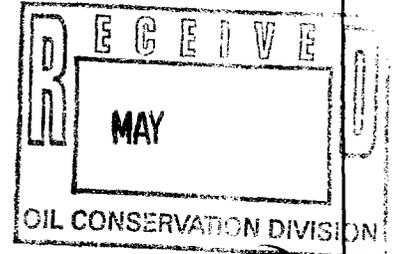


STATE OF NEW MEXICO

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:)
HEARING CALLED BY THE OIL)
CONSERVATION DIVISION ON)
ITS OWN MOTION)

CASE NOS. 11,249
11,250
11,251
(Consolidated)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

April 10th, 1995

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Monday, April 10th, 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.

* * *

I N D E X

April 10th, 1995
 Examiner Hearing
 CASE NOS. 11,249, 11,250 and 11,251 (Consolidated)

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APPLICANT'S WITNESSES:	
<u>MICHAEL E. STOGNER</u>	
Direct Examination by Mr. Carroll	4
REPORTER'S CERTIFICATE	8

* * *

E X H I B I T

	Identified	Admitted
Exhibit 1	5	6

* * *

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

* * *

1 WHEREUPON, the following proceedings were had at
2 10:25 a.m.:

3 EXAMINER CATANACH: Call the hearing back to
4 order at this time, on this Monday morning, and at this
5 time we are going to call Case 11,249, which is in the
6 matter of the hearing called by the OCD upon its own motion
7 for an order creating, contracting vertical limits, and
8 extending horizontal limits of certain pools in Lea County,
9 New Mexico.

10 Are there appearances in this case?

11 MR. CARROLL: Yes, Mr. Examiner, my name is Rand
12 Carroll, and I'm here representing the Oil Conservation
13 Division.

14 I have one witness to be sworn.

15 EXAMINER CATANACH: Okay, any other additional
16 appearances?

17 There being none, will the witness please stand
18 to be sworn in?

19 (Thereupon, the witness was sworn.)

20 MR. CARROLL: Mr. Examiner, I'd like to
21 consolidate Case 11,249 with Case 11,250 and 11,251 for
22 purposes of presentation of evidence.

23 EXAMINER CATANACH: At this time let me call Case
24 11,250, which is in the matter of the hearing called by the
25 Oil Conservation Division upon its own motion for an order

1 creating and extending certain pools in Chaves and Eddy
2 Counties, New Mexico,

3 and 11,251, which is in the matter of the hearing
4 called by the Oil Conservation Division upon its own motion
5 for an order creating and extending certain pools in Rio
6 Arriba and San Juan Counties, New Mexico.

7 Any additional appearances in any one of these
8 cases?

9 There being none, Mr. Carroll, you may proceed.

10 MICHAEL E. STOGNER,

11 the witness herein, after having been first duly sworn upon
12 his oath, was examined and testified as follows:

13 DIRECT EXAMINATION

14 BY MR. CARROLL:

15 Q. Mr. Stogner, will you please state your name, the
16 place you are employed, and your position?

17 A. My name is Michael E. Stogner. I'm employed here
18 in Santa Fe with the New Mexico Oil Conservation Division
19 of the Energy, Minerals and Natural Resources Department.

20 Q. And what is your position with the Oil
21 Conservation Division?

22 A. Petroleum engineer.

23 Q. Is it true that you also are Acting Director at
24 the moment?

25 A. Yes, it is. The Director at this moment is in

1 Singapore.

2 Q. And have you testified before this Division
3 before?

4 A. Yes, I have.

5 Q. And have you had your qualifications accepted as
6 an expert petroleum engineer in the matters in which you're
7 about to testify?

8 A. Yes, I have.

9 Q. And today are you prepared to make
10 recommendations concerning the nomenclature concerning
11 certain pools in Lea County, New Mexico; Rio Arriba and San
12 Juan Counties, New Mexico; and Chaves and Eddy Counties,
13 New Mexico?

14 A. Yes, that does cover it.

15 Q. And how are your recommendations set forth?

16 A. In the form of exhibits, maps, plats, and
17 additional information, supported in Exhibit Number 1.
18 There's three Exhibit Number 1's, one for each case.

19 Q. Okay. And have you had an opportunity to review
20 Exhibit 1 In each case and compare it with the docket
21 that's been prepared for today's hearing?

22 A. Yes, I have.

23 Q. Are there any discrepancies between the two?

24 A. Yes, there is. Refer to Exhibit -- I'm sorry,
25 let's first refer to Case Number 11,251. This is the

1 nomenclature for northwest New Mexico.

2 And if you'll refer to page 12 on the docket,
3 paragraph (b) as in "boy", this is the creation of a new
4 Gallup oil pool to be designated the Greek-Gallup Oil Pool.

5 This matter is to be dismissed at this time.
6 Evidently there is a discrepancy whether it's an oil pool
7 or a gas pool, and the district geologist in Aztec is
8 looking into this.

9 Q. Are there any other discrepancies besides the
10 dismissal of paragraph (b) in Case 11,251?

11 A. No, there isn't.

12 Q. And to your knowledge, have Exhibits Numbers 1 in
13 all three cases been prepared by the Oil Conservation
14 Division in its ordinary course of business?

15 A. Yes, they have.

16 MR. CARROLL: Mr. Examiner, I have nothing
17 further of this witness, and I offer Exhibit 1 in Cases --
18 in case 11,249, Exhibit 1 in 11,250, and Exhibit 1 in
19 11,251 into the record.

20 EXAMINER CATANACH: Exhibit Number 1 in 11,249,
21 11,250 and 11,251 will be admitted as evidence in this
22 case.

23 Is there anything further?

24 MR. CARROLL: No, Mr. Examiner.

25 EXAMINER CATANACH: There being nothing further,

1 Case Number 11,249, 11,250 and 11,251 will be taken under
2 advisement.

3 MR. CARROLL: Thank you, Mr. Director.

4 THE WITNESS: Thank you. Carry on.

5 (Thereupon, these proceedings were concluded at
6 10:35 a.m.)

7 * * *

9 I do hereby certify that the foregoing is
10 a complete record of the proceedings in
the Examiner hearing of Case No. 11249, 11250, 11251
heard by me on April 6 1995.

11 David R. Cedant, Examiner
12 Oil Conservation Division

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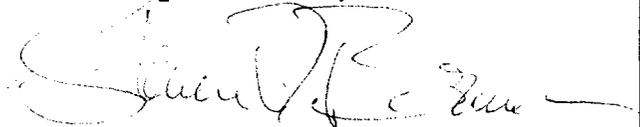
CERTIFICATE OF REPORTER

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 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 27th, 1995.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 1998