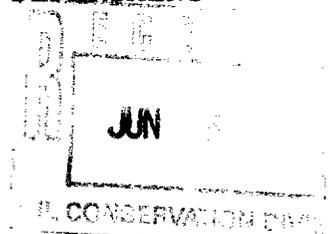


STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING)
CALLED BY THE OIL CONSERVATION)
DIVISION FOR THE PURPOSE OF)
CONSIDERING:)
HEARING CALLED BY THE OIL)
CONSERVATION DIVISION UPON ITS)
OWN MOTION)
_____)

CASE NOS. 11,299

11,300

(Consolidated)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

June 1st, 1995

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Thursday, June 1st, 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

June 1st, 1995
 Examiner Hearing
 CASE NOS. 11,299 and 11,300 (Consolidated)

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

* * *

E X H I B I T S

Case Number	Identified	Admitted
Case Number 11,299		
Exhibit 1	5	6
Case Number 11,300		
Exhibit 1	5	6
Exhibit 2	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
 2040 South Pacheco
 Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 10:44 a.m.:

3 EXAMINER CATANACH: At this time I'll call Case
4 11,299, In the matter of the hearing called by the Oil
5 Conservation Division upon its own motion for an order
6 creating, abolishing, contracting and extending the
7 horizontal limits of certain pools in Chaves and Eddy
8 Counties, New Mexico.

9 Are there appearances in this case?

10 MR. CARROLL: Yes, Mr. Examiner, my name is Rand
11 Carroll and I'm appearing on behalf of the Oil Conservation
12 Division.

13 EXAMINER CATANACH: Okay.

14 MR. CARROLL: I have one witness to be sworn.
15 And at this time I'd like to consolidate Case
16 Number 11,300 with the case currently being heard.

17 EXAMINER CATANACH: Okay, Mr. Carroll, at this
18 time I'll call Case 11,300, In the matter of the hearing
19 called by the Oil Conservation Division upon its own motion
20 for an order creating and extending certain pools in Rio
21 Arriba, San Juan and Sandoval Counties, New Mexico.

22 Are there additional appearances in either of
23 these cases?

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

25 MR. CARROLL: Do we need to swear in the witness?

1 EXAMINER CATANACH: Why, yes, we do.

2 (Thereupon, the witness was sworn.)

3 MR. CARROLL: May I proceed?

4 EXAMINER CATANACH: Now you may proceed.

5 MICHAEL E. STOGNER,

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

8 DIRECT EXAMINATION

9 BY MR. CARROLL:

10 Q. Mr. Stogner, will you please state your name,
11 your employer and your position with your employer for the
12 record?

13 A. My name is Michael E. Stogner. I'm employed with
14 the New Mexico Oil Conservation Division here in Santa Fe
15 as a petroleum engineer.

16 Q. And have you had an opportunity to testify before
17 this Division before and had your qualifications accepted?

18 A. Yes, I have.

19 MR. CARROLL: Mr. Examiner, are the witness's
20 qualifications acceptable?

21 EXAMINER CATANACH: Yes, they are.

22 Q. (By Mr. Carroll) Mr. Stogner, are you prepared
23 to make recommendations today concerning the nomenclature
24 concerning certain pools in Chaves and Eddy Counties, New
25 Mexico, and in Rio Arriba, San Juan and Sandoval Counties,

1 New Mexico?

2 A. Yes, I am.

3 Q. And how are your recommendations set forth?

4 A. In Case 11,299 I have an exhibit marked Number 1,
5 which is a set of plats showing the extensions, the
6 creations or contractions of pools, and the abolishment.

7 And in Case 11,300 I have two exhibits, 1 being
8 somewhat of a summary of the different wells involved in
9 the different pools, and Exhibit Number 2 is a listing of
10 plats showing the extensions, contractions, creations and
11 such, in that format.

12 Q. Just let me get this straight. In case 11,299
13 you have one exhibit?

14 A. Yes.

15 Q. And in Case 11,300 you have two exhibits?

16 A. Two exhibits, yes.

17 Q. And have you had an opportunity to review Exhibit
18 1 in Case 11,299 and Exhibits 1 and 2 in 11,300 and compare
19 them to the docket that's been prepared for today's
20 hearing, and did you determine if there's any discrepancy
21 between the docket and the exhibits?

22 A. I have reviewed them, and there are no
23 discrepancies.

24 I would like to point out in Case Number 11,299,
25 we have changed a little bit whenever we have a contraction

1 or an abolishment. Usually we have listed those first and
2 then put any extensions which cover those properties
3 somewhere within the listing.

4 What we're doing now is, if there's an
5 abolishment or a contraction and then a corresponding
6 extension, we're listing them in somewhat of an order so
7 they're able to be entered into the ONGARD system easier,
8 and also they can be tracked a little bit easier.

9 Take, for instance, the abolishment of the East
10 Dagger Draw-Upper Pennsylvanian and the extension of the
11 North Dagger Draw-Upper Penn, and then following that you
12 have the contraction of the East Avalon-Bone Spring Pool
13 and the extension of the Burton Flat-Bone Spring Associated
14 Pool in Eddy County.

15 Q. And was Exhibit Number 1 in Case Number 11,299
16 and Exhibits 1 and 2 in Case 11,300 prepared by the Oil
17 Conservation Division in its ordinary course of business?

18 A. Yes, they were prepared by the geologist in each
19 of the respective offices in the normal course of duties.

20 MR. CARROLL: Mr. Examiner, I have nothing
21 further of this witness, and I would offer what has been
22 marked Exhibit Number 1 in Case 11,299 and Exhibits 1 and 2
23 in Case 11,300 into the record.

24 EXAMINER CATANACH: Exhibit Number 1 in 11,299
25 and Exhibit Number 1 and 2 in Case Number 11,300 will be

1 admitted as evidence in this case.

2 Mr. Stogner, that's probably a very helpful and
3 useful thing for the people that are entering into ONGARD.
4 Do you know where that -- Did you originate that idea?

5 THE WITNESS: Why, no, I didn't. I believe that
6 was originated by one of our understaff here, Ms. Florene
7 Davidson --

8 EXAMINER CATANACH: I see.

9 THE WITNESS: -- and also in consulting with some
10 of the ONGARD people involved in the new computerization of
11 our records.

12 EXAMINER CATANACH: I see. Well, Ms. Davidson
13 should be commended for her efforts.

14 THE WITNESS: Thank you.

15 EXAMINER CATANACH: Is there anything further?

16 MR. CARROLL: No, that's it.

17 EXAMINER CATANACH: There being nothing further,
18 Case 11,299 and 11,300 will be taken under advisement.

19 And this hearing is adjourned.

20 (Thereupon, these proceedings were concluded at
21 10:49 a.m.)

22 * * *

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiners hearing of Case No. 1127-300
heard by me on June 1, 1993.

David R. Catanach, Examiner
Oil Conservation Division

25

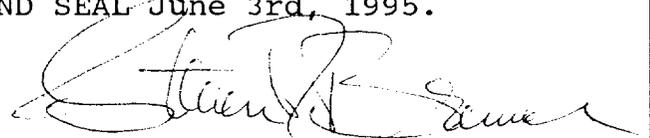
CERTIFICATE OF REPORTER

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 June 3rd, 1995.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998