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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
28 September, 1977

EXAMINER HEARING

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IN THE MATTER OF:	)	
	)	
Application of Atlantic Richfield	)	
Company for a unit agreement, Lea	)	CASE
County, New Mexico.	)	5999
	)	

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BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission:	Lynn Teschendorf, Esq. Legal Counsel for the Commission State Land Office Building Santa Fe, New Mexico
For the Applicant, Atlantic Richfield:	Clarence L. Hinkle, Esq. HINKLE, COX, EATON, COFIELD & HENSLEY Roswell, New Mexico
For El Paso Natural Gas:	H. L. Kendrick, Esq. El Paso Natural Gas El Paso, Texas
For Texaco:	Kenneth Bateman, Esq. WHITE, KOCH, KELLY & McCARTHY 220 Otero Street Santa Fe, New Mexico
For J. R. Cone and Summit Energy, Inc.:	W. Thomas Kellahin, Esq. KELLAHIN & FOX 500 Don Gaspar Santa Fe, New Mexico

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*General Court Reporting Service*  
 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
 Phone (505) 982-9212



1 MR. NUTTER: Call Cases Numbers 5997 and 5999,  
2 which have the same caption.

3 MS. TESCHENDORF: Those are both the applications  
4 of Atlantic Richfield Company for a unit agreement, Lea County,  
5 New Mexico.

6 MR. NUTTER: And we'll call Case Number 5998 and  
7 6000, both of which have the same caption.

8 MS. TESCHENDORF: Applications of Atlantic Richfield  
9 Company for a waterflood project, also in Lea County, New  
10 Mexico.

11 MR. NUTTER: I'll call for appearances at this time  
12 in these cases.

13 MR. KENDRICK: H. L. Kendrick, El Paso Natural Gas.

14 MR. BATEMAN: Kenneth Bateman of White, Koch, Kelly  
15 and McCarthy, appearing for Texaco.

16 MR. KELLAHIN: Tom Kellahin, appearing for J. R.  
17 Cone and for Summit Energy, Inc..

18 MR. NUTTER: Any other appearances?

19 MR. HINKLE: Clarence L. Hinkle, Hinkle, Cox, Eaton,  
20 Cofield, and Hensley, Roswell, New Mexico, appearing on behalf  
21 of Atlantic Richfield.

22 (Witnesses sworn.)

23 MR. NUTTER: Now, Mr. Hinkle, did you want to con-  
24 solidate these cases?

25 MR. HINKLE: Yes. These four cases are all inter-

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for ensuring transparency and accountability in financial operations.

2. The second part of the document outlines the various methods and techniques used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support informed decision-making.

3. The third part of the document focuses on the analysis and interpretation of the collected data. It discusses the various statistical and analytical tools used to identify trends, patterns, and anomalies in the data.

4. The fourth part of the document discusses the implications of the findings and the need for ongoing monitoring and evaluation. It emphasizes that the data should be used to inform strategic planning and to identify areas for improvement.

5. The fifth part of the document provides a summary of the key findings and conclusions. It highlights the overall importance of data-driven decision-making and the need for continued investment in data management and analysis capabilities.

Very Respectfully,  
[Signature]

1 related and I'd like to move that they be consolidated, be  
2 called and consolidated for the purpose of the hearing.

3 MR. NUTTER: Cases 5997, 5998, 5999, and 6000 will  
4 be consolidated for the purpose of hearing. Separate orders  
5 will be entered in each case.

6 MR. BATEMAN: Mr. Examiner, excuse me, before we  
7 proceed there's a preliminary matter I'd like to bring up.

8 MR. NUTTER: All right, an opening remark.

9 MR. BATEMAN: Not an opening remark, Mr. Examiner,  
10 but I'd like to draw your attention to the advertisement in  
11 5997 and 5999, I believe. There's some confusion, at least on  
12 the part of my client, and I think the others, with respect  
13 to the advertisement.

14 I believe that is a form of advertisement used for  
15 a voluntary unit approval, and as I understand the application,  
16 I have a copy of the application in 5997. Paragraph 9 of the  
17 application indicates that the application was filed under and  
18 pursuant to the statutory unitization act.

19 Obviously, there's a considerable difference be-  
20 tween a voluntary unit approval and a statutory unitization  
21 act proceeding. And it is our position, Mr. Examiner, that the  
22 application was not properly advertised and that there is no  
23 jurisdiction to proceed at this point.

24 MR. HINKLE: Mr. Examiner, I don't think there's  
25 anything in the statutory unitization act that requires that



1 you give specific notice of a statutory unitization.

2 MR. BATEMAN: Mr. Examiner, Article 65-3-6 requires  
3 a notice of hearings, and including, the notice, if pub-  
4 lished, shall briefly state the nature of the order, or  
5 orders, sought -- I'm paraphrasing -- by the applicant.

6 The form of application -- excuse me, the form of  
7 advertisement used in previous cases that I am familiar with  
8 in connection to statutory unitization, of course, have  
9 been rather specific about the compulsory aspect of the  
10 application, and the fact that interests are -- there's an  
11 attempt being made to force interests in the unit, which  
12 have not voluntarily complied or ratified the operating  
13 agreement.

14 There's no indication in this application -- ex-  
15 cuse me, this notice that that is the case here. It may  
16 well be additional opposition to this application if that  
17 were specified.

18 MR. HINKLE: Mr. Examiner, I think all of those who  
19 have entered an appearance here are the only ones who have  
20 expressed any opposition. I think the evidence will show  
21 that over eighty percent of the working interest owners and  
22 royalty owners have agreed to unitization, and those who have  
23 entered an appearance here are the only ones that have not  
24 consented to it, so there couldn't be prejudice whatsoever  
25 because you're here before the Commission.

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Handwritten notes on the right margin, possibly a list or index.

Main body of handwritten text, appearing to be a list or index of items, possibly names or titles, arranged in a structured manner.

1 MR. NUTTER: Mr. Hinkle, do we know that everyone  
2 is here, and how would we ascertain that fact?

3 MR. HINKLE: Because we do, we know that everybody  
4 that is represented here who has not agreed to it.

5 MR. RAMEY: Royalty owners, too?

6 MR. HINKLE: Royalty owners, well, there's one or  
7 two royalty owners that I never have been able to get in  
8 touch with; never have heard from them.

9 MR. NUTTER: Well, if we can't get in touch with  
10 them, we depended on the notice nailed on the old oak tree,  
11 you know.

12 MR. KELLAHIN: If the Examiner please, on behalf of  
13 J. R. Cone and Summit Energy, Inc., we would concur in  
14 Texaco's motion that the Commission lacks jurisdiction to  
15 proceed in this matter. There's a substantial difference in  
16 appearing in response to an advertisement that indicates the  
17 approval of a voluntary unit agreement as opposed to the  
18 statutory notification with regards to forced unitization.

19 MR. NUTTER: I'm afraid you're right and I don't  
20 think we can proceed. I'm sorry, Mr. Hinkle, but probably  
21 it's the error of the Commission. I'm afraid we can't pro-  
22 ceed on this.

23 MR. HINKLE: I had it in the application.

24 MR. NUTTER: We've had only two previous statutory  
25 unitization hearings and in each of those we've been very

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2. The second part of the document outlines the various methods and techniques used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support effective decision-making.

3. The third part of the document focuses on the analysis and interpretation of the collected data. It discusses the various statistical and analytical tools used to identify trends, patterns, and anomalies in the data.

4. The fourth part of the document discusses the importance of communication and reporting in the context of data analysis. It emphasizes the need for clear and concise reports that effectively convey the findings and insights derived from the data.

5. The fifth part of the document discusses the various challenges and limitations associated with data analysis. It highlights the need for careful consideration of these factors to ensure the accuracy and reliability of the results.

6. The sixth part of the document discusses the various applications and uses of data analysis in different industries and sectors. It highlights the growing importance of data-driven decision-making in various fields.

7. The seventh part of the document discusses the various ethical considerations and privacy concerns associated with data analysis. It emphasizes the need for strict adherence to ethical guidelines and privacy regulations to protect the rights and interests of individuals.

8. The eighth part of the document discusses the various future trends and developments in the field of data analysis. It highlights the growing importance of artificial intelligence, machine learning, and big data in driving innovation and progress.

9. The ninth part of the document discusses the various best practices and recommendations for conducting data analysis. It provides a comprehensive overview of the key steps and considerations involved in the data analysis process.

10. The tenth part of the document discusses the various resources and tools available for data analysis. It provides a list of recommended software, platforms, and services that can be used to facilitate the data analysis process.

11. The eleventh part of the document discusses the various challenges and limitations associated with data analysis. It highlights the need for careful consideration of these factors to ensure the accuracy and reliability of the results.

12. The twelfth part of the document discusses the various applications and uses of data analysis in different industries and sectors. It highlights the growing importance of data-driven decision-making in various fields.

13. The thirteenth part of the document discusses the various ethical considerations and privacy concerns associated with data analysis. It emphasizes the need for strict adherence to ethical guidelines and privacy regulations to protect the rights and interests of individuals.

14. The fourteenth part of the document discusses the various future trends and developments in the field of data analysis. It highlights the growing importance of artificial intelligence, machine learning, and big data in driving innovation and progress.

15. The fifteenth part of the document discusses the various best practices and recommendations for conducting data analysis. It provides a comprehensive overview of the key steps and considerations involved in the data analysis process.

16. The sixteenth part of the document discusses the various resources and tools available for data analysis. It provides a list of recommended software, platforms, and services that can be used to facilitate the data analysis process.

1 specific in the notice that it is a statutory unitization,  
2 and I think by having set that precedent on those cases, it  
3 would be unwise for us to proceed with the standard notice  
4 for a voluntary unit agreement here.

5 MR. HINKLE: Well, let me ask this. When can these  
6 be set now?

7 MR. NUTTER: They can be set for the second hearing  
8 in October.

9 MR. HINKLE: That will be when?

10 MR. NUTTER: There's a hearing on the 12th and I  
11 don't -- October 26th.

12 MR. HINKLE: October the 26th. Okay, put them  
13 right up at the top so we can start early.

14 MR. NUTTER: With that I think we have to dismiss  
15 Cases Numbers 5997 and 5999, and continue Cases Numbers 5998  
16 and 6000 to the Examiner Hearing, which will be held at this  
17 same place at 9:00 a.m. October 26, 1977.

18 MR. HINKLE: Now, it will not be necessary to file  
19 a new application, as I understand it.

20 MR. NUTTER: No, sir, we'll accept these applica-  
21 tions. I haven't looked at the application but I presume  
22 it's --

23 MR. HINKLE: Because it's specific.

24 MR. NUTTER: Okay, well, it's the error of the Com-  
25 mission. We're sorry for it but those things do happen.

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The hearing is adjourned.  
(Hearing concluded.)

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MEMORANDUM FOR THE RECORD

DATE: 10/10/54

TO: SAC, NEW YORK (100-100000)

FROM: SAC, NEW YORK (100-100000)

SUBJECT: [Illegible]

RE: [Illegible]

[Vertical text on the left margin, mostly illegible]

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Certified Shorthand Reporter,  
DO HEREBY CERTIFY that the foregoing and attached Transcript  
of Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct record  
of the said proceedings to the best of my knowledge, skill,  
and ability.

Sally Walton Boyd  
Sally Walton Boyd, C. S. R.

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[Signature]  
New Mexico Oil Conservation Commission

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