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:

APPLICATION OF QUAY VALLEY, INC., TO
REOPEN CASE NO. 11,826 AND FOR AMENDMENT
OF DIVISION ORDER NOS. R-4629 AND
R-4629-A TO AUTHORIZE A TERTIARY
RECOVERY PROJECT BY THE INJECTION OF
MICROEMULSION IN ITS NORTH EL MARDELAWARE UNIT WATERFLOOD PROJECT AREA,
AND TO QUALIFY THIS PROJECT FOR THE
RECOVERED OIL TAX RATE PURSUANT TO THE
ENHANCED OIL RECOVERY ACT, LEA COUNTY,
NEW MEXICO

OFFICIAL EXHIBIT FILE (1 OF 2, Exhibit No. 1)

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

May 4th, 2000

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, May 4th, 2000, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

NORTHEL MAR UNIT

OIL CONSERVATION DIVISION

CASE NO. 11826 APPLICATION OF QUAY VALLEY, INC.

> EXHIBIT NOTEBOOK