

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARINGSANTA FE, NEW MEXICOHearing Date JUNE 25, 1986 Time: 8:15 A.M.

NAME	REPRESENTING	LOCATION
W. T. Kellohim	Kellohim & Kellohim	Santa Fe
A. Graham	Seignotholen & Graham	Artesia
Michael Ocker	Tenneco Oil	Denver
John Owen	Tenneco Oil	Denver
Kevin G. Hering	Tenneco Oil	Denver
Ronald F. H.	Keliker & McLeod	Alb.
Norbert F. Rumpfe	Yates Petroleum	Artesia
Tommy SANDERS	Gas Co of N.M.	Alb.
Bob Hulver	Byrum	Santa Fe
Ernie Campbell	GCNM	Alb.
Jim Bruce	Hankel Law Firm	S.F.
William L. Fair	Campbell and Fair, T.A.	Santa Fe
George W. Ferry Jr.	Phillips Petroleum Company	Odessa, TX
JIM BALL	Yates Petroleum Corp	Artesia
Ernie Spatz	State Land Office	El Paso, TX
Paul H. Burchell	El Paso Natural Gas Co.	

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NAME	REPRESENTING	LOCATION
W. Perry Pearce	Montgomery & Andrews	Santa Fe
Eddie Seay	OCD H	Hobbs
Steve Forker	Pollution Control	Mobbs
Bill Morris	BHP Petroleum Co	Midland Tx
David Catanach	OCD - Santa Fe	
Sam Appelle	Tenneco Oil Co.	Egglewood, Cos.
R.P. Zinsento	AMOCO PRODUCTION CO	HOUSTON, TX
MICHAEL WILLIAMS	AMOCO PRODUCTION CO.	HOUSTON, TX.

1 STATE OF NEW MEXICO
2 ENERGY AND MINERALS DEPARTMENT
3 OIL CONSERVATION DIVISION
4 STATE LAND OFFICE BUILDING
5 SANTA FE, NEW MEXICO

6 25 June 1986

7 EXAMINER HEARING

8 IN THE MATTER OF:

9 The hearing called by the Oil Conser- CASE
10 vation Division on its own motion to 8909
11 amend Rule 312.

12
13 BEFORE: Michael E. Stogner, Examiner
14
15
16

17 TRANSCRIPT OF HEARING

18
19 A P P E A R A N C E S

20 For the Oil Conservation Division: Jeff Taylor
21 Attorney at Law
22 Legal Counsel to the Division
23 State Land Office Bldg.
Santa Fe, New Mexico 87501

24 For Double I, Inc.: George Graham
25 Attorney at Law
SIEGENTHALER & GRAHAM
P. O Drawer Z
Artesia, New Mexico 88211-0657

A P P E A R A N C E S

1
2 For Newstar, Inc.: James G. Bruce
3 Attorney at Law
4 HINKLE LAW FIRM
5 P. O. Box 2068
6 Santa Fe, New Mexico 87504

I N D E X

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8 VICTOR T. LYON

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12 Cross Examination by Mr. Stogner 14
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E X H I B I T S

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MR. STOGNER: At this time I will call Case No. 8909, which is in the matter of the hearing called by the Oil Conservation Division on its own motion to amend Rule No. 312 to provide for administrative approval for application of treating plants, to require a cash or surety bond sufficient for surface reclamation of the treating plant facility site, and to conditionally condition the bond upon land surface reclamation to OCD standards.

Call now for appearances in this matter.

MR. TAYLOR: May it please the Examiner, my name is Jeff Taylor, Attorney for the Oil Conservation Division.

I have two witnesses to be sworn.

MR. STOGNER: Are there any other appearances?

MR. GRAHAM: I'm George Graham, appearing on behalf of Double I, Inc.

I probably won't have any witnesses.

MR. STOGNER: Double I, Incorporated?

1 MR. GRAHAM: That's Double, the
2 word double, and then I, Inc. Artesia.

3 MR. STOGNER: Mr. Graham, what
4 is your affiliation with Double I?

5 MR. GRAHAM: Attorney, and I
6 might state we're here mainly to find out what this means.

7 MR. BRUCE: Mr. Examiner, my
8 name is Jim Bruce from the Hinkle Law Firm and I'm
9 representing Newstar Resources, Inc.

10 MR. STOGNER: Any other
11 appearances?

12 There being none, will all the
13 witnesses at this time please stand and be sworn.

14

15 (Witnesses sworn.)

16

17 MR. STOGNER: Mr. Taylor.

18

19 VICTOR T. LYON,

20 being called as a witness and being duly sworn upon his
21 oath, testified as follows, to-wit:

22

23 DIRECT EXAMINATION

24 BY MR. TAYLOR:

25 Q Would you please state your name and your

1 occupation for the record?

2 A I'm Victor T. Lyon, Chief Petroleum
3 Engineer for the Oil Conservation Division.

4 Q Mr. Lyon, have you previously testified
5 before the Commission or its examiners and had your creden-
6 tials accepted?

7 A Yes, I have.

8 MR. TAYLOR: Are the witness'
9 credentials acceptable?

10 MR. STOGNER: Yes, Mr. Lyon's
11 credentials are acceptable.

12 Q Mr. Lyon, would you please explain what
13 is proposed by the Division in Case 8909?

14 A The Division is proposing to amend Rule
15 312 in order to provide for administrative approval of oil
16 treating plants and also to require a cash or surety bond.

17 Q Why are the changes being proposed?

18 A Why?

19 Q Yes.

20 A We're proposing the changes because in an
21 on-going effort by the Division we are attempting to reduce
22 the costs of the Division and to the oil operators and one
23 of the ways we feel that we can do this is to eliminate the
24 need for hearing on cases which are normally not opposed.

25 Q Would you go through the rule and list

1 any major changes in it, and this is Rule 312, really, of
2 the Division's rules relating to treating plants.

3 A Right. The changes in the rule are es-
4 sentially that we are changing paragraph (a) almost entirely
5 and adding paragraph (b), (c), (d), and (i), and the other
6 portions of existing Rule 312 --

7 MR. TAYLOR: I might point out,
8 excuse me, for the people in the room that on the back of
9 the docket is a copy of the proposed rule, if anybody needs
10 to look at it; the very last page of the docket.

11 Please continue, Mr. Lyon.

12 A Paragraphs (b), (c), (d), and (e) of the
13 present rule are being redesignated to (e), (f), (g), and
14 (h).

15 So the only -- the only changes that are
16 being made are the existing paragraph (a) is being replaced
17 by new paragraphs (a), (b), (c), and (d), and (i).

18 Q And do you want to go through any of
19 those paragraphs that may be major changes and explain what
20 they do, or I assume most of them are self-explanatory? If
21 you feel any of them need to be explained would you do that?

22 A Well, paragraph (a) previously provided
23 for approval of a permit after notice and hearing and we
24 have revised paragraph (a) to provide for administrative ap-
25 proval, and in so doing we have specified in there the exhi-

1 bits which need to be attached and this normally information
2 which was required by the examiner at a hearing, and they
3 consist of number (1), a plat showing the location of the
4 plat in relation -- or the plant, in relation to governmen-
5 tal surveys and to highways and roads giving access to the
6 plant site, and this is at least partially to provide better
7 direction for inspection by district personnel;

8 (2) a description of the plant, type and
9 process of the treatment and the design capacity;

10 (3) a diagrammatic plan of the plant
11 layout, including location of water wells, pits, dikes,
12 dwellings, fences, and cattleguards within 1/4 mile of the
13 site;

14 (4) a description of containment dikes
15 and pits, if any, with detailed information on construction
16 and lining;

17 (5) a demonstration that unmerchantable
18 solids or liquids resulting from operations of the faciity
19 will be disposed of at a Division-approved site;

20 (6) a surety bond, a surety or a cash
21 bond in the amount of \$25,000, in a form approved by the
22 Division, conditioned upon compliance with statutes of the
23 State of New Mexico and rules of the Division and the satis-
24 factory clean-up of the site upon cessation of operation;
25 and

1 (7) a demonstration that the notice re-
2 quirements of paragraph (b) of this rule have been met.

3 And I think the rest of it is pretty well
4 self-explanatory.

5 Q And I assume, by reading paragraph (b),
6 where it says that any applicant, or anyone opposed to an
7 application must file a protest within twenty days, that if
8 protestor filed within that twenty day period a hearing
9 would be held; otherwise a hearing would not necessarily be
10 held unless in the discretion of the Director for some
11 reason to get further evidence, or for some other reason he
12 thought it should be held.

13 A That is correct.

14 Q Okay. I think that's all I have,
15 although I think I would recommend in paragraph (b), I think
16 we've already talked about this, that the parentheses be
17 taken off (and an area within 1/2 mile) because those would
18 be the main people to be notified, anyway, and it might also
19 be that the demonstration that the notice requirements have
20 been met could be more specific by saying an affidavit
21 really filed, I don't know. I think that's the rule in some
22 other cases.

23 Is that all the --

24 A Well, I might point out also that
25 paragraph (a) at the very beginning requires that the
application be submitted in an affidavit form.

1 Q So that would probably take care of it.

2 A Yeah.

3 Q Okay, is that all you have in this case?

4 A I believe so.

5 MR. TAYLOR: That's all of this
6 witness. You might see if anybody has any questions on it.

7 MR. STOGNER: Mr. Graham, I
8 pass the witness to you.

9 MR. GRAHAM: Is it Mr. Lyon?

10

11 CROSS EXAMINATION

12 BY MR. GRAHAM:

13 Q Since we're already in business how do
14 you envision this affecting the treating plants that are al-
15 ready in operation?

16 A I believe it provides that plants already
17 in operation will have a period of time in which to file the
18 amended bond.

19 Other than that, I don't know that it
20 would have any effect on you.

21 Q All right, where -- I didn't notice a
22 part in there about a period of time. I'm sure it's there
23 somewhere but I didn't notice it.

24 MR. STAMETS: Mr. Lyon, I don't
25 believe that's in there. I think it was discussed --

1 A Yeah.

2 MR. STAMETS: -- but I don't
3 believe a specific figure --

4 A Okay, my mistake. This was kind of a
5 group effort and several of us had input into it.

6 I may still have in my mind some of the
7 things I'd in there that are no longer in the rule.

8 Q That's all right. I guess we really --
9 one thing I might ask, if I can, where are these Division-
10 approved sites? We've run into situations where they've
11 told us to move things but there wasn't any place to move
12 them to. Do you have or does the Division have a list of
13 sites or locations to get rid of the solids?

14 A Well, I think there's probably a list in
15 the districts, but I'm not aware of it.

16 MR. TAYLOR: Probably they
17 could also be obtained from the Environmental Division but I
18 think if there is a need, we could probably prepare a list
19 of Division-approved sites, if there's some --

20 MR. GRAHAM: Well, I noticed
21 this and it says from a Division-approved site.

22 MR. TAYLOR: That information
23 could always be obtained from the, probably, Environmental
24 Division or the district office in the area.

25 A Maybe Ms. Bailey can address that

1 question better.

2 Q All right, now we've been operating for
3 about fifteen years under an order.

4 A Uh-huh.

5 Q And are -- are you saying that somewhere
6 down the line we're going to increase our cash deposit or
7 bond and --

8 A Well, I thought I understood the answer
9 to that question but I'm not sure I do now.

10 Q -- what if we can't?

11 A Can't provide a bond?

12 Q Can't provide another \$15,000. How you
13 envision this affecting us after we've been in business un-
14 der the old order?

15 A I'd say that's probably at the discretion
16 of the Director.

17 MR. TAYLOR: I think we were
18 proposing a year to come into compliance with the new rule,
19 but I don't -- I don't recall.

20 Do you want to say anything
21 about that? I know we talked about it.

22 MR STAMETS: Well, as I recall,
23 a year was mentioned and it would seem as though if -- if
24 that time passed and people weren't able to get bonds, per-
25 haps then we could consider cash bonds for these or some

1 other relief for existing plants.

2 MR. GRAHAM: How are we going
3 to consider this? I mean it doesn't say here. Is it just
4 going to be that we're looking at a year to comply and then
5 work out something?

6 MR. STAMETS: Surely the order
7 which would come from this hearing would address the issue.

8 MR. GRAHAM: All right. Well,
9 we have an order and can't we continue to operate under the
10 order that puts us into business -- put us into business
11 fifteen years ago?

12 A I would certainly think so until you're
13 notified otherwise.

14 MR. GRAHAM: I think that's
15 all, Mr. Stamets. Thank you.

16 MR. BRUCE: I have one question
17 of Mr. Lyon.

18

19 CROSS EXAMINATION

20 BY MR. BRUCE:

21 Q Part (a) (4) of your rule --

22 A Uh-huh.

23 Q -- concerns a description containment
24 dikes, if any. Doesn't the OCD now require any dikes at
25 all?

1 A I believe the orders that are entered in
2 each case does require a containment dike with the capacity
3 to contain all of the fluids which might be contained in the
4 containment vessels within the plant site.

5 In some -- some cases that is increased
6 to one and a half times.

7 Q So it is highly unlikely that an applica-
8 tion could be approved without any requirement of dikes.

9 A Correct.

10 MR. BRUCE: I have nothing fur-
11 ther.

12 MR. STOGNER: Mr. Taylor, do
13 you have anything further?

14 MR. TAYLOR: No, but you might
15 just ask if there is anybody else in the audience to ask
16 questions --

17 MR. STOGNER: Oh, I'll get
18 around to that.

19 MR. TAYLOR: -- to clarify.

20 MR. STOGNER: Okay.

21

22 CROSS EXAMINATION

23 BY MR. STOGNER:

24 Q Mr. Lyon, do you think a grandfather
25 clause allowing these pits -- I'm sorry, these present

1 treating plants that are in operation to continue to operate
2 without having to -- to meet any new requirements, would
3 that be a problem? Do you foresee some problem? Would you
4 like ot elaborate on that?

5 A Well, I certainly think that existing
6 plant operators should have a reasonable amount of time in
7 order to meet any new requirements in this amendment.

8 MR. STOGNER: Does anybody else
9 have any further questions of this witness?

10 Mr. Taylor?

11 MR. TAYLOR: I'll call my next
12 witness, then.

13 MR. STOGNER: Mr. Lyon, you may
14 step down.

15 MR. TAYLOR: Ms. Jami Bailey.

16

17

JAMI BAILEY,

18 being called as a witness and being duly sworn upon her
19 oath, testified as follows, to-wit:

20

21

DIRECT EXAMINATION

22 BY MR. TAYLOR:

23

Q Would you please state your name and em-

24

ployment for the record?

25

A Jami Bailey, with the Environmental

1 Bureau of the Santa Fe office of the OCD.

2 Q Ms. Bailey, have you previously testified
3 before the Commission or its examiners and had your creden-
4 tials accepted?

5 A Yes, I have.

6 MR. TAYLOR: Are the witness'
7 credentials acceptable?

8
9 MR. STOGNER: Yes, they are.

10 Q Ms. Bailey, you've got some exhibits
11 which relate to what, the bond form and some other stuff.

12 Would you first explain why the bond
13 amount needs changing and maybe introduce your exhibit on
14 that, if you have one?

15 A It has come to the notice of the Division
16 that in the event that a treating plant should go out of
17 business and not clean up a site, that the State would not
18 have the funds out of the present bond amounts to reclaim
19 that land or to clean it up to certain standards, and for
20 this reason a worksheet, a summary sheet, has been worked
21 up, which details the amounts that would be necessary for
22 each part of any clean-up of a site.

23 This summary sheet includes mobilization,
24 demobilization values, demolition of buildings, removal of

25

1 fluids and chemicals that may be present at the site, back-
2 filling and grading of any pits that would be at the facil-
3 ity, contingency factors, our costs, engineering costs of
4 any contractor that would be required to do this work for
5 the State, which then would include the contractor's profit
6 and overhead, and the total cost estimate of land surface
7 clean-up for this bonding purpose came up to better than
8 \$23,000.

9 Now this figure did not include removal
10 of any contaminated soil which may be present at the facil-
11 ity. It did not include inflation which may be a factor in
12 the future.

13 These figures were worked up on an aver-
14 age plant that may have two pits, six tanks, and one build-
15 ing, and included fluid removal from full tanks and pits.

16 Q So it was determined that, from an actual
17 estimate of the costs of cleaning up an average site, that
18 the current bond of \$10,000 is insufficient.

19 A It was very inadequate.

20 Q And did you prepare Exhibit Two?

21 A Yes, I did. This is a new bond form.

22 Q No, that's supposed to be a Three. Two
23 is the worksheet.

24 A Okay, I see. Okay.

25 Q Okay, would you go next to Exhibit Three

1 which is the treating plant bond form?

2 A All right. This bond form --

3 Q Let me interrupt you for a second.

4 MR. TAYLOR: Does anybody here
5 in the room want one of these? I have a few extra here.

6 A This bond form is along the lines of the
7 previous form but it includes the change to a \$25,000 treat-
8 ing plant bond and it also includes the location of the
9 treating plant. Principals and mailing addresses are now
10 included in this form, and it provides that this may be
11 either a cash or surety bond; that it is conditioned upon
12 compliance with all applicable statutes of the State of New
13 Mexico and all rules, regulations, and orders of the Oil
14 Conservation Division, and upon clean-up of the plant site
15 to standards set by the Oil Conservation Division.

16 Q And what are the clean-up standards that
17 the Division will use in this -- in these situations?

18 A Okay, these surface standard requirements
19 should include the removal of all waste fluids and chemi-
20 cals, backfilling and mounding of all pits, regrading of the
21 surface to divert water flow away from the mounded pits, and
22 removal of all equipment and hardware, including but not
23 limited to drums, barrels, above and below grade tanks, and
24 piping and fittings.

25 But where it is applicable, I feel that

1 the standards should conform to landowner agreements as to
2 the post treating plant land use. If there are prior agree-
3 ments between the treating plant operator and the owner of
4 the property, that there should be an agreement there, pro-
5 vided that all waste fluids and chemicals are removed and
6 any pits are backfilled and mounded.

7 Q Okay. Do you have anything else you want
8 to discuss in this matter?

9 A No, I believe that's it.

10 Q Were Exhibits Two and Three prepared by
11 you or under your supervision and control?

12 A Yes, they were.

13 MR. TAYLOR: Mr. Examiner, I
14 move the admission of Exhibits One, Two, and Three.

15
16 MR. STOGNER: Exhibits One,
17 Two, and Three will be admitted into evidence at this time.

18 Mr. Taylor, do you have any
19 further questions?

20 MR. TAYLOR: No, sir.

21 MR. STOGNER: Mr. Graham, I'll
22 pass the witness to you.

23

24

25

CROSS EXAMINATION

1
2 BY MR. GRAHAM:

3 Q Ms. Bailey, where are the standards? You
4 listed some standards for clean-up and reclamation. Are
5 they written down anywhere?

6 A These are not formalized standards but I
7 would expect that they would be included in any order that
8 would issue out of this hearing.

9 Q You mean -- okay, right now we have -- we
10 already have our order for our plant and it says we'll abide
11 by the rules and regulations, but what we've run into, not
12 with you all but with BLM, is the unwritten standards that
13 are subjective depending on the individual requiring us to
14 reclaim the land, and would it be possible somewhere along
15 the line to have some sort of standards I could refer to
16 when I'm quarreling with you about what we should do to
17 clean up the site?

18 A They would be included in the order and
19 they would be guidelines both for the operators and for the
20 Division.

21 Q Okay.

22 MR. TAYLOR: We could -- we
23 could probably include those under sub-part (i) of the rule,
24 I would suppose. I don't know why we couldn't, where it
25 says that they should be required to --

1 MR. GRAHAM: I think there
2 should be something --

3 MR. TAYLOR: -- meet all stand-
4 ards.

5 MR. GRAHAM: because it's dif-
6 ficult to --

7 MR. TAYLOR: Might not help you
8 if you got in a fight with us but they could be in there.

9 MR. GRAHAM: No, it would be
10 helpful.

11 Q How do you visualize the -- okay, the
12 clean-up on this bond, for instance, you're talking about
13 post-treating plant agreements with landowners? Are you
14 talking about a lease from the State of New Mexico, or from
15 the Federal?

16 A I'm talking about private individuals.

17 Q What if we own our own land? Can we do
18 what we want with it?

19 A At that point we have to go back and see
20 the OCD standards.

21 Q Okay, and what are the OCD standards?

22 A The OCD standards would be as I listed of
23 --

24 Q Okay.

25 A -- removal of all fluids, et cetera.

1 Q We can't leave those fluids on our own
2 land?

3 A No.

4 Q But -- okay.

5 MR. STOGNER: Mr. Bruce, your
6 witness.

7 MR. BRUCE: I have nothing.

8 MR. STOGNER: Mr. Taylor, do
9 you have any other questions?

10 MR. TAYLOR: No, sir.

11 MR. STOGNER: Does anybody else
12 have any questions of Ms. Bailey?

13

14 CROSS EXAMINATION

15 BY MR. STOGNER:

16 Q Ms. Bailey, referring back to -- is this
17 an actual summary sheet off of a well and -- I mean off of a
18 plant and which plant was it?

19 A It was not one particular plant. I went
20 through our files; I reviewed my field inspections; I came
21 up with what I felt was an average treating plant in New
22 Mexico.

23 Q And how many treating plants did you go
24 through to get this average?

25 A You mean actual inspecting?

1 Q Yes.

2 A Well, I've inspected at least six. I've
3 gone through the files for all of the treating plants.

4 Q And of these six you came up with these
5 figures?

6 A That I thought was an average.

7 Q Were these six treating plants all lo-
8 cated within District One or were they spread out all over
9 the state?

10 A No, there was one in the northwest and
11 five in the southeast.

12 MR. STOGNER: Does anybody else
13 have any questions of Ms. Bailey?

14 If not, she may be excused.

15 Mr. Taylor, do you have any-
16 thing further?

17 MR. TAYLOR: No, sir.

18 MR. STOGNER: Mr. Graham? Mr.
19 Bruce? Anything further in this case?

20 MR. GRAHAM: No, sir.

21 MR. STOGNER: Do you have any --

22 MR. GRAHAM: Well, I would --
23 let me change somewhat.

24 I would request that you all
25 give some consideration to grandfathering some of us in that

1 have been in business and have operated on the basis of our
2 original order, some reasonable grandfather clause to go
3 along with this change.

4 I would request somewhere along
5 the line something in the rule to refer to the clean-up
6 standards so that we can know that we're breaking them be-
7 forehand rather than afterwards.

8 MR. STAMETS: Mr. Graham, are
9 you thinking along the lines that so long as -- as you have
10 the original owners or current owners and current locations,
11 that the existing facility should be allowed to continue to
12 operate under their old bond?

13 MR. GRAHAM: I would -- this is
14 what we would like to do, yes, sir.

15 MR. BRUCE: Mr. Examiner, my
16 client would oppose the grandfather clause. I don't think
17 any of these rules are exceedingly onerous and we think what
18 applies to one should apply to all.

19 MR. STAMETS: Also it occurs to
20 me that the old bond form does not have any clean-up lan-
21 guage in there or any ability to use it, so there could be a
22 problem there.

23 MR. GRAHAM: Well, I can under-
24 stand. This would have been nice twenty years ago, for that
25 matter, to start out with.

1 MR. STOGNER: Are there any
2 further statements concerning Case 8909?

3 MR. TAYLOR: I would just say
4 that we will take Ms. Bailey's testimony regarding reclama-
5 tion and just put that in writing in part (i) of the rule
6 and we propose that that be made more specific in that man-
7 ner, and that the Division, I think, would be opposed to any
8 grandfathering such that existing plants did not have to
9 meet these standards at some point in time.

10 I can see a reasonable period
11 but if they're not able to meet the bond requirement, which
12 is probably the one requirement there would be difficulty in
13 meeting, I see no problem with going to cash bonds on that
14 just as we've done on well bonds, and that way I think any
15 operator would be able to obtain from or through the divi-
16 sion a cash bond.

17 MR. STOGNER: Is there anything
18 further from anybody in Case Number 8909?

19 If not, this case will be taken
20 under advisement.

21

22 (Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY
CERTIFY the foregoing Transcript of Hearing before the Oil
Conservation Division (Commission) was reported by me; that
the said transcript is a full, true, and correct record of
the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 8909,
heard by me on 25 Jan 1986.

Michael J. Wagner, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

12 June 1986

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Con- CASE
servaion Division on its own motion 8909
to amend Rule 312 to provide for ad-
ministrative approval of applicaions
for treating plants to require a case
or surety bond, etc.

BEFORE: David R. Catanach, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	Jeff Taylor & Charles Roybal Legal Counsel to the Division Oil Conservation Division State Land Office Bldg. Santa Fe, New Mexico 87501
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For the Applicant:

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MR. CATANACH: Call next Case
Number 8909.

MR. ROYBAL: Case 8909 is the
in the matter of the hearing called by the Oil Conservation
Division on its own motion to amend Rule 312 to provide for
administration approval of applications for treating plants
to require a cash or surety bond sufficient for surface
reclamation of the treating plant facility site and to
additionally condition the bond upon land surface
reclamation to OCD standards.

MR. TAYLOR: Mr. Examiner, we
request that this case be continued until the next scheduled
examiner hearing.

MR. CATANACH: Case 8909 will
be continued to the June 25th, 1986, examiner hearing.

(Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 8939, heard by me on June 12 1986.

David M. Catant, Examiner
Oil Conservation Division