

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

RECEIVED

NOV 7 2003

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

Oil Conservation Division

APPLICATION OF ARCH PETROLEUM, INC.,)
 FOR APPROVAL OF LEASE COMMINGLING,)
 LEA COUNTY, NEW MEXICO)

CASE NOS. 13,150

APPLICATION OF ARCH PETROLEUM, INC.,)
 FOR APPROVAL OF LEASE COMMINGLING,)
 LEA COUNTY, NEW MEXICO)

and 13,151

(Consolidated)

REPORTER'S TRANSCRIPT OF PROCEEDINGSEXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

October 23rd, 2003

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, October 23rd, 2003, 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.

* * *

STEVEN T. BRENNER, CCR
 (505) 989-9317

I N D E X

October 23rd, 2003
Examiner Hearing
CASE NOS. 13,150 and 13,151 (Consolidated)

PAGE

REPORTER'S CERTIFICATE

5

* * *

E X H I B I T S

Applicant's	Identified	Admitted
Exhibit A	4	-
Exhibit B	4	-

* * *

A P P E A R A N C E S

FOR THE DIVISION:

GAIL MacQUESTEN
Deputy General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

FOR THE APPLICANT:

JAMES G. BRUCE
Attorney at Law
P.O. Box 1056
Santa Fe, New Mexico 87504

* * *

1 WHEREUPON, the following proceedings were had at
2 8:21 a.m.:

3 EXAMINER STOGNER: At this time I shall call Case
4 Number 13,150, which is the Application of Arch Petroleum,
5 Inc., for approval of lease commingling, Lea County, New
6 Mexico.

7 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe
8 on behalf of the Applicant, and I'd ask that it be
9 consolidated with Case 13,151.

10 EXAMINER STOGNER: Are there any objections to
11 consolidating Case 13,150 and 13,151?

12 At this time I'll also call Case 13,151, which is
13 also the Application of Arch Petroleum, Inc., for approval
14 of lease commingling, Lea County, New Mexico.

15 Jim Bruce has entered an appearance. Are there
16 any other appearances in this matter?

17 Mr. Bruce?

18 MR. BRUCE: Mr. Examiner, these cases were
19 actually heard four weeks ago and a presentation was made.
20 Two witnesses were presented. Mr. Jones heard the case.

21 There was an amendment to the Application to
22 allow additional wells to be added to the tank batteries
23 without further hearing, which was included in the amended
24 Application filed after the last hearing. Notice was given
25 to everyone involved. There has been no objection by any

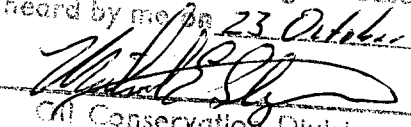
1 of the parties, and today I'm simply here to submit what
2 I've given you as Exhibit A, which was the notice affidavit
3 for the original Applications.

4 At the time, I was moving my office and I could
5 not locate the notice materials, so Exhibit A contains the
6 notice letter and return receipts from the original
7 Applications, and Exhibit B contains the notice materials
8 from the amended Applications. Notice has been given under
9 the Division Rules. We have received no objections from
10 any party as to either mailing and we'd simply ask that the
11 matter be taken under advisement.

12 EXAMINER STOGNER: If there's nothing further in
13 Cases 13,150 and 13,151, then these cases will be taken
14 under advisement at this time.

15 (Thereupon, these proceedings were concluded at
16 8:26 a.m.)

17 * * *

18
19
20 I do hereby certify that the foregoing is
21 a complete record of the proceedings in
22 the Examiner hearing of Case Nos. ~~13,150~~ 13,150
23 heard by me on 23 October 2003 13,151
24 , Examiner
25 Oil Conservation Division

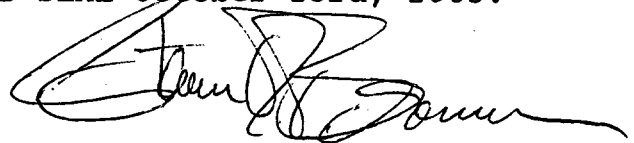
CERTIFICATE OF REPORTER

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 Division 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 October 23rd, 2003.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006