

1 STATE OF NEW MEXICO  
2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
3 OIL CONSERVATION DIVISION

4 CASE 9936

5  
6 EXAMINER HEARING

7  
8 IN THE MATTER OF:

9  
10 Hearing Called by the Oil Conservation Division on  
11 Its Own Motion for an Order Creating, Abolishing,  
12 Contracting, and Extending Certain Pools in Chaves  
13 and Eddy Counties, New Mexico

14  
15 TRANSCRIPT OF PROCEEDINGS

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17 BEFORE: DAVID R. CATANACH, EXAMINER

18  
19 STATE LAND OFFICE BUILDING

20 SANTA FE, NEW MEXICO

21 May 2, 1990

22 **ORIGINAL**  
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A P P E A R A N C E S

FOR THE DIVISION:

ROBERT G. STOVALL  
Attorney at Law  
Legal Counsel to the Division  
State Land Office Building  
Santa Fe, New Mexico

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DIVISION'S EXHIBIT:

Exhibit 1	5
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1           WHEREUPON, the following proceedings were had  
2 at 3:55 p.m.:

3           EXAMINER CATANACH: At this time I'll call  
4 Case 9936, in the matter of the hearing called by the  
5 Oil Conservation Division on its own motion for an  
6 order creating, abolishing, contracting and extending  
7 certain pools in Chaves and Eddy Counties, New Mexico.

8           Are there appearances in this case?

9           MR. STOVALL: Robert G. Stovall for the  
10 Division, General Counsel of Santa Fe, New Mexico, on  
11 behalf of the Division.

12          EXAMINER CATANACH: Uh-huh.

13          MR. STOVALL: I have one witness.

14          EXAMINER CATANACH: Will the witness stand  
15 and be sworn in?

16          (Thereupon, the witness was sworn.)

17          EXAMINER CATANACH: You may proceed, Mr.  
18 Stovall.

19          MR. STOVALL: Thank you, Mr. Catanach.

20                         WILLIAM OLSON,

21 the witness herein, after having been first duly sworn  
22 upon his oath, was examined and testified as follows:

23                                 EXAMINATION

24 BY MR. STOVALL:

25           Q.    Would you please state your name, by whom you

1 are employed, and in what capacity?

2 A. My name is William Olson, and I'm employed by  
3 the New Mexico Oil Conservation Division as a Geologist  
4 3.

5 Q. And Mr. Olson, have you previously testified  
6 before the Commission or its examiners and had your  
7 credentials accepted?

8 A. No.

9 Q. Would you please state your educational  
10 background, starting with college?

11 A. I have a bachelor of science in Geology from  
12 New Mexico Institute of Mining and Technology and a  
13 master's in hydrology from the New Mexico Institute of  
14 Mining and Technology.

15 Q. And would you describe briefly your work  
16 experience since graduating from college as would be  
17 related to your qualifications as a geologist?

18 A. I worked for a year and a half with the Oil  
19 Conservation Division as a water-resource specialist in  
20 1986 and 1987, and I've worked as a water-resource  
21 specialist for two years with the New Mexico  
22 Environmental Improvement Division in 1988 and 1989,  
23 and currently am employed as a Geologist 3 with the New  
24 Mexico Oil Conservation Division for the last three  
25 months.

1 Q. And are you familiar with nomenclature  
2 proceedings before the Division and matters about which  
3 you are going to testify today?

4 A. Yes.

5 MR. STOVALL: I offer Mr. Olson as an expert  
6 witness.

7 EXAMINER CATANACH: Mr. Olson is so  
8 qualified.

9 Q. (By Mr. Stovall) Mr. Olson, are you prepared  
10 today to make recommendations to the Examiner  
11 concerning the nomenclature of certain pools in Chaves  
12 and Eddy Counties, New Mexico?

13 A. Yes, I am.

14 Q. And are your recommendations prepared in the  
15 form of an exhibit?

16 A. Yes.

17 Q. And how have you identified that exhibit?

18 A. As Exhibit 1.

19 Q. Would you please refer to Exhibit Number 1  
20 and to the docket that's been distributed for the  
21 hearing today, and point out any differences that may  
22 exist between the two.

23 A. There are a couple of corrections. There  
24 is -- Part (a) lists the half of the Section 19, which  
25 should be the west half instead of the east half on

1 Township 8 South, Range 27 East.

2 There is also a correction to the exhibit  
3 which was reflected correctly in the docket on Part  
4 (b). The exhibit shows the county as Eddy County,  
5 which should be listed as Chaves County, which was  
6 listed correctly in the docket.

7 Q. Have you corrected that exhibit yourself and  
8 made --

9 A. Yes, I've hand-corrected the exhibit.

10 Q. Okay.

11 A. There is also a correction to Section (j) on  
12 the exhibit. It's reflected correctly in the docket as  
13 Range 24 East, but on the exhibit it's listed as Range  
14 24 South. And I've also hand-corrected that.

15 There is one additional deletion, which is  
16 item (w), which is not reflected in the Exhibit, does  
17 not exist.

18 MR. STOVALL: Mr. Examiner, I move at this  
19 time we dismiss Paragraph (w) of this case, related to  
20 the extension of the North Shugart-Bone Spring Pool in  
21 Eddy County, New Mexico. We're not prepared to extend  
22 that pool at this time.

23 EXAMINER CATANACH: Paragraph (w) will be  
24 dismissed from this Application.

25 MR. STOVALL: I would also note that the

1 corrections which Mr. Olson has made, basically  
2 typographical corrections, these cases were advertised  
3 properly, so they should not create any deficiency in  
4 the Notice.

5 And I take it, then, that you have reviewed  
6 Exhibit Number 1 in this case and have examined the  
7 contents to make sure of its accuracy and have made  
8 those change as are necessary to insure that the  
9 exhibit is accurate?

10 A. Yes.

11 Q. Do you have anything further to add to your  
12 testimony in this case?

13 A. No.

14 MR. STOVALL: I have nothing further, and I  
15 move the admission of Exhibit Number 1.

16 EXAMINER CATANACH: Exhibit Number 1 will be  
17 admitted as evidence in this case, and I have no  
18 further questions of the witness.

19 Case 9936 will be taken under advisement, and  
20 this hearing is adjourned.

21 (Thereupon, these proceedings were concluded  
22 at 4:00 p.m.)

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