

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
MICHAEL H. FELDEWERT  
ANTHONY F. MEDEIROS

JACK M. CAMPBELL  
1916-1999

JEFFERSON PLACE  
SUITE 100 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
FACSIMILE (505) 983-6043  
E-MAIL: law@westofpecos.com

June 27, 2000

**HAND DELIVERED**

Michael E. Stogner  
Hearing Examiner  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: Case 12441: Application of LG&E Natural Pipeline, L.L.C. for Special  
Pool Rules for the Grama Ridge Morrow Gas Storage Unit, Lea County,  
New Mexico.

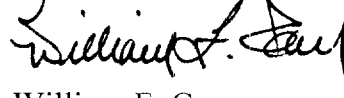
Dear Mr. Stogner,

Enclosed is a Motion for Continuance of the hearing in the above-referenced case to the July 27, 2000 Examiner hearing docket. This motion is filed on behalf of Nearburg Exploration Company, L.L.C., Yates Petroleum Corporation, BTA Oil Producers and C.W. Trainer. A copy of this motion has been hand delivered to J. Scott Hall, Attorney for LG&E Natural Pipeline, L.L.C.

Because the hearing on the LG&E application is scheduled for June 29th and witnesses will be traveling to Santa Fe tomorrow, we would appreciate an opportunity to argue this motion today if possible.

Your attention to this request is appreciated.

Very truly yours,



William F. Carr

COPIES  
JUN 27 11:01 AM  
JUN 27 11:01 AM

Letter to Oil Conservation Division

June 27, 2000

Page 2

cc: J. Scott Hall, Esq.  
Miller, Stratvert & Torgerson, P.A.  
150 Washington Avenue, Suite 300  
Santa Fe, New Mexico 87501

Marilyn Hebert, Esq.  
Legal Counsel  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

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

**APPLICATION OF LG&E NATURAL PIPELINE, L.L.C.  
FOR SPECIAL POOL RULES FOR THE  
GRAMA RIDGE MORROW GAS STORAGE UNIT,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 12441**

06 OCT 27 10:01 AM  
03 JUN 27 AM 9:19

**MOTION FOR CONTINUANCE**

NEARBURG EXPLORATION COMPANY, L.L.C. ("Nearburg"), YATES PETROLEUM CORPORATION ("Yates"), BTA OIL PRODUCERS ("BTA") and C. W. Trainer ("Trainer") , collectively referred to as "the effected operators," hereby move the Examiner for an order granting a four week continuance of hearing on the application of LG&E Natural Pipeline, L.L.C. ("LG&E") which seeks an order establishing special rules for wells drilled and completed or recompleted in the Morrow formation within its Grama Ridge Morrow Gas Storage Unit and within each 320-acre spacing unit immediately adjacent to that Unit in Lea County, New Mexico. In support of this motion the effected operators state:

1. LG&E seeks and order from the Division establishing special pool rules requiring operators of all newly drilled or recompleted wells in the Morrow formation within the Grama Ridge Morrow Gas Storage Unit and each 320-acre spacing unit immediately adjacent to that Unit to provide LG&E with information and data obtained during drilling, completion and production and demonstrate that such well is not interfering with LG&E's gas storage operations.
2. LG&E provided notice of its application to affected parties by certified mail on June 12, 2000, 20 days before the scheduled hearing.

3. LG&E's application involves complicated land, title, geological, and engineering issues which require the preparation of expert testimony and evidence which addresses substantial technical issues.

**The Effected Operators Require Additional Time To Complete Discovery And Review Documents Necessary To Prepare For Hearing.**

4. Nearburg and LG&E have recently been engaged in discussions concerning certain documents requested by Nearburg in anticipation of the hearing scheduled for June 29<sup>th</sup>.

5. On June 23, 2000, Nearburg contacted the legal counsel for LG&E concerning its need for data from LG&E to prepare for the hearing on this application. A list of the requested data was provided by Nearburg.

6. LG&E's counsel was unable to reach representatives of LG&E on June 23, 2000, concerning this request and was therefore unable to respond on that date.

7. Because of the impending hearing date, on June 26, 2000, Nearburg was forced to serve a subpoena seeking this data on LG&E. *See Attachment A.*

8. Nearburg remains willing to continue discussions with LG&E and to undertake informal efforts to resolve whatever differences the parties may have over production of these documents. However, there is not sufficient time before the June 29<sup>th</sup> hearing for the requested documents to be produced and reviewed by witnesses and expert witnesses who may be called to offer testimony at the hearing.

9. Nearburg believes that production and review of the requested documents is vital to its ability to adequately prepare for hearing.

**Additional Time Is Necessary To Prepare and Coordinate Witnesses And  
Expert Witnesses Who Intend To Offer Testimony At The Hearing.**

10. Undersigned counsel has recently been contacted by Yates, BTA and C.W. Trainer to also represent them in opposition to the application filed by LG&E. Each of these parties intends to present witnesses at the hearing to testify concerning the land, title, geological, and engineering issues raised by LG&E's application.

11. The witnesses of each of these parties also needs to review the information Nearburg has requested from LG&E.

12. On June 22<sup>nd</sup>, undersigned counsel was contacted by Roy Williamson about offering expert testimony on behalf of C.W. Trainer's opposition to LG&E's application. Mr. Williamson has received a large volume of data from Mr. Trainer concerning over 30 wells located to the west of the Grama Ridge Morrow Gas Storage Unit and has been retained to conduct an in depth study of the Morrow formation in the area. Trainer also needs the requested continuance because the 20 day notice period provided by Division rules provides inadequate time for the preparation of Mr. Williamson's study and related testimony. .

13. Undersigned counsel requires additional time is prepare and coordinate the testimony of witnesses and expert witnesses for hearing.

WHEREFORE, Nearburg Exploration Company, L.L.C., Yates Petroleum Corporation, BTA Oil Producers and C. W. Trainer respectfully request that the Examiner enter an order continuing the hearing on this application to the July 27, 2000 Examiner hearing docket.

Respectfully submitted,

CAMPBELL, CARR, BERGE  
AND SHERIDAN, P.A.

By: 

William F. Carr  
Michael H. Feldewert  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
(505) 988-4421

Attorneys for Nearburg Exploration  
Company, L.L.C., Yates Petroleum  
Corporation, BTA Oil Producers and  
C. W. Trainer

**CERTIFICATE OF SERVICE**

THIS WILL CERTIFY that a true and correct copy of the foregoing Motion for Continuance was hand-delivered this 27th day of June, 2000 to the following:

Marilyn Hebert  
Legal Counsel  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

J. Scott Hall, Esq.  
Miller, Stratvert & Torgerson, P.A.  
150 Washington Avenue, Suite 300  
Santa Fe, New Mexico 87501

Respectfully Submitted,

CAMPBELL, CARR, BERGE  
AND SHERIDAN, P.A.

By: 

Michael H. Feldewert  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

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

**APPLICATION LG&E NATURAL PIPELINE, L.L.C.  
FOR SPECIAL POOL RULES FOR THE  
GRAMA RIDGE MORROW GAS STORAGE UNIT,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 12441**

**SUBPOENA DUCES TECUM**

TO: LG&E Natural Pipeline, L.L.C.  
c/o J. Scott Hall, Esq.  
Miller, Stratvert & Torgerson, P. A.  
Post Office Box 1986  
Santa Fe, New Mexico 87504

00 JUN 23 11:12:54  
OIL CONSERVATION DIV.

Pursuant to Section 70-2-8, NMSA (1978) and Rule 1211 of the New Mexico Oil Conservation Division's Rules of Procedure, you are hereby ORDERED to appear at 9:00 a.m., June 29, 2000, at the offices of the Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505 and to produce the documents and items specified in attached Exhibit A and to make available to Nearburg Exploration Company, L.L.C., and their attorney, William F. Carr, for copying, all of said documents.

This subpoena is issued on application of Nearburg Exploration Company, L.L.C., through their attorneys, Campbell, Carr, Berge & Sheridan, P.A. Post Office Box 2208, Santa Fe, New Mexico 87504.

**ATTACHMENT A**

Dated this 23<sup>rd</sup> day of June, 2000

**NEW MEXICO OIL CONSERVATION DIVISION**

BY:   
**LORI WROTENBERY, DIRECTOR**



## **EXHIBIT "A"**

### **TO SUBPOENA DUCES TECUM TO LG&E NATURAL PIPELINE, L.L.C. IN NEW MEXICO OIL CONSERVATION DIVISION CASE 12441**

**PURPOSE:** The purpose of this subpoena is to provide all of the information necessary for Nearburg Exploration Company, L.L.C. to be able to prepare its opposition to LG&E Natural Pipeline, L.L.C., in New Mexico Oil Conservation Division Case 12441.

#### **PRODUCE THE FOLLOWING DOCUMENTS:**

(1) All reservoir pressure information from the date of inception of the Grama Ridge Morrow Gas Storage Unit including all bottomhole pressure tests and build-up test results, current well rates, flowing tubing pressures and choke sizes on each well within the Grama Ridge Unit and the area which is the subject of Oil Conservation Division Case 12441.

(2) All production injection and withdrawal information for each well in the Grama Ridge Morrow Gas Storage Unit.

(3) All well data on each well within the Grama Ridge Morrow Gas Storage Unit and the area surrounding the unit identified in LG&E's application to the Division in this case including complete well histories, work over histories and recompletion information.

(4) All geological and reservoir engineering mapping and interpretations of the Grama Ridge Morrow Storage Unit.

(5) All seismic data, geophysical mapping, and geophysical interpretations of the Grama Ridge Morrow Gas Storage Unit.

(6) All data presented to the Oil Conservation Division or the New Mexico State Land Office concerning the Grama Ridge Morrow Gas Storage Unit.

(7) All agreements related to the formation and operation of the Grama Ridge Morrow Gas Storage Unit including all unit agreements, operating agreements, Division of working interest agreements and all amendments and revisions thereto.

(8) All documents between LG&E Natural Pipeline, L.L.C. and its predecessors in interest concerning the boundaries of the Grama Ridge Morrow Gas Storage Unit.

(9) Copies of any and all geographical and geophysical data/studies and exhibits which LG&E Natural Pipeline, L.L.C. will use in support of its application in the hearing in this case. All data and other information which you have used, or will use in the preparation of these studies.

(10) Copies of any and all petroleum engineering data/studies and exhibits which LG&E Natural Pipeline, L.L.C. will use in support of its application in the hearing in this case. All data and other information which you have used, or will use in the preparation of these studies.

(11) Copies of all exhibits which LG&E will present in the Oil Conservation Division Examiner hearing in this case.

## INSTRUCTIONS

This Subpoena Duces Tecum seeks all information available to you or in your possession, custody or control from any source, wherever situated, including but not limited to information from any files, records, computers documents, employees, former employees, consultants, counsel and former counsel. It is directed to each person to whom such information is a matter of personal knowledge.

When used herein, "you" or "your" refers to the person or entity to whom this Subpoena Duces Tecum is addressed to including all of his or its attorneys, officers, agents, consultants, employees, directors, representatives, officials, departments, divisions, subdivisions, subsidiaries, or predecessors in interest.

The term "document" as used herein means every writing and record of every type and description in the possession, custody or control of LG&E Natural Pipeline, L.L.C., whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to all drafts, papers, books, writings, records, letters, photographs, computer disks, tangible things, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports and recordings of telephone or other conversations or of interviews, conferences, or meetings. It also includes diary entries, affidavits, statements, summaries, opinions, reports, studies, analyses, evaluations, contracts, agreements, jottings, agenda, bulletins, notices, announcements, plans, specifications, sketches, instructions charts, manuals, brochures, publications, schedules, price lists, client lists, journals, statistical records, desk calendars, appointment books, lists, tabulations sound recordings, computer printouts, books of accounts, checks, accounting records, vouchers, and invoices reflecting business operations, financial statements, and any notice or drafts relating to the foregoing, without regard to

whether marked confidential or proprietary. It also includes duplicate copies if the original is unavailable or if the duplicate is different in any way, including marginal notations, from the original.