

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

ORIGINAL

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 14146

(Readvertised) AMENDED APPLICATION OF
WILLIAMS PRODUCTION CO., LLC, FOR
ESTABLISHMENT OF A DOWNHOLE COMMINGLING
"REFERENCE CASE" AND PRE-APPROVAL OF
DOWNHOLE AND SURFACE COMMINGLING IN THE
ROSA UNIT, SAN JUAN AND RIO ARRIBA
COUNTIES, NEW MEXICO

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Legal Examiner
WILLIAM V. JONES, Technical Examiner
TERRY WARNELL, Technical Examiner

August 7, 2008

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico
Oil Conservation Division, DAVID K. BROOKS, Legal Examiner,
WILLIAM V. JONES, Technical Examiner, and TERRY WARNELL,
Technical Examiner, on Thursday, August 7, 2008, at the
New Mexico Energy, Minerals and Natural Resources Department,
1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: JOYCE D. CALVERT, P-03
Paul Baca Court Reporters
500 Fourth Street, NW, Suite 105
Albuquerque, New Mexico 87102

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A P P E A R A N C E S

FOR THE APPLICANT:

Ocean Munds-Dry, Esq.
HOLLAND & HART, LLP
110 North Guadalupe, Suite 1
Santa Fe, New Mexico 87501

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EXHIBIT 8 ADMITTED INTO EVIDENCE	5
REPORTER'S CERTIFICATE	6

1 MR. JONES: If there are no other continuances and
2 dismissals, let's call Case No. 14146, which is the
3 (Readvertised) and Amended Application of Williams Production
4 Company, LLC, for Establishment of a Downhole Commingling
5 "Reference Case" and Pre-Approval of Downhole and Surface
6 Commingling in the Rosa Unit, San Juan and Rio Arriba Counties,
7 New Mexico.

8 Call for appearances.

9 MS. MUNDS-DRY: Good morning, Mr. Examiner. Ocean
10 Munds-Dry with the law firm of Holland & Hart here representing
11 Williams Production Company, LLC, this morning. I have no
12 witnesses.

13 MR. JONES: Any other appearances?

14 MS. MUNDS-DRY: Mr. Examiner, I've handed you what's
15 been marked Exhibit No. 8. This matter was originally heard by
16 Mr. Warnell. We, at that time, dismissed part of the case for
17 non-standard locations and amended the application to make it
18 more clear what we were doing in that application, and that was
19 seeking a downhole commingling reference case and pre-approval
20 for downhole and surface commingling. Also added the surface
21 commingling as part of it at the suggestion of the BLM,
22 actually.

23 So we amended the application, and we readvertised,
24 and we notified. And so what I've handed you is the Notice of
25 Affidavit, the letters that went out to interest owners, the

1 Affidavit of Publication in both the Rio Arriba and San Juan
2 papers, the list of the noticed parties, and then, of course,
3 copies of the green cards.

4 And with that, we would ask that Exhibit 8 be
5 accepted into evidence.

6 MR. JONES: Terry?

7 MR. WARNELL: No questions.

8 MR. JONES: When did all these notices go out?

9 MS. MUNDS-DRY: The notices went out -- the letter is
10 dated July 10th.

11 MR. JONES: Okay. July 10th. And there's no
12 non-standard location issues here?

13 MS. MUNDS-DRY: That we dismissed from the
14 application.

15 MR. JONES: They didn't add any more pools between
16 the time you presented it before and this time?

17 MS. MUNDS-DRY: They did not add any pools.

18 MR. JONES: Do you want to take it under advisement?

19 MR. WARNELL: Let's take it under advisement.

20 MR. JONES: We're going to take Case No. -- thank you
21 very much.

22 MS. MUNDS-DRY: Mr. Examiner, I don't know if you
23 have accepted Exhibit 8 into evidence.

24 MR. JONES: Yes. We'll accept Exhibit No. 8 -- I'm
25 sorry. Are there any more questions?

1 MR. BROOKS: No. I don't have any questions.

2 MR. JONES: We'll take Exhibit No. 8 under
3 advisement, and we'll take -- let's -- wait a minute.

4 MR. BROOKS: Admit the exhibit and take the case
5 under advisement.

6 MR. JONES: Exhibit 8 will be admitted as evidence.

7 [Applicant's Exhibit 8 admitted into evidence.]

8 MR. JONES: Case No. 14146 will be taken under
9 advisement.

10 MS. MUNDS-DRY: Thank you, Mr. Examiner.

11 [Hearing concluded.]

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2 **REPORTER'S CERTIFICATE**

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4 I, JOYCE D. CALVERT, Provisional Court Reporter for
5 the State of New Mexico, do hereby certify that I reported the
6 foregoing proceedings in stenographic shorthand and that the
7 foregoing pages are a true and correct transcript of those
8 proceedings and was reduced to printed form under my direct
9 supervision.

10 I FURTHER CERTIFY that I am neither employed by nor
11 related to any of the parties or attorneys in this case and
12 that I have no interest in the final disposition of this
13 proceeding.

14 DATED this 7th of August, 2008.

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21 JOYCE D. CALVERT
22 New Mexico P-03
23 License Expires: 7/31/09

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1 STATE OF NEW MEXICO)
2 COUNTY OF BERNALILLO)

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4 I, JOYCE D. CALVERT, a New Mexico Provisional
5 Reporter, working under the direction and direct supervision of
6 Paul Baca, New Mexico CCR License Number 112, hereby certify
7 that I reported the attached proceedings; that pages numbered
8 1-5 inclusive, are a true and correct transcript of my
9 stenographic notes. On the date I reported these proceedings,
10 I was the holder of Provisional License Number P-03.

11 Dated at Albuquerque, New Mexico, 7th day of
12 August, 2008.

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14 

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