

MR. PORTER: We will take up Case 3688.

MR. HATCH: Case 3688, Southeastern New Mexico nomenclature case calling for an order for the creation, abolishment, redefinition, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico, and for the assignment of a bonus discovery allowable to one well in Lea County, New Mexico.

(Witness sworn)

JOE RAMEY

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HATCH:

Q Will you state your name and position for the record?

A Joe Ramey, Supervisor of the Commission District 1.

Q Are you prepared to make recommendations to the Commission concerning the creation, abolishment, redefinition and extension of certain pools in Lea, Eddy and Chaves Counties, New Mexico, and for the assignment of a bonus discovery allowable for the Mobil Oil Corporation's Bridges State Well Number 121 located in Lea County, New Mexico?

A Yes, sir.

Q Are your recommendations prepared in the form of an Exhibit?

A Yes, sir, they are.

Q What Exhibit is that?

A Southeast New Mexico Nomenclature Exhibit 1, Paragraphs A through W.

Q Please refer to Exhibit Number 1 and to Paragraphs A through W of Case 3688 as shown on the docket that has been distributed and point out any corrections that need to be made on the docket.

A We request that Paragraphs G and H be dismissed.

Q G and H?

A Yes, sir. They be dismissed for further study. Paragraph K, I have an addition in Township 11, South, Range 33 East, Section 4, South half of the southwest quarter. I have an addition in Paragraph T in Township 8 South, Range 28 East, Section 36, south half of the northwest quarter. In Paragraph V, I have an extension in Township 9 South, Range 34 East, Section 21, the west half. Paragraph W, now this paragraph was postponed from last month's hearing and we advertised for this hearing because it was felt that the original advertisement was too restrictive.

Q Testimony was received at the last hearing?

A Yes, sir, it was.

Q And you have no testimony at this time concerning that?

A No, I have nothing further to offer at this time.

Q Do you recommend to the Commission that the pools be created, abolished, redefined, and extended as advertised and corrected in this hearing and that you would have two paragraphs dismissed?

A Yes, sir, that is correct.

MR. HATCH: If the Commission please, that's all the questions I have at this time.

CROSS EXAMINATION

BY MR. PORTER:

Q Why are you recommending that Paragraphs G and H be dismissed, Mr. Ramey?

A We started to create this on the basis of a gas well, but at this time we don't feel like we have enough information to make this breakdown.

Q You need more time to make determination and if it is felt that it is desirable to take this action, it will be recommended for readvertisement at a later date?

A Yes, sir, that is correct.

MR. PORTER: Any other questions?

BY MR. HATCH:

Q Was Exhibit 1 prepared by you or under your

supervision?

A Yes, sir, it was.

MR. HATCH: I would like to move the introduction of Exhibit 1.

MR. PORTER: Exhibit will be admitted.

(Whereupon, Applicant's Exhibit 1 was offered and admitted in evidence)

MR. PORTER: If there are no further questions of the witness -- off the record.

(Discussion held off the record)

MR. HATCH:

Q Mr. Ramey, would you go back over your statement about Paragraph W, please?

A Yes, sir. This was the paragraph that was postponed and readvertised this date because it was felt that the original advertisement was too restrictive.

Q And you have no further recommendations or testimony to give at this time concerning Bridges State Well Number 121?

A No, sir, I do not.

MR. PORTER: To bring the record up to date on that particular paragraph, at the conclusion of this case at the last hearing, the Commission ruled that this particular paragraph would be readvertised so that it would be broader in

its scope as far as the granting of a bonus allowable, consideration of granting of a bonus allowable was concerned. It was also noted or stated at that time that if the Commission felt that the testimony put in that record was not sufficient or if we needed additional testimony as far as factual information is concerned, that the applicant would be so notified so that he could make an appearance at this hearing. The Commission did not notify the applicant since it has been determined that we have sufficient evidence in the record to make determination as to what bonus will be granted, so at this time, Paragraph W will be taken under advisement along with the rest of the case.

MR. PORTER: We don't have a northwest nomenclature case this time, so the hearing is adjourned.

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