

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

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

REOPENED APPLICATION OF WILLIAMS Case No. 14521
PRODUCTION CO., LLC, FOR APPROVAL OF
A CLOSED-LOOP SYSTEM FOR THE ROSA SALTWATER
DISPOSAL WELL NO. 2 AND FOR IN-PLACE BURIAL
OF DRILLING WASTES AT ANOTHER WELL LOCATION,
RIO ARriba COUNTY, NEW MEXICO

DE NOVO APPLICATION OF CIMAREX ENERGY Case No. 14418
COMPANY FOR A NONSTANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

REOPENED APPLICATION OF CIMAREX ENERGY Case No. 14480
COMPANY FOR A NONSTANDARD OIL SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

APPLICATION OF AGUA SUCIA, LLC, TO Case No. 14411
REINSTATE DIVISION ADMINISTRATIVE ORDER
SWD-559 FOR A SALTWATER DISPOSAL WELL,
LEA COUNTY, NEW MEXICO

Case No. 10693; Case No. 11724; Case No. 11954; Case No.
11987; and Case No. 13048: Dismissed

Case No. 12276 and Case No. 12277, continued to
December 9, 2010

REPORTER'S TRANSCRIPT OF PROCEEDINGS
COMMISSIONER HEARING

BEFORE: MARK E. FESMIRE, Chairman
JAMI BAILEY, Commissioner
WILLIAM C. OLSON, Commissioner

November 4, 2010
Santa Fe, New Mexico

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This matter came on for hearing before the New Mexico Oil Conservation Commission, MARK E. FESMIRE, Chairman, on Thursday, November 4, 2010, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico.

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A P P E A R A N C E S

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1 ALSO PRESENT:

2 Florene Davidson

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1 CHAIRMAN FESMIRE: At this time let's go
2 on the record. The record should reflect that this is
3 the Thursday, November 4th, 2010, regularly-scheduled
4 meeting of the New Mexico Oil Conservation Commission.
5 It's 9:00 a.m. We're meeting in Porter Hall.

6 The first order of business before the
7 Commission today is the adoption of the minutes of the
8 October 7th, 2010, meeting. Have the Commissioners had a
9 chance to review the minutes as presented by the
10 secretary?

11 COMMISSIONER BAILEY: Yes, I have, and I
12 move that we adopt them.

13 COMMISSIONER OLSON: Second.

14 CHAIRMAN FESMIRE: All those in favor,
15 signify by saying aye.

16 Let the record reflect that the minutes were
17 unanimously adopted, signed by the Chairman, and conveyed
18 to the secretary.

19 The second order of business before the
20 Commission is reopening Case Number 14521. That was the
21 Application of Williams Production Co., LLC, for approval
22 of a closed-loop system for the Rosa Saltwater Disposal
23 Well Number 2, and for in-place burial of drilling wastes
24 at another well location, Rio Arriba County. At this
25 time, the case is being reopened for the purpose of

1 adopting a substitute order.

2 Counsel Smith, would you convey to the
3 Commission the conditions and the requirements for the
4 order or why we're doing it? Surprised?

5 MR. SMITH: Yeah. It's been a while. Oh,
6 yes. I remember. I don't have a red line in front of
7 me, but we had some incorrect dates in here on
8 applications, and it was more an administerial revision
9 than anything else. We just corrected the dates to the
10 applications. Everything else remained exactly the same.

11 CHAIRMAN FESMIRE: Given that, the order
12 was circulated to the Commissioners. Have the
13 Commissioners had a chance to review the amended order?

14 COMMISSIONER BAILEY: Yes, I have. I move
15 that we adopt it.

16 COMMISSIONER OLSON: I'll second that.

17 CHAIRMAN FESMIRE: All those in favor,
18 signify by saying aye.

19 Let the record reflect that the amended order
20 was unanimously adopted by the Commission, signed by the
21 Commissioners and conveyed to the secretary.

22 The next item on the docket is Case Number
23 14418, the De Novo Application of Cimarex Energy Company
24 for a nonstandard oil spacing and proration unit and
25 compulsory pooling in Eddy County.

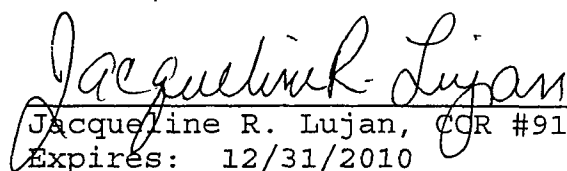
REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO
HEREBY CERTIFY that on November 4, 2010, proceedings in
the above captioned case were taken before me and that I
did report in stenographic shorthand the proceedings set
forth herein, and the foregoing pages are a true and
correct transcription to the best of my ability.

I FURTHER CERTIFY that I am neither employed by
nor related to nor contracted with any of the parties or
attorneys in this case and that I have no interest
whatsoever in the final disposition of this case in any
court.

WITNESS MY HAND this 17th day of November,
2010.


Jacqueline R. Lujan, CCR #91
Expires: 12/31/2010