| STATE OF NEW MEXICO |
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| ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT |
| OIL CONSERVATION DIVISION |
| CASE 9827 |
| |
| EXAMINER HEARING |
| |
| IN THE MATTER OF: |
| |
| Application of Exxon Corporation |
| for Special Casinghead Gas Allowable, |
| Lea County, New Mexico |
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| |
| TRANSCRIPT OF PROCEEDINGS |
| |
| BEFORE: MICHAEL E. STOGNER, EXAMINER |
| |
| STATE LAND OFFICE BUILDING |
| SANTA FE, NEW MEXICO |
| November 29, 1989 |
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| 3 | FOR | THE | DIVISIO | ON: | : | | | | | | | | | STOVALL |
| 4 | | | | | | | | | Le | ga | al | Co | un | at Law asel to the Divison |
| 5 | | | | | | | | | Sa | nt | a | Fe | : , | l Office Building New Mexico |
| 6 | FOR | THE | APPLICA | N A | C: | | | | No | F | App | e a | ra | nce |
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| 2 | | | | | | Page | Number |
| 3 | Appearances | | | | | | 2 |
| 4 | Certificate | οf | Reporter | | | | 5 |
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| 1 | HEARING EXAMINER: Call Case Number 9827. | |
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| 2 | MR. STOVALL: Application of Exxon | |
| 3 | Corporation for special casinghead gas allowable, Lea | æ |
| 4 | County, New Mexico. | |
| 5 | Applicant requests this case be continued | |
| 6 | until December 13, 1989. | |
| 7 | HEARING EXAMINER: Case Number 9827 will be | ре |
| 8 | so continued. | |
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| 1 | CERTIFICATE OF REPORTER |
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| 2 | |
| 3 | STATE OF NEW MEXICO) |
| 4 | COUNTY OF SANTA FE) |
| 5 | |
| 6 | I, Carla Diane Rodriguez Certified |
| 7 | Shorthand Reporter and Notary Public, HEREBY CERTIFY |
| 8 | that the foregoing transcript of proceedings before |
| 9 | the Oil Conservation Division was reported by me; that |
| 10 | I caused my notes to be transcribed under my personal |
| 11 | supervision; and that the foregoing is a true and |
| 12 | accurate record of the proceedings. |
| 13 | I FURTHER CERTIFY that I am not a relative |
| 14 | or employee of any of the parties or attorneys |
| 15 | involved in this matter and that I have no personal |
| 16 | interest in the final disposition of this matter. |
| 17 | WITNESS MY HAND AND SEAL December 3, 1989. |
| 18 | Carla Cinci Fodingen |
| 19 | CARLA DIANE RODRIGUE/Z 🧷 |
| 20 | CSR No. 91 |
| 21 | My commission expires: May 25, 1991 |
| 22 | the second of th |
| 23 | do heraby certify that the foregoing is a commission commission will be easily fillings in |
| 24 | the Expension to asking at Code Ac. 9817. Search by me on 19 Mounder 1987. |
| 25 | Oil Conservation Division |

| 1 | STATE OF NEW MEXICO |
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| 2 | ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT |
| 3 | OIL CONSERVATION DIVISION |
| 4 | |
| 5 | |
| 6 | Cases: 9712, 9713, 9828, 9838, 9799, |
| 7 | 9812, 9813, 9788, 9827, 9829 |
| 8 | |
| 9 | CONTINUATIONS AND DISMISSALS |
| 10 | FROM THE EXAMINER HEARING |
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| 12 | |
| 13 | TRANSCRIPT OF PROCEEDINGS |
| 14 | |
| 15 | BEFORE: DAVID R. CATANACH, EXAMINER |
| 16 | |
| 17 | STATE LAND OFFICE BUILDING |
| 18 | SANTA FE, NEW MEXICO |
| 19 | December 13, 1989 |
| 20 | |
| 21 | |
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APPEARANCES

FOR THE DIVISION:

ROBERT G. STOVALL Attorney at Law

Legal Counsel to the Divison State Land Office Building

Santa Fe, New Mexico

HEARING EXAMINER: We'll call this hearing to order this morning for Docket No. 3589. We'll run through the continuances and dismissals first this morning.

Call Case 9712.

MR. STOVALL: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Tom L. Ingram, American Employers' Insurance Company, and other interested parties to appear to show cause why the Chappell "5" Well No. 1 in San Miguel County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

We knew if we postponed this case long enough that that well would somehow get plugged, and so the Division moves to dismiss it at this time.

HEARING EXAMINER: Case 9712 is hereby dismissed.

* * * * *

HEARING EXAMINER: Call Case 9713.

MR. STOVALL: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Tom L. Ingram, American Employers' Insurance Company, and all other interested parties to show cause why the Gihon "31" Well No. 1, San Miguel

County, New Mexico, should not be plugged and 1 2 abandoned in accordance with a Division-approved plugging program. Worked for two of them. Move to dismiss this case as well. 4 HEARING OFFICER: Case 9713 is hereby 5 6 dismissed. HEARING EXAMINER: Call Case 9828. 8 MR. STOVALL: Application of Bill Fenn, 9 Inc., for an amendment of Division Order No. R-8951 as 10 amended, Eddy County, New Mexico. 11 Applicant requests this case be dismissed. 12 HEARING OFFICER: Case 9828 is hereby 13 14 dismissed. 15 HEARING EXAMINER: Call Case 9838. 16 MR. STOVALL: Application of Parker 17 Drilling Company for the institution of gas 18 19 prorationing and the adoption of Special Rules for the Pitchfork Ranch-Atoka Gas Pool, Lea County, New 20 21 Mexico. 22 Applicant requests this case be continued 23 to December 27, 1989. 24 HEARING OFFICER: Case 9838 will hereby be 25 continued to the December 27th docket.

1 HEARING EXAMINER: Call Case 9799. 2 MR. STOVALL: The application of Bannon 3 4 Energy Incorporated for an unorthodox oil well 5 location, Rio Arriba County, New Mexico. 6 Applicant requests this case be dismissed. 7 HEARING OFFICER: Case 9799 is hereby dismissed. 8 9 10 HEARING EXAMINER: Call Case 9812. MR. STOVALL: Application of Meridian Oil, 11 Inc., on behalf of El Paso Natural Gas Company, for an 12 13 unorthodox coal gas well location, Rio Arriba County, New Mexico. 14 Applicant requests this case be continued 15 to December 27, 1989. 16 HEARING OFFICER: Case 9812 is hereby 17 18 continued to the December 27th docket. 19 HEARING EXAMINER: Call Case 9813. 20 21 MR. STOVALL: Application of Meridian Oil, 22 Inc., on behalf of El Paso Natural Gas Company, for an 23 unorthodox coal gas well location, Rio Arriba County, 24 New Mexico. 25 Applicant requests this case be continued

to December 27. 1 HEARING OFFICER: Case 9813 is hereby 2 continued to the December 27th docket. 3 4 HEARING EXAMINER: Call Case 9788. 5 MR. STOVALL: Application of Yates 6 Petroleum Corporation for directional drilling and an 7 unorthodox gas well location, Eddy County, New Mexico. 8 Applicant requests this case be dismissed. 9 HEARING OFFICER: Case 9788 is hereby 10 11 dismissed. 12 13 HEARING EXAMINER: Call Case 9827. MR. STOVALL: Application of Exxon 14 Corporation for special casinghead gas allowable, Lea 15 16 County, New Mexico. The Applicant requests this case be 17 continued to a hearing in February of 1990. Hearing 18 date to be determined when the schedule is published. 19 HEARING EXAMINER: Case 9827 is hereby 20 21 continued to the first hearing in February 1990. 22 HEARING EXAMINER: At this time we'll call 23 Case 9829. 24 25 MR. STOVALL: Application of Roberts and

| 1 | Hammack, Inc., for a nonstandard oil proration unit, |
|----|---|
| 2 | Lea County, New Mexico. |
| 3 | Mr. Examiner, this case has been previously |
| 4 | heard and is being readvertised to correct notice |
| 5 | deficiencies. |
| 6 | HEARING EXAMINER: Are there any additional |
| 7 | appearances at this time? |
| 8 | MR. STOVALL: We will take this case under |
| 9 | advisement. |
| 10 | HEARING EXAMINER: There being no further |
| 11 | appearances, Case 9829 will be taken under advisement |
| 12 | at this time. |
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| Ţ | CERTIFICATE OF REPORTER |
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| 2 | |
| 3 | STATE OF NEW MEXICO) ss. |
| 4 | COUNTY OF SANTA FE) |
| 5 | |
| 6 | I, Freda Simmons, Certified Shorthand |
| 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 | caused my notes to be transcribed under my personal |
| 11 | supervision; and that the foregoing is a true and |
| 12 | accurate record of the proceedings. |
| 13 | I FURTHER CERTIFY that I am not a relative |
| 14 | or employee of any of the parties or attorneys |
| 15 | involved in this matter and that I have no personal |
| 16 | interest in the final disposition of this matter. |
| 17 | WITNESS MY HAND AND SEAL February 18, 1989. |
| 18 | Tooka Semmons |
| 19 | FREDA SIMMONS |
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| 22 | I do hereby certify that the foregoint is a complete extend of the property of the 9827. |
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| 24 | heard by me on Damber 13 1 89. |
| 25 | Oil Conservation Division |
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| 1 | STATE OF NEW MEXICO |
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| 2 | ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT |
| 3 | OIL CONSERVATION DIVISION |
| 4 | |
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| 6 | |
| 7 | EXAMINER HEARING |
| 8 | |
| 9 | IN THE MATTER OF: |
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| 11 | |
| 12 | Application of Exxon Corporation Case 9827 |
| 13 | for special casinghead gas allowable, |
| l 4 | Lea County, New Mexico. |
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| 17 | ORIGINAL |
| 18 | |
| 19 | TRANSCRIPT OF PROCEEDINGS |
| 20 | |
| 21 | BEFORE: DAVID R. CATANACH, EXAMINER |
| 22 | |
| 23 | STATE LAND OFFICE BUILDING |
| 24 | SANTA FE, NEW MEXICO |
| 25 | February 8, 1990 |
| | CUMBRE COURT REPORTING (505) 984-2244 |

| 1 | EXAMINER CATANACH: Call Case 9827. The |
|------------|--|
| 2 | application of Exxon Corporation for special |
| 3 | casinghead gas allowable, Lea County, New Mexico. |
| 4 | The applicant has requested that this case |
| 5 | be continued to February 21st, 1990, and that request |
| 6 | will be granted. |
| 7 | This hearing is adjourned. |
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| l 7 | I do here the foregoing is |
| L 8 | a complete reserving of the processings in the Examiner hearing of Case No. 907. |
| l 9 | heard by me on February & 1998. Dand R. Catanl, Examiner |
| 20 | Oil Conservation Division |
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1 CERTIFICATE OF REPORTER 2 3 STATE OF NEW MEXICO) ss. COUNTY OF SANTA FE 4 5 6 I, Diana Abeyta, Certified Shorthand 7 Reporter and Notary Public, HEREBY CERTIFY that the 8 foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I 9 10 caused my notes to be transcribed under my personal 11 supervision; and that the foregoing is a true and 12 accurate record of the proceedings. 13 I FURTHER CERTIFY that I am not a relative 14 or employee of any of the parties or attorneys 15 involved in this matter and that I have no personal 16 interest in the final disposition of this matter. 17 18 WITNESS MY HAND AND SEAL April 5, 1990. 19 20 21 22 CSR No. 267 23 My commission expires: May 7, 1993 24 25

| 1 | STATE OF NEW MEXICO |
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| 2 | ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT |
| 3 | OIL CONSERVATION DIVISION |
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| 5 | |
| 6 | Cases: 9870, 9863, 9864, 9873, 9819, |
| 7 | 9875, 9876, 9877, 9878, 9827 |
| 8 | |
| 9 | CONTINUATIONS AND DISMISSALS |
| . 0 | FROM THE EXAMINER HEARING |
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| L 3 | TRANSCRIPT OF PROCEEDINGS |
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| 15 | BEFORE: MICHAEL E. STOGNER, EXAMINER |
| L 6 | |
| L 7 | STATE LAND OFFICE BUILDING |
| L 8 | SANTA FE, NEW MEXICO |
| L 9 | February 21,1990 |
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APPEARANCES

FOR THE DIVISION: ROBERT G. STOVALL

Attorney at Law Legal Counsel t

Attorney at Law Legal Counsel to the Divison State Land Office Building

Santa Fe, New Mexico

| 1 | HEARING EXAMINER: This hearing will come |
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| 2 | to order for Docket No. 6-90. I'm Michael E. Stogner, |
| 3 | today's hearing officer, February 21, 1990. I'll |
| 4 | start out first by calling the continued and dismissed |
| 5 | cases. |
| 6 | Page 1, I'll start with Case 9870. |
| 7 | MR. STOVALL: Application of Siete Oil & |
| 8 | Gas Corporation for special pool rules, Eddy County, |
| 9 | New Mexico. |
| 10 | Applicant requests this case be continued |
| 11 | to March 7, 1990. |
| 12 | HEARING EXAMINER: Case No. 9870 will be so |
| 13 | continued. |
| 14 | * * * * |
| 15 | HEARING EXAMINER: I'll call next case, No. |
| 16 | |
| 10 | 9873. |
| 17 | 9873. MR. STOVALL: Application of Hixon |
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| 17 | MR. STOVALL: Application of Hixon |
| 17 18 | MR. STOVALL: Application of Hixon Development Company for compulsory pooling, San Juan |
| 17 18 19 | MR. STOVALL: Application of Hixon Development Company for compulsory pooling, San Juan County, New Mexico. |
| 17 18 19 20 | MR. STOVALL: Application of Hixon Development Company for compulsory pooling, San Juan County, New Mexico. Applicant requests this case be continued |
| 17 18 19 20 21 | MR. STOVALL: Application of Hixon Development Company for compulsory pooling, San Juan County, New Mexico. Applicant requests this case be continued to March 21, 1990. |
| 17 18 19 20 21 22 | MR. STOVALL: Application of Hixon Development Company for compulsory pooling, San Juan County, New Mexico. Applicant requests this case be continued to March 21, 1990. HEARING OFFICER: Case No. 9863 will be so |

| 1 | 9864. |
|----|--|
| 2 | MR. STOVALL: Application of Hixon |
| 3 | Development Company for compulsory pooling and an |
| 4 | unorthodox gas well location, San Juan County, New |
| 5 | Mexico. |
| 6 | Applicant requests this case be dismissed. |
| 7 | HEARING OFFICER: Case No. 9864 is hereby |
| 8 | dismissed. |
| 9 | * * * * |
| 10 | HEARING EXAMINER: Call next case, No. |
| 11 | 9873. |
| 12 | MR. STOVALL: Application of Tahoe Energy, |
| 13 | Inc., for an unorthodox gas well location, nonstandard |
| 14 | gas proration unit and simultaneous dedication, Lea |
| 15 | County, New Mexico. |
| 16 | Applicant requests this case be continued |
| 17 | to March 7, 1990. |
| 18 | HEARING OFFICER: Case No. 9873 will be so |
| 19 | continued. |
| 20 | * * * * |
| 21 | HEARING EXAMINER: On the second page, I'll |
| 22 | call next case, No. 9819. |
| 23 | MR. STOVALL: The application of Blackwood |
| 24 | & Nichols Company, Ltd., for compulsory pooling and an |
| 25 | unorthodox gas well location, San Juan and Rio Arriba |

| 1 | Counties, New Mexico. |
|--|---|
| 2 | Applicant requests this case be continued |
| 3 | to March 7, 1990. |
| 4 | HEARING OFFICER: Case No. 9819 will be so |
| 5 | continued. |
| 6 | * * * * |
| 7 | HEARING EXAMINER: I'll call next case, No. |
| 8 | 9875. |
| 9 | MR. STOVALL: Application of Explorers |
| 10 | Petroleum Corporation for compulsory pooling, Eddy |
| 11 | County, New Mexico. |
| 12 | Applicant requests this case be dismissed. |
| 13 | HEARING OFFICER: Case 9875 is hereby |
| 14 | dismissed. |
| 15 | * * * * |
| | |
| 16 | HEARING EXAMINER: Call next case, No. |
| 16 17 | HEARING EXAMINER: Call next case, No. 9876. |
| | |
| 17 | 9876. |
| 17 18 | 9876. MR. STOVALL: Application of Explorers |
| 17 18 19 | 9876. MR. STOVALL: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy |
| 17 18 19 20 | 9876. MR. STOVALL: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. |
| 17 18 19 20 21 | 9876. MR. STOVALL: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant requests this case be dismissed. |
| 17 18 19 20 21 22 | 9876. MR. STOVALL: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant requests this case be dismissed. HEARING OFFICER: Case No. 9876 is hereby |
| 17 18 19 20 21 22 23 | 9876. MR. STOVALL: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant requests this case be dismissed. HEARING OFFICER: Case No. 9876 is hereby dismissed. |

| 1 | 9877. |
|----|---|
| 2 | MR. STOVALL: Application of Explorers |
| 3 | Petroleum Corporation for compulsory pooling, Eddy |
| 4 | County, New Mexico. |
| 5 | Applicant requests this case be dismissed. |
| 6 | HEARING OFFICER: Case No. 9877 is hereby |
| 7 | dismissed. |
| 8 | * * * * |
| 9 | HEARING EXAMINER: Call next case, No. |
| 10 | 9878. |
| 11 | MR. STOVALL: Application of Chevron USA |
| 12 | Inc. for a nonstandard gas proration unit and |
| 13 | simultaneous dedication, Lea County, New Mexico. |
| 14 | This case needs to be continued and |
| 15 | readvertised for March 7, 1990. |
| 16 | HEARING EXAMINER: Case No. 9878 will be |
| 17 | continued and readvertised for the Examiner's Hearing |
| 18 | scheduled for March 7, 1990. |
| 19 | * * * * |
| 20 | HEARING EXAMINER: On the third page, I'll |
| 21 | call Case No. 9827. |
| 22 | MR. STOVALL: Application of Exxon |
| 23 | Corporation for special casinghead gas allowable, Lea |
| 24 | County, New Mexico. |
| 25 | Applicant requests this case be dismissed. |

| 1 | CERTIFICATE OF REPORTER |
|----|---|
| 2 | |
| 3 | STATE OF NEW MEXICO)) ss. |
| 4 | COUNTY OF SANTA FE) |
| 5 | |
| 6 | I, Deborah O'Bine, Certified Shorthand |
| 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 | caused my notes to be transcribed under my personal |
| 11 | supervision; and that the foregoing is a true and |
| 12 | accurate record of the proceedings. |
| 13 | I FURTHER CERTIFY that I am not a relative |
| 14 | or employee of any of the parties or attorneys |
| 15 | involved in this matter and that I have no personal |
| 16 | interest in the final disposition of this matter. |
| 17 | WITNESS MY HAND AND SEAL February 21, 1989. |
| 18 | Deborah Clause |
| 19 | DEBORAH O'BINE CSR No. 127 |
| 20 | CSR NO. 127 |
| 21 | My commission expires: August 10, 1990 |
| 22 | |
| 23 | I do becale certify that the foregoing is a complete record of the proceedings in |
| 24 | the indulines hearing of Case No. 9827, heard by me on 21 Feeling 19 90. |
| 25 | Marine Examiner |
| | Oil Conservation Division |
| | |