

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

IN THE MATTER OF THE HEARING)
CALLED BY THE OIL CONSERVATION)
DIVISION FOR THE PURPOSE OF)
CONSIDERING:) CASE NO. 11,148
)
APPLICATION OF MERIDIAN OIL, INC.)
_____)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

April 6th, 1995

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Thursday, April 6th, 1995, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, before 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

April 6th, 1995
 Examiner Hearing
 CASE NO. 11,148

PAGE

REPORTER'S CERTIFICATE

6

* * *

E X H I B I T S

Identified

Admitted

Revised Exhibit Book

5

5

* * *

A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
 Attorney at Law
 Legal Counsel to the Division
 State Land Office Building
 Santa Fe, New Mexico 87504

FOR THE APPLICANT:

KELLAHIN & KELLAHIN
 117 N. Guadalupe
 P.O. Box 2265
 Santa Fe, New Mexico 87504-2265
 By: W. THOMAS KELLAHIN

* * *

1 WHEREUPON, the following proceedings were had at
2 2:53 p.m.:

3 EXAMINER CATANACH: At this time I'll call Case
4 11,148, Application of Meridian Oil, Inc., for downhole
5 commingling and a nonstandard gas proration unit, San Juan
6 County, New Mexico.

7 Are there appearances in this case?

8 MR. KELLAHIN: Yes, Mr. Examiner, I'm Tom
9 Kellahin of the Santa Fe law firm of Kellahin and Kellahin,
10 appearing on behalf of the Applicant.

11 EXAMINER CATANACH: Any additional appearances?
12 There being none, Mr. Kellahin?

13 MR. KELLAHIN: Mr. Examiner, this case was
14 submitted to you originally on your December 1st, 1994,
15 docket.

16 After it was submitted, you brought to my
17 attention that behind Exhibit Tab Number 2 we had
18 misidentified the spacing unit for the Pictured Cliffs
19 portion of the case.

20 That display originally showed what would be the
21 west-half equivalent of Section 12.

22 To make that comparison, all you would have to do
23 is, in the exhibit book I've just handed you, if you'll
24 find the tab that says Exhibit Tab Number 2, it's the
25 yellow tab, and if you're turned to the page I'm turned to

1 you'll see the nonstandard proration unit, which includes
2 six, what I would call 40-acre tract equivalents.

3 When totaled, that acreage will consist of 202.82
4 acres. That is consistent with how the Division shows this
5 spacing unit for the Pictured Cliffs.

6 If you turn back to Exhibit Tab 1 and look at the
7 last attachment, those are the displays that show the -- If
8 you'll look at Exhibit 1, turn to the last two displays in
9 that Exhibit Tab 1 --

10 EXAMINER CATANACH: Uh-huh.

11 MR. KELLAHIN: -- and it will illustrate the
12 mistake. The second-to-last display shows only the west
13 half of this odd-shaped section, or odd-sized section. In
14 checking your records, you discover that the PC was
15 dedicated to a larger spacing unit.

16 All of the interest owners are the same that
17 adjoin this spacing unit, and so there were no additional
18 notice problems.

19 But we readvertised this case for today's docket
20 to make it clear to the public that we're seeking the
21 approval for downhole commingling of production from this
22 nonstandard PC unit, as described in the docket, and to
23 commingle that production with a spacing unit for the coal
24 gas, which consists of all of Section 12, again, as defined
25 on the docket sheet.

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 April 17th, 1995.

Steven T. Brenner

STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceedings in the District Court of Case No. 11148 heard by me on April 6 1995

David Catana

Examiner
Oil Conservation Division