

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY)
 THE OIL CONSERVATION DIVISION FOR THE)
 PURPOSE OF CONSIDERING:) CASE NO. 12,734
)
 APPLICATION OF RICHARDSON OPERATING)
 COMPANY TO ESTABLISH A SPECIAL "INFILL)
 WELL" AREA WITHIN THE BASIN-FRUITLAND)
 COAL GAS POOL AS AN EXCEPTION FROM RULE)
 4 OF THE SPECIAL RULES FOR THIS POOL,)
 SAN JUAN COUNTY, NEW MEXICO)

ORIGINAL

OIL CONSERVATION DIV.
OCT 18 2 PM 5:06

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

October 18th, 2001

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, October 18th, 2001, 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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I N D E X

October 18th, 2001
Examiner Hearing
CASE NO. 12,734

PAGE

REPORTER'S CERTIFICATE

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A P P E A R A N C E S

FOR THE DIVISION:

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Energy, Minerals and Natural Resources Department
Assistant General Counsel
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Santa Fe, New Mexico 87505

FOR THE APPLICANT:

KELLAHIN & KELLAHIN
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P.O. Box 2265
Santa Fe, New Mexico 87504-2265
By: W. THOMAS KELLAHIN

FOR SAN JUAN COAL COMPANY:

JAMES G. BRUCE, Attorney at Law
3304 Camino Lisa
Santa Fe, New Mexico 87501
P.O. Box 1056
Santa Fe, New Mexico 87504

* * *

1 WHEREUPON, the following proceedings were had at
2 1:30 p.m.:

3 EXAMINER STOGNER: Call next case, Number 12,734,
4 which is the Application of Richardson Operating Company to
5 establish a special "infill well" area within the Basin-
6 Fruitland Coal Gas Pool as an exception from Rule 4 of the
7 special rules for this pool, San Juan County, New Mexico.

8 Call for appearances.

9 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
10 the Santa Fe law firm of Kellahin and Kellahin, appearing
11 on behalf of the Applicant.

12 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe
13 on behalf of San Juan Coal Company.

14 EXAMINER STOGNER: I understand we need to take
15 care of some procedural matters at this time?

16 MR. KELLAHIN: Yes, Mr. Examiner. Both the
17 Applicant and San Juan Coal Company have requested that you
18 set aside a specific day to hear this as a special hearing.

19 On behalf of Richardson Operating Company, we are
20 available the first Tuesday of the week ending the month of
21 October, which I think is the 27th. And in addition we
22 could -- the last Tuesday of October, I think, is what, the
23 27th?

24 EXAMINER STOGNER: Last Tuesday of October is the
25 30th.

1 MR. KELLAHIN: Thirtieth.

2 EXAMINER STOGNER: This is for October, right?

3 MR. KELLAHIN: Yes, sir. We're available,
4 certainly, at your convenience anytime from now forward.
5 We would perhaps need a week for preparation.

6 In the meantime, Mr. Bruce and I have asked for a
7 prehearing conference that would include you if you're the
8 Examiner, and he and I to discuss potential issues with you
9 at the hearing and decide on what issues would be
10 addressed. So we would like to have a prehearing
11 conference. Again, I'm available anytime you choose to
12 call us before you, and we're available for a hearing at
13 any time it's convenient for you. We would like to
14 expedite this matter, and the soonest date possible would
15 be our preference.

16 EXAMINER STOGNER: Mr. Bruce?

17 MR. BRUCE: Mr. Examiner, prehearing conference,
18 I understand that you're unavailable Tuesday afternoon of
19 next week, but anytime in the first three days of that week
20 may work, for a couple hours or maybe an hour or two
21 prehearing conference. And then as to a special hearing
22 date, that is at your decision.

23 EXAMINER STOGNER: I'll be available Monday
24 afternoon, or all day Monday, and the morning of Tuesday
25 the 23rd. How about Monday afternoon the 22nd?

1 MR. KELLAHIN: Yes, sir.

2 MR. BRUCE: Yes.

3 EXAMINER STOGNER: That would work for you guys,
4 about 1:30?

5 MR. BRUCE: That would be fine.

6 EXAMINER STOGNER: Okay. Now, as far as a
7 special hearing date, are we going to need to reserve this
8 room for one or two days, or three?

9 MR. KELLAHIN: I would suggest two, Mr. Examiner,
10 and at the prehearing conference we could be more specific,
11 but as of today I would think it's a two-day hearing.

12 EXAMINER STOGNER: Okay.

13 MR. KELLAHIN: Jim?

14 MR. BRUCE: I would agree, Mr. Examiner. And I
15 haven't checked exactly on the availability of hearing
16 dates, but certainly we can address a final hearing date on
17 Monday afternoon.

18 EXAMINER STOGNER: Why don't we reserve that
19 until Monday afternoon? Be aware, as far as the October
20 29th through Friday the 2nd, this room will be occupied
21 mid-day on Monday and mid-day on Hallowe'en for a very
22 important meeting.

23 And then of course Thursday the 1st is an
24 Examiner Hearing. I wish I can say 7th and 8th was really
25 what we could do, but there's a meeting in Albuquerque I

1 must attend. If you all really want that date I might be
2 able to swing it, if you all really want the 7th and 8th.

3 MR. KELLAHIN: Mr. Examiner, that would be my
4 preference.

5 MR. BRUCE: We will keep that in mind.

6 MR. KELLAHIN: In fact, we insist upon it.

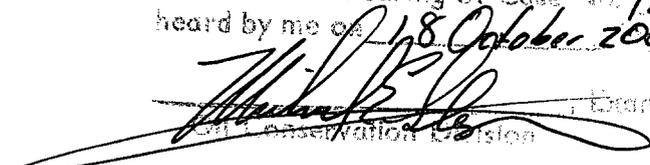
7 EXAMINER STOGNER: Let's address this on Monday
8 afternoon about the dates.

9 Thank you very much, gentlemen.

10 (Thereupon, these proceedings were concluded at
11 1:35 p.m.)

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20 I do hereby certify that the foregoing is
21 a complete record of the proceedings at
22 the Examiner hearing of Case No. 12734
23 heard by me on 18 October 2001.

24 
25 Examiner
Conservation Division

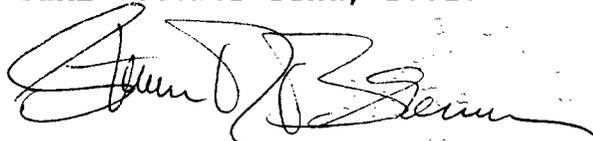
CERTIFICATE OF REPORTER

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 Division 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 October 22nd, 2001.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 2002