STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO

23 July 1986

EXAMINER HEARING

5

1

2

3

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

The disposition of Cases 8912, 8936, 8820, 8939, 8940, 8946, 8948, 8950, 8951, 8952,

(8932), and 8933, which were called and for which no testimony was offered.

Transcript in Case 89/2

BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

APPEARANCES

For the Division:

IN THE MATTER OF:

Jeff Taylor Attorney at Law

Legal Counsel to the Division

State Land Office Bldg. Santa Fe, New Mexico 87501

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 8932 /V Order No. R-335%

APPLICATION OF GEO-ENGINEERING, INC. FOR EXCEPTIONS TO DIVISION GENERAL RULES 104(F) AND 104(C)(I), McKINLEY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 20 and October 22, 1986, at Santa Fe. New Mexico, before Examiner David R. Catanach.

NOW on this ______ day of November, 1986, the Division Director, having considered testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) Division Case Nos. 8932, 8933, and 8974 were consolidated at the time of the hearing for the purpose of testimony.
- (3) The applicant seeks exceptions to Division General Rules 104(F) and 104(C)(I), to allow the drilling of oil wells closer than 330 feet to one another but no closer than 165 feet to the outer boundary of the lease nor nearer than 10 feet to any quarter-quarter section line or subdivision inner boundary for wells completed in the Menefee member of the Mesaverde formation, and further to allow the drilling of more than four wells on each 4C-acre tract within the NW/4 of Section 32, Township 20 North, Range 9 West, NMFM, McKinley County, New Mexico.
- (4) The subject case was originally heard on August 20, 1986, and was subsequently reopened and heard again on October 22, 1986, at the request of The Navajo Nation, a surface interest



Case No. 5-3-8932 Order No. R-3-3--2-

owner and lessee of lands surrounding Section 32, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

- (5) At the time of the hearing on October 22, a representative of The Navajo Nation testified that an agreement between themselves and the applicant had been reached, and subsequently withdrew their objection to the application.
- (6) Also at the hearing on October 22, an appearance was made by Claude C. Kennedy, an independent operator who stated that he was the mineral interest owner in the NW/4 of said Section 32, the subject area of this case.
- (7) Subsequent to the hearing the applicant verified to the Division that they did not own the mineral interests in said Section $32\mbox{\colored}$ and requested that the case be dismissed.
- (8) The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

- (1) Case Mo. 8932 is hereby dismissed.
- (2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R.L. Stamets Director

SEAL