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:) CA | SE NO. 12,757 | |
|---|---------------|--|
| APPLICATION OF THE NEW MEXICO OIL) CONSERVATION DIVISION FOR AN ORDER) REQUIRING MARKS AND GARNER PRODUCTION,) LTD., CO. TO PROPERLY PLUG 17 WELLS,) AUTHORIZING THE DIVISION TO PLUG SAID) WELLS IN DEFAULT OF COMPLIANCE BY MARKS) AND GARNER LTD. CO., ORDERING A) FORFEITURE OF APPLICABLE PLUGGING BOND) AND ASSESSING CIVIL PENALTIES FOR FALSE) PRODUCTION REPORTING, EDDY COUNTY,) NEW MEXICO | RIGINAL | |
| , | | |
| REPORTER'S TRANSCRIPT OF PROCEEDING | <u>;S</u> | |
| COMMISSION HEARING | C2 S2 | |
| BEFORE: LORI WROTENBERY, CHAIRMAN JAMI BAILEY, COMMISSIONER ROBERT LEE, COMMISSIONER | | |
| August 30th, 2002 | Ŧ | |
| Santa Fe, New Mexico | | |
| This matter came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Friday, August 30th, 2002, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico. | | |
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STEVEN T. BRENNER, CCR (505) 989-9317

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| APPEARANCES | |
| FOR THE COMMISSION: | |
| STEPHEN C. ROSS Assistant General Counsel Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 | |
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STEVEN T. BRENNER, CCR (505) 989-9317

| 1 | WHEREUPON, the following proceedings were had at |
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| 2 | 9:02 a.m.: |
| 3 | CHAIRMAN WROTENBERY: And then we also have |
| 4 | pending Case 12,757. This is the Application of the New |
| 5 | Mexico Oil Conservation Division for an order requiring |
| 6 | Marks and Garner Production, Ltd., Co. to properly plug 17 |
| 7 | wells, authorizing the Division to plug said wells in |
| 8 | default of compliance by Marks and Garner, ordering |
| 9 | forfeiture of applicable plugging bond and assessing civil |
| 10 | penalties for false production reporting, Eddy County, New |
| 11 | Mexico. |
| 12 | And we took evidence in that case at the July |
| 13 | 19th hearing, and the Order is being drafted but is not |
| 14 | quite complete; is that right, Steve? |
| 15 | MR. ROSS: That's right. |
| 16 | CHAIRMAN WROTENBERY: So we will defer action on |
| 17 | that particular matter until the Commission's hearing on |
| 18 | September 27th, 2002. |
| 19 | (Thereupon, these proceedings were concluded at |
| 20 | 9:03 a.m.) |
| 21 | * * * |
| 22 | |
| 23 | |
| 24 | |
| 25 | |

STEVEN T. BRENNER, CCR (505) 989-9317

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 August 31st, 2002.

STEVEN T. BRENNER CCR No. 7

My commission expires: October 14, 2002