STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION COMMISSION

CASE NO. 13,100

AWAITING FINAL COMMISSION ACTION

NO EVIDENCE OR TESTIMONY TAKEN

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: LORI WROTENBERY, CHAIRMAN JAMI BAILEY, COMMISSIONER ROBERT LEE, COMMISSIONER

FEB 19 2004

February 12th, 200**Qil Conservation** Division 1220 S. St. Francis Drive Santa Fe, New MexicoSanta Fe, NM 87505

These matters came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Thursday, February 12th, 2004, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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STEVEN T. BRENNER, CCR (505) 989-9317 INDEX

February 12th, 2004 Commission Hearing CASE NO. 13,100 (Awaiting final Commission Action -No evidence or testimony taken)

ADOPTION OF JANUARY 15th, 2004, MINUTES

CASE NO. 13,100 (Awaiting final Commission Action -No evidence or testimony taken)

REPORTER'S CERTIFICATE

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A P P E A R A N C E S

FOR THE COMMISSION:

DAVID K. BROOKS, JR. Assistant General Counsel Energy, Minerals and Natural Resources Department 1220 South St. Francis Drive Santa Fe, New Mexico 87505

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WHEREUPON, the following proceedings were had at 1 9:03 a.m.: 2 CHAIRMAN WROTENBERY: Okay, it's shortly after 3 9:00 a.m. We'll call this hearing of the Oil Conservation 4 5 Commission to order. It's Thursday, February 12th. We're 6 in Porter Hall in Santa Fe, New Mexico, for this regularly 7 scheduled meeting of the Commission. 8 I'm Lori Wrotenbery, Director of the Oil Conservation Division, I serve as chair of the Oil 9 10 Conservation Commission. 11 To my right is Commissioner Jami Bailey, she 12 represents Land Commissioner Patrick Lyons on the Oil Conservation Commission. 13 14 To my left is Dr. Robert Lee. He serves on the 15 Commission as a designee of the Secretary of the Energy, 16 Minerals and Natural Resources Department. 17 We also have to my far right David Brooks, the 18 Commission's counsel --19 (Off the record) 20 CHAIRMAN WROTENBERY: We'll take a short break 21 here. 22 (Thereupon, a recess was taken at 9:05 a.m.) 23 (The following proceedings had at 9:10 a.m.) 24 CHAIRMAN WROTENBERY: Okay, we'll go back on the 25 record. I believe I was in the middle of introductions,

> STEVEN T. BRENNER, CCR (505) 989-9317

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1	and Commissioner Bailey had to take an emergency call. But
2	I'd also like to introduce Florene Davidson who serves as
3	the Commission secretary, and then Steve Brenner will be
4	recording these proceedings.
5	We have two very quick matters to start with.
6	One is the minutes of the last Commission meeting on
7	January 15th. Commissioner, have you had a chance to
8	review those minutes?
9	COMMISSIONER BAILEY: Yes, I have, and I move we
10	adopt them.
11	COMMISSIONER LEE: Second.
12	CHAIRMAN WROTENBERY: All in favor say aye.
13	COMMISSIONER BAILEY: Aye.
14	COMMISSIONER LEE: Aye.
15	CHAIRMAN WROTENBERY: Aye. And I'll sign those
16	on behalf of the Commission. Thank you, Ms. Davidson.
17	* * *
18	
19	CHAIRMAN WROTENBERY: And then we have one item,
20	Case 13,100, the Application of Fruitland Coalbed Methane
21	Study Committee to amend Rules 4 and 7 of Special Rules and
22	Regulations for the Basin-Fruitland Coal (Gas) Pool in
23	certain sections of San Juan County, New Mexico.
24	Mr. Brooks, I believe you were going to check
25	with the parties on that matter and report back on the

STEVEN T. BRENNER, CCR (505) 989-9317 4

status? 1 MR. BROOKS: Madame Chairman, Commissioners, Mr. 2 Kendrick, who is the attorney for the Dugan interests in 3 4 that litigation, has represented to me -- and Mr. Bruce, 5 who represents them on coal is here in the room and can 6 confirm it -- that the parties are still in negotiation, 7 that they have not yet finalized their settlement 8 agreement, but they still believe that they will, and 9 they've requested that the matter be held in abeyance for 10 another month. 11 MR. BRUCE: That's correct, madame Chair. 12 CHAIRMAN WROTENBERY: Okay. Any questions, Commissioners? 13 14 COMMISSIONER BAILEY: No. Then we will continue that 15 CHAIRMAN WROTENBERY: case to the next Commission docket. 16 17 (Thereupon, these proceedings were concluded at 9:12 a.m.) 18 19 20 21 22 23 24 25

STEVEN T. BRENNER, CCR (505) 989-9317

CERTIFICATE OF REPORTER

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

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

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

WITNESS MY HAND AND SEAL February 12th, 2004.

STEVEN T. BRENNER CCR No. 7

My commission expires: October 16th, 2006