

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

IN THE MATTER OF:  
THE HEARING CALLED BY THE  
OIL CONSERVATION COMMISSION  
TO CONSIDER:

APPLICATION OF CHEVRON, U.S.A., INC.,  
FOR A NONSTANDARD GAS PRORATION UNIT,  
UNORTHODOX GAS WELL LOCATIONS, AND  
SIMULTANEOUS DEDICATION, LEA COUNTY,  
NEW MEXICO.

CASE NO. 9949

APPLICATION OF DOYLE HARTMAN FOR  
COMPULSORY POOLING, A NONSTANDARD GAS  
PRORATION UNIT AND SIMULTANEOUS  
DEDICATION, LEA COUNTY, NEW MEXICO.

CASE NO. 9994

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: WILLIAM J. LeMAY, Chairman  
WILLIAM WEISS, Commissioner  
GARY CARLSON, Commissioner

February 28, 1991  
9:05 a.m.  
Santa Fe, New Mexico

This matter came on for hearing before the Oil  
Conservation Commission on February 28, 1991, at 9:05 a.m.  
at Mabry Hall, Education Building, Santa Fe, New Mexico,  
before Susan G. Ptacek, a Certified Court Reporter No. 124,  
State of New Mexico.

FOR: OIL CONSERVATION      BY: SUSAN G. PTACEK  
DIVISION                      Certified Court Reporter  
CCR No. 124

## I N D E X

February 28, 1991  
Commissioner Hearing  
Case No. 9949

APPEARANCES

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REPORTER'S CERTIFICATE

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## A P P E A R A N C E S

FOR THE DIVISION: ROBERT G. STOVALL, ESQ.  
General Counsel  
Oil Conservation Division  
State Land Office Building  
Santa Fe, New Mexico 87504

FOR DOYLE HARTMAN: GALLEGOS LAW FIRM, P.C.  
Attorneys at Law  
BY: JOANNE REUTER, ESQ.  
141 East Palace Avenue  
Santa Fe, New Mexico 87501

FOR CHEVRON, U.S.A., CAMPBELL & BLACK, P.A.  
INC.: Attorneys at Law  
BY: WILLIAM F. CARR, ESQ.  
110 N. Guadalupe  
Santa Fe, New Mexico 87501

\* \* \*

1 COMMISSIONER LEMAY: We will begin. This the Oil  
2 Conservation Commission. Hopefully we don't have any  
3 stragglers over at the corporation commission hearing where  
4 we usually hold our hearings, but if there are, I'm sure  
5 they will join us.

6 I would like to welcome our commissioners, Bill  
7 Weiss, Commissioner Bill Weiss, whom you have known before;  
8 and also appearing Gary Carlson, who is the land  
9 commissioner's representative. We are happy to have  
10 Commissioner Gray Carlson with us today.

11 I think we shall begin by addressing two cases  
12 which I understand may be dismissed. So let's call those  
13 and see the status of those. Case No. 9949, second on the  
14 docket.

15 MR. STOVALL: Application of Chevron, U.S.A., Inc.,  
16 for a nonstandard gas proration unit, unorthodox gas  
17 well locations and simultaneous dedication, Lea County, New  
18 Mexico.

19 COMMISSIONER LEMAY: Are there appearances in that  
20 case to indicate the status of it?

21 MS. REUTER: May it please the Commission, my name is  
22 Joanne Reuter of the Gallegos Law Firm of Santa Fe, New  
23 Mexico. I represent Doyle Hartman. This is an application  
24 of Chevron, and Mr. Hartman appealed the examiner's order  
25 to the commission. Since that time Chevron and Mr. Hartman

1 have settled their differences, and Mr. Hartman is  
2 dismissing his request for a de novo hearing and  
3 withdrawing his opposition to the application.

4 COMMISSIONER LEMAY: Thank you, Miss Reuter. Does  
5 that fit with Chevron's understanding also?

6 MR. CARR: May it please the Commission, my name is  
7 William F. Carr, with the Campbell law firm. That is  
8 consistent with our understanding. I might at this time  
9 advise you that the next case involves an application of  
10 Mr. Hartman, and it is involved with this and is part of  
11 this same matter.

12 If you would like to the call at this time, I'm  
13 prepared to make a statement also dismissing our  
14 application for de novo hearing.

15 COMMISSIONER LEMAY: Thank you, Mr. Carr. We will  
16 call Case No. 9994 at this time.

17 MR. STOVALL: Application of Doyle Hartman for  
18 compulsory pooling, a nonstandard gas proration unit and  
19 simultaneous dedication, Lea County, New Mexico.

20 MR. CARR: May it please the Commission, Mr. Hartman  
21 and Chevron entered an agreement whereby Mr. Hartman  
22 acquired the interest of Chevron on the properties that  
23 were affected. Part of the stipulation addressed the  
24 examiner order that was entered in this case. The parties  
25 have agreed that the pooling provisions in the order should

1 be deemed rescinded and the order itself provided that.  
2 The stipulation also requests that the stipulation between  
3 the parties be made part of the record in this case. It  
4 provides, among other things, that the examiner order will  
5 not be cited as precedent in subsequent matters. It has  
6 been filed. I understand it is part of the record; and if  
7 that is correct, we are prepared to request dismissal of  
8 our de novo application.

9 COMMISSIONER LEMAY: Thank you, Mr. Carr. Without  
10 objection Cases No. 9949 and Case No. 9994 will be  
11 dismissed. At this time I might call just some  
12 announcements here --

13 MS. REUTER: Mr. Chairman --

14 COMMISSIONER LEMAY: Pardon me?

15 MS. REUTER: I don't mean to interrupt you,  
16 Mr. Chairman. Just for the record, I'm representing  
17 Mr. Hartman in case 9994 again. I would just like the  
18 record to be clear that the nonstandard proration unit for  
19 an unorthodox location portion of the order, which the  
20 examiner approved, remains in full force and effect.

21 MR. CARR: May it please the Commission, all we were  
22 requesting is that our de novo application be dismissed,  
23 and Miss Reuter is correct, those provisions of that order  
24 should remain in full force and effect.

25 MS. REUTER: That's correct. I have also been advised

1 that the simultaneous dedication of the two wells located  
2 on that unit, that portion of the order should also remain  
3 in effect.

4 COMMISSIONER LEMAY: It was my understanding that the  
5 order will remain in effect as it applies to those areas,  
6 but the de novo application is being dismissed.

7 MS. REUTER: That's correct.

8 COMMISSIONER LEMAY: Without objection those two cases  
9 will be dismissed.

10 (Whereupon, the hearing was concluded at the  
11 approximate hour of 9:10 a.m.)

12 \* \* \*

1 STATE OF NEW MEXICO )  
2 ) ss.  
3 COUNTY OF SANTA FE )

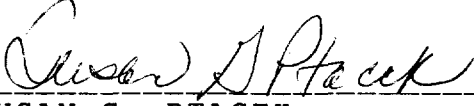
4 REPORTER'S CERTIFICATE

5 I, Susan G. Ptacek, a Certified Court Reporter and  
6 Notary Public, do HEREBY CERTIFY that I stenographically  
7 reported the proceedings before the Oil Conservation  
8 Division, and that the foregoing is a true, complete and  
9 accurate transcript of the proceedings of said hearing as  
10 appears from my stenographic notes so taken and transcribed  
11 under my personal supervision.

12 I FURTHER CERTIFY that I am not related to nor  
13 employed by any of the parties hereto, and have no interest  
14 in the outcome thereof.

15 DATED at Santa Fe, New Mexico, this 15th day of April,  
16 1991.

17  
18 My Commission Expires:  
19 December 10, 1993

  
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SUSAN G. PTACEK  
Certified Court Reporter  
Notary Public