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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
CASE 10,602

EXAMINER HEARING

IN THE MATTER OF:

Application of Chi Operating, Inc., for compulsory pooling, Roosevelt County, New Mexico

TRANSCRIPT OF PROCEEDINGS

ORIGINAL

RECEIVED

DEC 07 1992

OIL CONSERVATION DIVISION

BEFORE: MICHAEL E. STOGNER, EXAMINER

STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
November 19th, 1992

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A P P E A R A N C E S

FOR THE DIVISION:

ROBERT G. STOVALL
Attorney at Law
Legal Counsel to the Division
State Land Office Building
Santa Fe, New Mexico 87504

FOR THE APPLICANT:

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.
Attorneys at Law
By: WILLIAM F. CARR
Suite 1 - 110 N. Guadalupe
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

* * *

1 WHEREUPON, the following proceedings were had
2 at 9:38 a.m.:

3 EXAMINER STOGNER: The hearing will come to
4 order. Call the next case, Number 10,602.

5 MR. STOVALL: Application of Chi Operating,
6 Inc., for compulsory pooling, Roosevelt County, New
7 Mexico.

8 EXAMINER STOGNER: Call for appearances.

9 MR. CARR: May it please the Examiner, my
10 name is William F. Carr with the Santa Fe law firm of
11 Campbell, Carr, Berge & Sheridan.

12 I represent Chi Operating, Inc., and have a
13 brief statement.

14 EXAMINER STOGNER: Any other appearances?

15 Mr. Carr?

16 (Off the record)

17 MR. CARR: Mr. Examiner, this is the second
18 time in slightly over a year that Chi has been before
19 the Division seeking an order pooling the west half of
20 Section 5, Township 8 South, Range 37 East, to the base
21 of the San Andres formation.

22 It originally was heard by Examiner Catanach
23 in Case 10,389. The hearing was on September 19, 1991,
24 and it resulted in Order Number R-9595, which was
25 entered October 10, 1991, pooling the west half of

1 Section 5.

2 Poor economics and other problems delayed the
3 initial spudding of this well, and two extensions of
4 the pooling order were obtained from Mr. LeMay.

5 The last extension provided that if the well
6 could not be spudded before June 1 of 1992, that when
7 Chi was ready to go forward with the well they would
8 have to come back to the Division, and that's why we're
9 here today.

10 As you know, economics have improved and Chi
11 is ready to proceed.

12 The testimony in this case would be identical
13 to the testimony which was presented in 1991.

14 After reviewing this with the counsel for the
15 Division, it was suggested that we have the landman on
16 this case, Bill Seltzer, provide an affidavit
17 confirming that as of this time the one interest which
18 is still outstanding, being the heirs of a Mary Ann
19 Gelder who we have not been able to locate, are still
20 in that posture, i.e., interest owners whose
21 whereabouts cannot be ascertained.

22 For that reason, and with your permission --
23 I would request your permission to offer Mr. Seltzer's
24 affidavit and request that this case be taken under
25 advisement, based on the record made at the prior

1 hearing and the affidavit of Mr. Seltzer.

2 MR. STOVALL: You're also requesting that
3 hearing record be taken under -- be incorporated into
4 this record?

5 MR. CARR: Be incorporated into the record of
6 this case. And this is the transcript, and this is the
7 affidavit of Mr. Seltzer.

8 EXAMINER STOGNER: Is this a copy of the
9 transcripts or --

10 MR. CARR: Yes, sir.

11 EXAMINER STOGNER: -- or something out of the
12 well file?

13 MR. CARR: No, that is a copy of the
14 transcript of the previous hearing.

15 MR. STOVALL: What you're stating and what
16 the affidavit states is that the facts are identical,
17 and were Mr. Seltzer here to testify he would testify
18 the same as he did in the prior case; is that correct?

19 MR. CARR: That the facts are identical and
20 that the Gelder interest cannot be located. It is a
21 two-percent working interest and would have to be
22 escrowed.

23 EXAMINER STOGNER: I'll take this under
24 advisement under one condition, that you provide me a
25 rough draft order, and that being probably Order

1 R-9595-A.

2 MR. CARR: Will do.

3 EXAMINER STOGNER: I'll leave that to your
4 discretion to get it to me, whatever time frame you
5 desire.

6 MR. CARR: Thank you.

7 EXAMINER STOGNER: Anything further in Case
8 Number 10,602?

9 If not, this case will be taken under
10 advisement.

11 (Thereupon, these proceedings were concluded
12 at 9:41 a.m.)

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 10602,
heard by me on 19 Nov. 1992.
Michael E. Stogner, Examiner
Oil Conservation Division

1 CERTIFICATE OF REPORTER

2

3 STATE OF NEW MEXICO)
 4 COUNTY OF SANTA FE) ss.

5

6 I, Steven T. Brenner, Certified Court
 7 Reporter and Notary Public, HEREBY CERTIFY that the
 8 foregoing transcript of proceedings before the Oil
 9 Conservation Division was reported by me; that I
 10 transcribed my notes; and that the foregoing is a true
 11 and accurate record of the proceedings.

12 I FURTHER CERTIFY that I am not a relative or
 13 employee of any of the parties or attorneys involved in
 14 this matter and that I have no personal interest in the
 15 final disposition of this matter.

16 WITNESS MY HAND AND SEAL November 22nd, 1992.

17 

18 STEVEN T. BRENNER
 19 CCR No. 7

20 My commission expires: October 14, 1994

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