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BEFORE THE OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY,
MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF HOWARD OLSEN TO REOPEN CASE
NOS. 8668 AND 8769, LEA COUNTY,
NEW MEXICO

RECEIVED
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OIL CONSERVATION DIV.
SANTA FE

CASE NO. 8769 & 8668

ORAL DEPOSITION OF DOYLE HARTMAN
Taken August 25, 1989

A P P E A R A N C E S

FOR HOWARD OLSEN:

HON. HAROLD L. HENSLEY, JR.
HON. T. CALDER EZZELL, JR.
Hinkle, Cox, Eaton,
Coffield & Hensley
400 N. Pennsylvania
United Bank Plaza, Suite 700
Roswell, New Mexico 88201

FOR DOYLE HARTMAN:

HON. J. E. GALLEGOS
Attorney at Law
141 E. Palace Avenue
Santa Fe, New Mexico 87501

ALSO APPEARING:

MR. OLE OLSEN
MR. HOWARD OLSEN
MR. GAROLD BOWLBY

1 ORAL ANSWERS AND DEPOSITION OF DOYLE HARTMAN,
2 taken August 25, 1989, at 9:30 a.m., at the offices
3 of Hinkle, Cox, Eaton, Coffield & Hensley, ClayDesta
4 National Bank, Suite 2800, 6 Desta Drive, Midland,
5 Texas, before Todd Anderson, Certified Shorthand
6 Reporter for the State of Texas, in accordance with
7 the Rules of Civil Procedure.

I N D E X

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Examination by Mr. Hensley-----4

E X H I B I T S

No. Marked

1-----5

2-----5

3-----19

4-----23

DOYLE HARTMAN

the witness, was duly sworn on oath by the Court Reporter to tell the truth, the whole truth, and nothing but the truth, whereupon the witness testified as follows in answer to the questions propounded by Counsel:

EXAMINATION

BY MR. HENSLEY:

Q. Would you state your name, please, sir?

A. Doyle Hartman.

Q. Where do you live, Mr. Hartman?

A. Midland, Texas.

Q. And is your occupation that of an independent oil and gas operator at the present time?

A. Yes, it is.

Q. How long have you been engaged as an independent oil and gas operator, sir?

A. Let's see. Since 1974.

Q. Is your principal office at the present time here in Midland?

A. Yes. It's 500 North Main Street.

Q. Do your operations cause you to be involved as an operator in New Mexico from time to time?

1 A. Well, we principally operate in
2 Southeast New Mexico.

3 Q. Have you had occasion, over the number
4 of years that you have been an independent operator,
5 to be involved as the applicant on forced pooling
6 applications from time to time with the New Mexico
7 Oil Conservation?

8 A. We have had applications. That's
9 correct.

10 Q. And I want to direct your attention,
11 sir, if I may, to two specific cases in this matter:
12 one, Case Number 8668, which I will hand you a copy
13 of the order in a moment. And the other case,
14 Number 8769.

15 (Deposition Exhibit Nos. 1 - 2
16 marked for identification)

17 Q. I will hand you what has been marked for
18 identification as Exhibits 1 and 2, Mr. Hartman, and
19 ask if you can please identify those exhibits.

20 A. Those appear to be the orders, I guess,
21 in the cases involving the drilling of the Carlson
22 Federal Number 4 well and the Carlson Federal Number
23 5 well.

24 Q. All right, sir. The Number 4 would be
25 the subject matter of Case 8668. Is that correct?

1 A. That's correct. Case 8668, Order
2 R-8031.

3 Q. All right. Directing your attention to
4 the first page of that order, it appears that the
5 hearing in that case occurred on July 31, 1985, in
6 Santa Fe. Do you have any independent recollection
7 at this time whether or not you were present at that
8 hearing?

9 A. No, I was not present at the hearing. I
10 was present in Santa Fe, but not at the hearing.

11 Q. Okay. Do you have any independent
12 recollection as to who may have handled that case
13 for you as your counsel?

14 A. Yes. William F. Carr was the counsel.
15 Witnesses, I think, were William Aycock and, I
16 believe, Robert Strand.

17 Q. All right, sir. If I may, Mr. Hartman,
18 please look at paragraph two in parentheses on the
19 first page there of Order R-8031, page one.

20 A. Okay. You mean "Now, on this 27th day?"

21 Q. Where it says parentheses two, paragraph
22 numbered two, kind of towards the bottom of the
23 page. "The applicant, Doyle Hartman, seeks an
24 order."

25 A. Okay.

1 Q. This property, which was the subject
2 matter of this forced pooling application and
3 hearing, as recited in the order, was the Southeast-
4 Southeast of Section 23, Township 25 South, 37 East.
5 Could you please tell us when you acquired an
6 interest in that property?

7 A. I'm not totally sure. I believe it
8 could have been '84. Sun Oil Company sold a series
9 of properties, and I think it started in '84. I
10 think this was one of the first packages.

11 Q. Do you have an independent recollection
12 as to what interest you acquired from Sun with
13 respect to this 40-acre tract?

14 A. What do you mean, what interest? We
15 acquired -- they had a 75 percent working interest
16 subject to a 50 percent net profits interest.

17 Q. Okay. Were there other working interest
18 owners other than yourself involved? Mr. Olsen, for
19 example, I believe the record shows, had a 25
20 percent interest.

21 A. Yes. He is the only one that had an
22 additional interest. And that 75, by the way, was
23 split among four, five other people.

24 Q. All right, sir.

25 A. I had approximately 71 percent of that

1 75 percent as a working interest.

2 Q. So basically, I assume, 75 percent of
3 the working interest through your ownership and
4 control of the major portion of that was committed
5 to drilling the prospect in question?

6 A. What do you mean by that?

7 Q. Well, was there any purpose in this
8 forced pooling other than to force pool the interest
9 of Mr. Olsen?

10 A. No. Mr. Olsen is the only one that we
11 did not hear from.

12 Q. All right, sir. And it is your
13 recollection, I guess, that he had a 25 percent
14 working interest?

15 A. That is correct.

16 Q. All right. And following the entry of
17 this order, Number R-8031, Mr. Hartman, which the
18 first page of the order indicates was rendered on
19 September 27, 1985, did you commence the drilling of
20 a well on the property?

21 A. The well was drilled, if I'm not
22 mistaken, around September 10th, 1985.

23 Q. And I believe you have already indicated
24 in one of your other answers that the official
25 designation of that well, what you at least refer to

1 it, was the Carlson Number 4?

2 A. That is correct.

3 Q. Have you had a chance to look at this
4 order in any detail before I handed it to you just a
5 moment ago, recently?

6 A. Well, I haven't done it recently. What
7 do you call recently? I mean, I probably did it
8 maybe a month ago. And that is the first time I
9 have seen it probably -- I think that might have
10 even been the first time I have even seen it at all.
11 But about a month or so ago.

12 Q. Let me direct your attention then, if
13 you will, to page three of the order.

14 A. Okay.

15 Q. Paragraph numbered three, which is at
16 the very bottom of the page.

17 MR. GALLEGOS: This exhibit copy, by
18 the way, has highlighting on pages three and four.
19 Those are probably meant to be your copies.

20 MR. HENSLEY: Here you are, unless
21 you want to look at mine.

22 MR. GALLEGOS: I don't think you want
23 that as the exhibit.

24 MR. HENSLEY: We will substitute
25 that.

1 A. Go ahead.

2 Q. With reference to this particular
3 paragraph, it indicates that after the effective
4 date of the order and within 90 days prior to the
5 commencing of the well that the OCD and all known
6 working interest owners would be furnished an
7 itemized schedule of estimated well costs. Is that
8 correct?

9 A. That is correct.

10 Q. And do you have any independent
11 recollection, sir, whether or not following the date
12 of this order any itemized schedule of estimated
13 well costs were sent to Mr. Olsen?

14 A. Well, Mr. Olsen was furnished an AFE 90
15 days prior to the spudding of the well. It's
16 impossible, being that the well was spudded prior to
17 the order being rendered, to furnishing it after the
18 effective date of the order.

19 Q. Okay.

20 A. But he was furnished an itemized AFE on
21 July 10, 1985.

22 Q. And do you remember about how far --
23 when did you indicate that you thought this well was
24 commenced?

25 A. Around September 10th.

1 Q. Okay. Was there any other communication
2 with Mr. Olsen, to your recollection, between on or
3 about July 10 and September 10 when the well was
4 commenced?

5 A. People in my office communicated with
6 Mr. Olsen's office, not Mr. Olsen himself, on
7 numerous occasions.

8 Q. So was that the only AFE that was ever
9 furnished to him?

10 A. Yes, it was. Well, as to this well.

11 Q. That's what I mean. I'm sorry. And so
12 is it clear then that the only time that an AFE with
13 respect to the Carlson Number 4 was furnished was
14 before the well was ever commenced and before the
15 hearing, forced pooling hearing was conducted?

16 A. That is correct. Mr. Olsen could have
17 showed up at the hearing. He was aware of the
18 hearing. He was aware through our attorney. He was
19 also -- his office was also in communication with us
20 the day before the hearing. He was more than
21 welcome to come. He could have also had a copy of
22 the AFE at that point in time. That's the same AFE
23 that was used at the hearing. As a matter of fact,
24 the same AFE, the same AFE amounts that were used
25 for the second well. And also the cost of the well

1 agrees very comparably to that AFE.

2 Q. How are you aware of the fact that he
3 could have showed up for the hearing? Were you in
4 communication with him, or was your attorney in
5 communication with him?

6 A. Our attorney sent him notice. I think
7 that was probably around the 19th or the 20th.
8 Maybe it was slightly after that. But it was prior
9 to the hearing. That's their practice to do that,
10 is to send out notices beforehand. Our office also
11 discussed the fact of the hearing with him, or with
12 his office.

13 Q. And who in your office, sir, would have
14 been the person in communication with Mr. Olsen?

15 A. Ruth Sutton.

16 Q. And do you know what the subject matter
17 in those communications was?

18 A. It was about the forced pooling. If I'm
19 not mistaken, they also indicated they wanted to
20 farm out their interest.

21 Q. All right.

22 A. As a matter of fact, the OCD, as a part
23 of the transcript, was informed of the forced
24 pooling -- I mean, of the farmout.

25 Q. You indicated with respect to the

1 Carlson Number 4 that the well was spudded before
2 the forced pooling order was entered?

3 A. That is correct.

4 Q. Is that a customary practice also with
5 respect to your operations?

6 A. Well, as a matter of fact, I think if
7 you will review the transcript, we informed the OCD
8 that we needed to get this well drilled. And that's
9 the reason it was spudded at that point in time.
10 There is nothing illegal about that.

11 Q. I'm not suggesting there is. But under
12 the terms of the specific order, which was entered
13 by the Commission --

14 A. What are you trying to say, that we went
15 against the orders? Is that your position or
16 something? As a matter of fact, the order came out
17 after the well was spudded. So how in the heck
18 are we to know, for example, that the order is going
19 to have this particular language in it?

20 Q. Well, you have been dealing with the
21 Commission for a number of years, have you not, Mr.
22 Hartman?

23 A. I think you need to review the
24 transcript. The Commission was informed.

25 Q. I think you are being argumentative, and

1 you are not being responsive.

2 A. What do you want to do about it?

3 Q. I want to give Mr. Olsen an opportunity
4 to participate in the well.

5 A. Poor Mr. Olsen. He has had that
6 opportunity. He has had that opportunity for two or
7 three years. Mr. Olsen fails to come forward and
8 say, "I want in the well. I want to pay up like a
9 big boy."

10 Q. It's much more involved than that, Mr.
11 Hartman. And I'm not going to sit here and argue
12 with you in the record. I think you know yourself
13 what the situation is.

14 A. No, I don't. That's what the problem
15 is. This is the strangest occurrence I've ever
16 heard of.

17 MR. GALLEGOS: What is the question?
18 Let's go back and see if we have a question here.

19 MR. HENSLEY: Well, we had one, I
20 think, before we got to this --

21 MR. GALLEGOS: The question was, have
22 you been in OCD proceedings?

23 A. Right. But that does not say that every
24 order is the same either.

25 MR. GALLEGOS: Wait till he asks his

1 next question.

2 Q. Well, this order specifically, as we
3 have already reviewed it, provides that prior to the
4 commencement of the well you are supposed to furnish
5 an itemized AFE to all working interest owners.

6 A. We did that, prior to the commencement
7 of the well.

8 Q. With respect to your other operations in
9 New Mexico, do you make a bona fide effort to follow
10 the specific directives of the Commission with
11 respect to these forced pooling applications?

12 A. We have gone through -- I'm going to
13 tell you, you are not going to get an answer, if
14 that is the way you feel about it. I have already
15 explained to you that the well was spudded prior to
16 the order being rendered.

17 Q. Okay.

18 A. I think if you will check our records,
19 our attorney wrote the USGS about it, too.

20 Q. Let's look at the rest of this order, if
21 we can. Let's direct your attention to page four of
22 the order. I'm looking at paragraph numbered six,
23 which is right in the middle of the page.

24 "Within 60 days following determination
25 of reasonable well costs," did you furnish the

1 actual well costs to Mr. Olsen?

2 A. No, we did not, that I can recollect.

3 Q. All right. Fine. Let me hand you --
4 you have already got a copy of Order 8769. I'm
5 sorry, Order R-8091 and Case 8769.

6 A. Okay.

7 Q. Now, this, you have already indicated,
8 was a forced pooling order that was entered in
9 connection with what you referred to as the Carlson
10 Number 5 well. Is that correct?

11 A. That is correct.

12 Q. Okay. Now, on the first page of the
13 order indicates that the effective date of this
14 order was December 6, 1985. When was this well
15 commenced?

16 A. I think it's around the 10th of
17 December.

18 Q. Okay. So this well was commenced then
19 after the date of the order, unlike the Number 4?

20 A. After the date of the order, but prior
21 to receiving the order.

22 Q. Well, but your attorneys were present on
23 December the 6th, is that correct, and various
24 persons in your office were witnesses at the
25 proceeding?

1 A. The proceeding took place prior to that
2 point in time.

3 Q. Okay. And were you advised by your
4 attorney prior to the commencement of the well that
5 the Commission had approved the forced pooling
6 order?

7 A. I think our attorney called us, if I'm
8 not mistaken, as he normally would have called.

9 Q. All right.

10 A. So I can assume he might have called and
11 said, you know, it had been approved. But I know we
12 did not get it until after the well was spudded.

13 Q. All right. Now, with respect to this
14 well, to your knowledge was Mr. Olsen given any
15 notice of the drilling of the well?

16 A. Sure was.

17 Q. Okay.

18 A. Or he was sure given notice of the
19 hearing.

20 Q. Okay. Now, again, this order, which, in
21 all practical terms, is similar to the one we just
22 reviewed with respect to the Carlson Number 4 --

23 A. I would have to go through. I'm
24 assuming that there is a good likelihood it's
25 similar.

1 Q. Let's look at page four.

2 A. Okay.

3 Q. Paragraph numbered three at the top of
4 the page, because these paragraphs are a little
5 confusing. Now, after the effective date of this
6 order, which on its face shows it to be December 6,
7 1985, did you furnish Mr. Howard Olsen with an
8 estimated schedule of well costs?

9 A. That's hard to answer. I do know this.
10 I know that we sent him a letter that he refused to
11 accept. I know in the letter it informed him -- the
12 letter informed him of the forced pooling. An AFE
13 was made out on the well. An AFE was furnished to
14 the OCD on the well. I would assume that a copy of
15 the AFE was sent with the letter, the registered
16 letter that he refused to accept. But I cannot sit
17 here and tell you was it physically stapled to it.

18 Q. Now, do you have with you copies of the
19 files, your official business records, in connection
20 with this application?

21 A. These are some of the records, yeah.

22 Q. Okay. Do you have a copy of this letter
23 to which you just made reference?

24 A. Let's see.

25 MR. GALLEGOS: What we have here, Mr.

1 Hensley, as I advised you in accordance with a
2 conversation we had a few days ago, these are the
3 duplicates of the things in the file that pertain to
4 the compulsory pooling on these wells. It doesn't
5 include all -- what you would call legal or wells
6 files and that sense.

7 MR. HENSLEY: I appreciate that. And
8 all I'm interested in is if we can tie down
9 specifically this letter that Mr. Hartman just
10 referred to.

11 MR. GALLEGOS: This is a piece of
12 correspondence from the Number 5 file.

13 THE WITNESS: Here you go.

14 (Deposition Exhibit No. 3 was
15 marked for identification)

16 Q. All right. Let me hand you this letter,
17 which is marked for identification as Exhibit Number
18 3, and ask if you will please confirm on the record
19 that this is the communication which you just made
20 reference to in connection with the drilling of the
21 Number 5 well.

22 A. That's correct.

23 Q. Okay. The date of that letter is
24 January 6, 1986. Is that correct?

25 A. That's correct.

1 Q. Is that the first communication, as far
2 as your files are concerned, that you had with Mr.
3 Olsen concerning the drilling of the Carlson Number
4 5?

5 A. I just cannot recall on that. I know
6 that my attorney would have sent him a copy of the
7 forced pooling hearing. We communicated with him
8 very extensively on the Number 4 well. On the
9 Number 5, there was not that much communication.

10 Q. Now, is there anything in the context of
11 this communication dated January 6, 1986, that would
12 indicate that the purpose of that letter is to
13 comply with the provisions of the order which
14 required an itemized schedule of well costs to be
15 submitted?

16 A. What are you saying?

17 MR. GALLEGOS: It sounds like he's
18 asking for a legal conclusion.

19 Q. Is there anything about the subject
20 matter or context of this letter which has to do
21 with the schedule of estimated or actually incurred
22 well costs on the Carlson Number 5?

23 A. It does state here that the forced
24 pooling order has been granted, the Carlson Number 5
25 has been drilled, and we are extremely anxious to

1 finalize the purchase. Please let us hear from you.
2 We would like to close this purchase so that we can
3 make the final arrangements.

4 Q. Okay. So as of January 6, 1986, the
5 well had already been completed, is that correct, or
6 at least drilled?

7 A. It had been drilled. I'm not sure if it
8 had been completed.

9 Q. Let me go back and ask you again, which
10 I think is how we got into this discussion a moment
11 ago. Following the effective date of the order,
12 which was December 6, 1985, did you send Mr. Olsen,
13 or cause to be sent to Mr. Olsen an itemized
14 schedule of estimated well costs before the
15 commencement of the well?

16 A. I answered that for you before. We sent
17 him this letter. We sent it certified. It
18 discusses the forced pooling. An AFE had been made
19 out and previously furnished to the OCD on the
20 matter. I cannot tell you whether or not it is
21 attached or was attached at that point in time. I
22 can conclude, though, in all likelihood it probably
23 was, being that he was being sent a certified letter
24 in which he was given notice that a hearing was
25 held.

1 Q. Well, how can you surmise that? I mean,
2 we have got a --

3 A. It's very simple. I mean, if we were
4 having to maybe make out an AFE for the first time,
5 that might be something, and you had no record of an
6 AFE, that would be one thing. But if you are giving
7 a guy notice of a forced pooling, then you can only
8 conclude that you would have most likely sent him
9 the AFE.

10 I cannot tell you whether or not it
11 happened, due to a very good reason. Our files have
12 been gone through three times since all of this
13 happened because of litigation with El Paso in which
14 Mr. Olsen benefited very much himself without
15 contributing one thing. Okay. But we went through
16 that litigation. As you know -- you're a lawyer --
17 in the discovery process, files are torn up an awful
18 lot. So I cannot tell you whether it was removed,
19 detached, or what at this point in time.

20 If Mr. Olsen had been timely maybe in
21 some of these proceedings, then maybe we could have
22 answered that a little bit better. If Mr. Olsen
23 just one time had communicated with us, maybe we
24 could have answered that. But I have already
25 answered it for you.

1 Q. Okay. So the answer is that based on
2 the copy of your files with respect to the Carlson
3 Number 5 well, you did not send --

4 A. No, that is not my answer. I did not
5 say that. I said I cannot positively sit here and
6 swear to you that he did. But I can only conclude
7 that most likely he did, because he did get notice
8 of the hearing. And Mr. Olsen refused to accept
9 that notice.

10 (Deposition Exhibit No. 4 was
11 marked for identification)

12 Q. If I may look at this letter again
13 please.

14 A. Sure.

15 Q. It seems to me, if I'm reading this
16 correctly -- and you can clarify it if I'm not --
17 that this letter has reference to an effort on your
18 part to purchase Mr. Olsen's interest.

19 A. As a matter of fact, Mr. Olsen was
20 yo-yoing us around pretty good. Mr. Olsen said he
21 would sell to us. Mr. Olsen said he would farm out
22 to us. Mr. Olsen was also given notices of forced
23 poolings. So you have to cover several topics when
24 you write Mr. Olsen.

25 Q. Well, possibly this record is clear.

1 It's not to me. But with respect to the Carlson
2 Number 5 well, is it correct that you do not know
3 whether or not paragraph four on page four of the
4 order was complied with by your office?

5 A. What my statement is, is Mr. Olsen was
6 given official notice of the hearing. I can only
7 conclude that an AFE was enclosed with it. But I
8 cannot sit here and tell you positively it was.

9 Q. All right. If an AFE was sent to him,
10 it would have been sent to him, is that what you are
11 saying, in connection with the notice that was sent
12 that you are going to have a hearing?

13 A. No, I did not say that. We sent him
14 notice that the hearing had been held.

15 Q. Okay. Is that your first communication?

16 A. Like I said, that could have been my
17 first communication with him. My lawyer
18 communicated with him previously on it.

19 Q. Let me hand you what is marked for
20 identification as Deposition Exhibit 4?

21 A. Okay. What about it?

22 Q. What is the date of that letter, sir?

23 A. November 11, 1985.

24 Q. And that was sent to Mr. Olsen by your
25 counsel just advising -- enclosing a copy of the

1 notice. Is that correct?

2 A. That is correct.

3 Q. Okay. Can you tell from looking at that
4 whether or not an AFE was submitted?

5 A. No. I had never said that my counsel
6 submitted an AFE with this letter.

7 Q. I'm just asking.

8 A. I doubt if he did.

9 Q. So then we have got the first
10 communication being January 6. Is that correct?

11 A. I told you -- you mean from my office?

12 Q. Yes.

13 A. My counsel communicated with him.

14 Q. Okay.

15 A. A copy of the AFE was presented at the
16 hearing. Mr. Olsen has found a lawyer. He used to
17 have a lawyer by the name of Mr. Foraker. Mr.
18 Foraker could have easily showed up at that hearing
19 and represented Mr. Olsen. He did not. The AFE was
20 presented at that hearing.

21 Q. Well, a lot of speculation about all
22 that, Mr. Hartman. All I want you to do is answer
23 the question.

24 A. About what? What do you mean,
25 speculation?

1 Q. If you will just try and answer the
2 questions, I think we can get along a lot quicker.

3 A. We are getting along.

4 Q. I'm not asking you anything about Mr.
5 Foraker. Mr. Foraker is not a lawyer. None of that
6 has anything to do with what I'm asking you.

7 A. Well, Mr. Olsen represented -- or Mr.
8 Olsen's office represented that.

9 Q. Why don't we stick with the questions?
10 I will try to make them clear. And if you try and
11 answer them, we will be a lot better off.

12 We have established that there are two
13 communications between your office or your counsel
14 and Mr. Olsen. One is dated November the 11th,
15 1985. Is that correct?

16 A. It states, "Enclosed is a copy of the
17 docket for the Oil Conservation Division Examiner
18 hearing scheduled for Thursday, November 21, 1985."

19 Q. And the next communication is one from
20 Ruth Sutton, which is Exhibit Number 3, which is
21 January 6, 1986?

22 A. That is correct.

23 MR. GALLEGOS: Well, that is the next
24 exhibit. You don't mean to suggest that that is the
25 only communication, do you?

1 Q. That is the next written communication?

2 A. I have not gone -- I will put it this
3 way. I have not gone through the files myself
4 letter by letter. But that's one I am aware of,
5 yes, that's correct.

6 Q. It's the next communication in writing
7 in the files which we have been furnished this
8 morning by your counsel. If there are others,
9 apparently they don't show up in your files, or at
10 least they may be misplaced?

11 A. I'm just telling you. If you ask me
12 have I gone through every letter, no, I have not.

13 Q. Okay. The effective date of the order,
14 again, was December 6, 1985, and the well was
15 commenced December 10?

16 A. I think so.

17 Q. Okay. Was there any communication at
18 all to your knowledge in writing between your
19 office, your agents, employees, or your counsel
20 between December 6 and December 10 with Mr. Howard
21 Olsen sending him an estimated well cost for the
22 Carlson Number 5?

23 A. Probably not.

24 Q. Okay.

25 A. But I have not reviewed the deal. But

1 like I explained to you earlier, if I'm not
2 mistaken, we did not get that order until after the
3 well was spudded. You know, there is one thing the
4 order being rendered. There is another thing
5 receiving a notice, or receiving a copy of it.

6 Q. When was the Carlson Number 5 actually
7 completed, if you know?

8 A. Well, I can't tell you for sure. It
9 would have either been late December or sometime
10 early in January. But I cannot tell you for sure.

11 MR. HENSLEY: Okay. Why don't we go
12 off the record for about five minutes?

13 (DISCUSSION OFF THE RECORD)

14 Q. Mr. Hartman, is it correct, as far as
15 your knowledge and information is concerned, that
16 any communication in writing to Mr. Olsen giving him
17 an opportunity to participate in either of these
18 wells would have occurred, if it occurred, prior to
19 the hearing date on each forced pooling application?

20 A. Now, repeat that. I followed you up to
21 a certain point on that.

22 Q. Okay. I will be glad to. Let's take it
23 one at a time. It will be easier maybe. Let's go
24 back to the Carlson Number 4, if you will, please.

25 A. Okay.

1 Q. With respect to that well, is it your
2 recollection, based on your personal knowledge and
3 information of the situation, that any offer
4 extended by you or your personnel to Mr. Olsen to
5 participate in the drilling of that well would have
6 been communicated, if communicated at all, prior to
7 July 31, 1985, the date of the hearing?

8 A. Okay. On the Number 4 well, Mr. Olsen,
9 on July 10, was given the opportunity to
10 participate. That opportunity was never rescinded.

11 Q. Okay. That's fine. That answers my
12 question. Now, with respect to the Carlson Number 5
13 well, is it also your recollection that with respect
14 to that well, the hearing which occurred on November
15 21, 1985, that any opportunity extended to Mr.
16 Olsen, if any, to participate in the Carlson Number
17 5 would have been extended prior to November 21,
18 1985?

19 A. I'm not saying he was ever -- because,
20 like I said, number one, I'm pretty sure that the
21 file is pretty sparse as to communication with Mr.
22 Olsen as to the Number 5 well.

23 Q. Yes, sir.

24 A. I'm not saying -- I don't know if
25 anything was even written to him on that well. He

1 was given notice of the forced pooling hearing.

2 I think we better make something clear,
3 though. Mr. Olsen had indicated he wanted to farm
4 out. Mr. Olsen indicated he wanted to sell. Mr.
5 Olsen never indicated he wanted to join. All he had
6 to have done was come forth and joined.

7 Q. Okay.

8 A. Mr. Olsen was also very well aware of
9 what was going on. That is all I can say.

10 Q. Very well.

11 MR. HENSLEY: Thank you. That's all
12 we have.

13 (WITNESS EXCUSED)

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BEFORE THE OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY,
MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF HOWARD OLSEN TO REOPEN CASE
NOS. 8668 AND 8769, LEA COUNTY,
NEW MEXICO

CASE NO. 8769 & 8668

COURT REPORTER'S CERTIFICATE
ORAL DEPOSITION OF DOYLE HARTMAN
Taken August 25, 1989

I, Todd Anderson, Certified Shorthand Reporter
for The State of Texas, do hereby certify that I am
the deposition officer before whom this deposition
was given; that the witness was duly sworn by me;
that the transcript is a true record of the
testimony given by the witness; that my charges for
preparation of the completed original deposition
transcript and any exhibits thereto are:

Original Deposition \$ 113.85
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To Be Paid by Hon. Harold L. Hensley, Jr.

I further certify that the original deposition was:

☒ Hand-delivered or sent via First Class Mail
to the witness on the date shown on the bottom of
this Court Reporter's Certificate, for examination
and signature;


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to _____, attorney of record, on
the date shown on the bottom of this Court
Reporter's Certificate, for obtaining the signature
of the witness;

1 [] Held in the offices of Permian Court
2 Reporters, Inc., the witness being notified on the
3 date shown on the bottom of this Court Reporter's
4 Certificate by U.S. Mail that he has 20 days to
5 appear in our offices so that he may examine and
6 sign the deposition.

7 [] I further certify that the witness failed
8 to sign and return the original deposition within 20
9 days, and that a copy of the deposition may be used
10 in lieu of the original.

11 [] I further certify that the witness signed
12 and returned the original deposition, and that the
13 original deposition, along with any corrections or
14 changes thereto, was hand-delivered or sent via
15 First Class Mail to the attorney who asked the first
16 question appearing in the transcript for safekeeping
17 and use at trial.

18 Witness my hand this 29th day of August, 1989.

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23 SUBSCRIBED AND SWORN TO before me by the said
 24 witness on this the _____ day of _____,
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