
6 there is the plat. It shows the organization of the leases  
7 in the north half of Section 9.

8           Following the plat is a breakout of the interest  
9 owners for whom there are no leases. And it's these  
10 parties listed on this schedule that we're asking to be  
11 pooled pursuant to a compulsory pooling order. Again, the  
12 affidavit will demonstrate to you that despite OXY's best  
13 efforts, they are not able to locate a number of these  
14 individuals.

15           If that effort was unsuccessful based upon modern  
16 Internet searches of phone books and various records by  
17 which we might obtain more accurate and current information  
18 as to the location of these individuals, you'll see behind  
19 Exhibit Tab Number B are my efforts to find these people  
20 and advise them of this hearing. There are instances where  
21 using the best known last addresses, we were able to obtain  
22 delivery of notice of hearing on four of these individuals,  
23 none of whom have responded or contacted either me or OXY.  
24 This is again an instance where we have parties that either  
25 we cannot locate or, having located them, they choose not

1 to respond.

2 We would ask that you enter an appropriate order  
3 pursuant to Division Rule 1207 and admit OXY's Exhibit  
4 Number 1 at this time.

5 EXAMINER CATANACH: Okay, Exhibit Number 1 will  
6 be admitted as evidence.

7 Anything further?

8 MR. KELLAHIN: No, sir.

9 EXAMINER CATANACH: There being nothing further,  
10 Case 12,391 will be taken under advisement.

11 (Thereupon, these proceedings were concluded at  
12 8:29 a.m.)

13 \* \* \*

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17  
18 I do hereby certify that the foregoing is  
19 a complete record of the proceedings  
the Examiner hearing of Case 12391  
heard by me on May 6 1900  
David R. Catanach  
20  
21 Conservation Division  
22  
23  
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