

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCE DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF: )  
 )  
APPLICATION OF NEARBURG PRODUCING ) CASE NO. 10152  
COMPANY FOR COMPULSORY POOLING AND A )  
NON-STANDARD GAS PRORATION UNIT, LEA )  
COUNTY, NEW MEXICO )  
----- )

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Examiner

November 14, 1990  
9:48 a.m.  
Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on November 14, 1990, at 9:48 a.m. at the Oil Conservation Conference Room, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico, before Susan G. Ptacek, a Certified Shorthand Reporter No. 124 and Notary Public in and for the County of Santa Fe, State of New Mexico.

FOR: OIL CONSERVATION      BY: SUSAN G. PTACEK  
DIVISION                      Certified Shorthand Reporter  
CSR No. 1224

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I N D E X

November 14, 1990  
Examiner Hearing  
Case No. 10152

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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 THE APPLICANT:       CAMPBELL & BLACK, P.A.  
                             Attorneys at Law  
                             BY: WILLIAM F. CARR, ESQ.  
                             110 N. Guadalupe  
                             Santa Fe, New Mexico 87501

FOR HANLEY PETROLEUM     KELLAHIN, KELLAHIN & AUBREY  
INC.:                       Attorneys at Law  
                             BY: W. THOMAS KELLAHIN, ESQ.  
                             117 N. Guadalupe  
                             Santa Fe, New Mexico 87501

\* \* \*

1 EXAMINER CATANACH: We will call Case No. 10152.

2 MR. STOVALL: Application of Nearburg Producing  
3 Company for compulsory pooling and a non-standard gas  
4 proration unit, Lea county, New Mexico.

5 EXAMINER CATANACH: Are there appearances in this  
6 case?

7 MR. CARR: May it please the examiner, my name is  
8 William F. Carr with the law firm of Campbell & Black,  
9 P.A., of Santa Fe. We represent Nearburg Producing  
10 Company.

11 The purpose of this case was to obtain a  
12 compulsory pooling order pooling the interest of Hanley  
13 Petroleum, Inc. I can advise the examiner that this  
14 morning we have been able to reach a verbal agreement with  
15 representatives of Hanley for a farm out of this acreage.  
16 We, therefore, propose to continue the case to the examiner  
17 hearing scheduled for November 28. We believe that between  
18 now and then we will have a signed farm-out agreement and  
19 at that time we will be in a position to dismiss the  
20 application.

21 EXAMINER CATANACH: At this point we will continue  
22 Case 10152 until --

23 MR. STOVALL: I think Mr. Kellahin wants to say  
24 something.

25 EXAMINER CATANACH: Go ahead.

1 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of the  
2 Santa Fe law firm of Kellahin, Kellahin & Aubrey appearing  
3 on behalf of Hanley Petroleum, Inc. I concur in Mr. Carr's  
4 comments. My client has agreed verbally to a farm-out  
5 arrangement with Nearburg as the applicant in this case.

6 EXAMINER CATANACH: We will continue Case 10152 until  
7 the examiner hearing on November 28th.

8 (Whereupon, the hearing was concluded.)

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

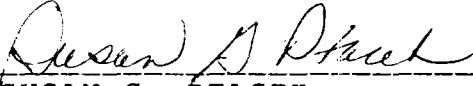
3 REPORTER'S CERTIFICATE

4  
 5 I, Susan G. Ptacek, a Certified Shorthand 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.

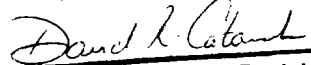
12 I FURTHER CERTIFY that I am not related to nor  
 13 employed by any of the parties hereto, and have no interest  
 14 in the outcome thereof.

15 DATED at Santa Fe, New Mexico, this 10th day of  
 16 December, 1990.

17  
 18 My Commission Expires:  
 19 December 10, 1993

  
 SUSAN G. PTACEK  
 Certified Shorthand Reporter  
 Notary Public

20  
 21 I do hereby certify that the foregoing is  
 22 a complete record of the proceedings in  
 the Examiner hearing of Case No. 1052,  
 23 heard by me on January 14 1990.

24 , Examiner  
 25 Oil Conservation Division