

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

COPY

REPORTER'S TRANSCRIPT OF PROCEEDINGS

PRE-HEARING TRANSCRIPT

RECEIVED  
OCT 13 2010  
NEW MEXICO  
OIL CONSERVATION DIVISION

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

December 16, 2010  
Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, TERRY WARNELL, Technical Examiner, and DAVID K. BROOKS, Legal Examiner, on Thursday, December 16, 2010, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South St. Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: Irene Delgado NM CCR 253  
Paul Baca Professional Court Reporters  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87103  
505-843-9241

1 EXAMINER WARNELL: Okay. Good morning. I will be  
2 the hearing examiner this morning. My name is Terry Warnell.  
3 Welcome, everyone. Here on my left is Mr. David Brooks, and  
4 David will be our legal advisor, slash, examiner, slash,  
5 keep-Warnell-out-of-trouble guy. So we should have a pretty  
6 smooth morning. It's 8:15.

7 And so we will call Docket Number 40-10 to order,  
8 and, of course, start by reading the continuances and  
9 dismissals.

10 On Page 1, Case Number 14413 will be continued to  
11 January 20, 2011. Case Number 2 -- or -- excuse me -- Number  
12 2, there, Case 14522, will be continued to February 3, 2011.

13 Page 2, Case 14576, continued to February 3, 2011.  
14 Case 14577 continued to January 6, 2011. I'm trying to get  
15 used to writing 2011 here, so bear with me. The next one,  
16 we'll actually hear. The case on the bottom, Case 14579, has  
17 been dismissed.

18 Page 3, Case 14580 has been dismissed. Case 14581,  
19 continued to January 6, 2011. Case 14582, continued to  
20 January 6. Case 14583, continued to January 20, 2011.

21 Page 4, second case down, Case 14567 has been  
22 dismissed. Bottom of the page, Case 14569 has been continued  
23 to January 6, 2011.

24 Fifth page, Case 14570, continued to January 6.  
25 Case 14566, continued to January 6, 2011. Bottom, Case

1 14551, continued to January 6, 2011.

2 And the last page, Page 6, Case Number 8352 has been  
3 continued to January 20. Are there any dismissals or --  
4 usually this is Mr. Bruce's opportunity to speak, so go ahead  
5 and speak.

6 MR. BRUCE: Yes. Mr. Bruce has to speak when his  
7 clients don't call him back. It's my opportunity to speak.  
8 On Page 5, the Devon Energy Case, 14544, please continue that  
9 to January 6.

10 EXAMINER WARNELL: January 6, 2011. Thank you, Mr.  
11 Bruce.

12 MR. HALL: And, Mr. Examiner, case ~~14573~~

13 EXAMINER WARNELL: Well, what page are we on, sir?

14 MR. HALL: Page 5. My name is Scott Hall. And it's  
15 Mr. Kellihan's case, and I believe he may have sent over a  
16 letter asking that that case be dismissed, but if you haven't  
17 received that, you might want that one continued to allow him  
18 to do that.

19 EXAMINER WARNELL: Which case was that?

20 MR. HALL: 14573. I don't think I heard you call  
21 that one.

22 EXAMINER WARNELL: I apologize if I didn't call it,  
23 because I've got here in big red ink, "Dismissed."

24 MR. HALL: Okay.

25 EXAMINER WARNELL: So case 14573 has been dismissed.

1 Thank you, Mr. Hall.

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I do hereby certify that the foregoing is a complete report of the deposition taken at the examination hearing of \_\_\_\_\_ heard by me on \_\_\_\_\_  
\_\_\_\_\_  
Oil Conservation Division

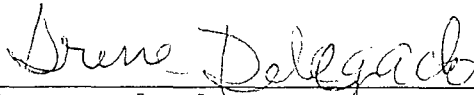
## REPORTER'S CERTIFICATE

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I, IRENE DELGADO, New Mexico CCR 253, DO HEREBY  
CERTIFY that on December 16, 2010, proceedings in the  
above-captioned case were taken before me and that I did  
report in stenographic shorthand the proceedings set forth  
herein, and the foregoing pages are a true and correct  
transcription to the best of my ability.

I FURTHER CERTIFY that I am neither employed by nor  
related to nor contracted with any of the parties or  
attorneys in this case and that I have no interest whatsoever  
in the final disposition of this case any any court.

WITNESS MY HAND this 16th day of December 2010.

  
Irene Delgado NM CCR 253  
License Expires: 12-31-10