

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

CASE NOS. 13,589; 13,274; 13,367, *de novo*;
13,368, *de novo*; and 13,372, *de novo* (Continued)

CONTINUED CASES ORIGINAL
TRANSCRIPT OF PROCEEDINGS

BEFORE: MARK E. FESMIRE, CHAIRMAN
JAMI BAILEY, COMMISSIONER
WILLIAM C. OLSON, COMMISSIONER

April 20th, 2006
Santa Fe, New Mexico

2006 MAY 8 AM 8 47

These matters were continued to future hearing dates by MARK E. FESMIRE, Chairman, New Mexico Oil Conservation Commission, on Thursday, April 20th, 2006, 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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I N D E X

April 20th, 2006
 Commission Hearing
 Continued Cases

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A P P E A R A N C E S

FOR THE COMMISSION:

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* * *

STEVEN T. BRENNER, CCR
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1 to last beyond tomorrow afternoon, and whenever it is
2 continued to, if it does las beyond tomorrow afternoon, I
3 will have that order ready to present to the Commission
4 prior to the conclusion of the hearing. Otherwise, it will
5 be at the next hearing, whether it be a special hearing
6 that we set for potash rules or whether it be the May 15th
7 hearing.

8 CHAIRMAN FESMIRE: Thank you. After discussion
9 with counsel, it's beginning to look like the hearing will
10 be continued at least for another week, during which I
11 would hope that we would have time to complete that, so I'm
12 going to ask the Commission if there's any objection to
13 handling this case in that manner.

14 COMMISSIONER BAILEY: No objection.

15 COMMISSIONER OLSON: No objection.

16 CHAIRMAN FESMIRE: Okay. We will continue this
17 case to a lower position on the docket and proceed in that
18 manner.

19 * * *

20
21 CHAIRMAN FESMIRE: The next case is Case Number
22 13,586. It's the Application of the New Mexico Oil
23 Conservation Division for the repeal of existing Rules 709,
24 710 and 711 concerning surface waste management and the
25 adoption of new rules governing surface waste management.

1 That case is sort of the main attraction today,
2 it's going to take a lot of time. So before we start on
3 it, I would like to go ahead and deal with some of the
4 other cases that all we have to do is announce a
5 continuance.

6 * * *

7
8 CHAIRMAN FESMIRE: The first of those cases is
9 Case Number 13,274, continued from the March 23rd, 2006,
10 Commission meeting. It's the Application of Arch
11 Petroleum, Inc., for approval of two nonstandard gas
12 spacing and proration units in the Jalmat Gas Pool, Lea
13 County, New Mexico.

14 It's my understanding that this case will be
15 continued to the July 13th, 2006, Commission meeting. Is
16 that correct, Mr. Brooks?

17 MR. BROOKS: That is correct.

18 CHAIRMAN FESMIRE: Let the record reflect that
19 that case will be continued.

20 * * *

21
22 CHAIRMAN FESMIRE: The next case is Case Number
23 13,367. It's the *de novo* Application of Bass Enterprises
24 Production Company for an order authorizing the drilling of
25 a well in the Potash Area, Eddy County, New Mexico.

1 MR. CARR: Yes, sir.

2 CHAIRMAN FESMIRE: Okay. Case Number 13,368 will
3 be continued to a special setting on June 5th, 2006.

4 * * *

5
6 CHAIRMAN FESMIRE: The last one that we have to
7 deal with in this group is Case Number 13,372. It's the
8 Application of Devon Energy Production Company for approval
9 of an unorthodox well location and authorization to drill a
10 well in the potash area of Eddy County.

11 And it likewise -- there has likewise been a
12 request to continue that to June 5th.

13 MR. CARR: That's correct.

14 CHAIRMAN FESMIRE: Okay. And does the Commission
15 have any objection to those two?

16 COMMISSIONER BAILEY: No.

17 COMMISSIONER OLSON: No objection.

18 CHAIRMAN FESMIRE: Okay, Case Number 13,372 will
19 be specially set for a special hearing on June 5th, 2006.

20 (Thereupon, these proceedings were concluded at
21 9:08 a.m.)

22 * * *

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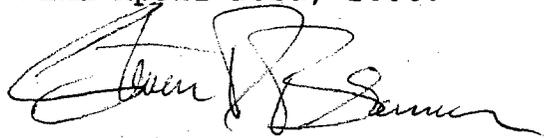
CERTIFICATE OF REPORTER

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 April 23rd, 2006.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006