

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

ORIGINAL

COMMISSION MEETING

Thursday, August 25, 2011

9:00 AM

1220 South Street Francis Drive

Santa Fe, New Mexico 87505

BEFORE: JAMI BAILEY, Division Director  
ROBERT BALCH, Member, Appearing Telephonically  
SCOTT DAWSON, Member  
CHERYL BADA, Counsel  
FLORINE DAVIDSON, Secretary

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REPORTED BY: Lisa Reinicke  
PAUL BACA PROFESSIONAL COURT REPORTERS  
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1                   CHAIRWOMAN BAILEY: This is the meeting of  
2 the Oil Conservation Commission on August 25th in Porter  
3 Hall in Santa Fe, New Mexico. I'm Jami Bailey, Chairman  
4 of the Commission. To my right is Scott Dawson,  
5 designee of the Commissioner of Public Lands. To his  
6 right is Florine, Commission Clerk. To my left is  
7 Cheryl Bada, Commission Counsel. And Commissioner  
8 Dr. Robert Balch is attending by telephone, which is  
9 allowed under the Commission rules. So we do have a  
10 quorum and we will be conducting business.

11                   Have commissioners had a chance to read the  
12 minutes of the previous hearing?

13                   MR. DAWSON: I have.

14                   MR. BALCH: I have.

15                   CHAIRWOMAN BAILEY: Do I hear a motion to  
16 adopt the minutes as they were written?

17                   MR. DAWSON: I'll second.

18                   MR. BALCH: I'll make that motion, sure.

19                   CHAIRWOMAN BAILEY: All right. All those in  
20 favor signify by saying aye.

21                   MR. DAWSON: Aye.

22                   CHAIRWOMAN BAILEY: Aye. Bobby, are you  
23 going to say aye?

24                   MR. BALCH: Yes, aye.

25                   CHAIRWOMAN BAILEY: All those opposed? I

1 will sign the minutes on behalf of the Commission and  
2 transmit them to the clerk.

3 I will now call the cases for this hearing. Case  
4 number 14497, which is the application of David H.  
5 Arrington Oil and Gas Inc. for compulsory pooling in Lea  
6 County, New Mexico. And that case has been continued to  
7 the September 22nd Commission meeting.

8 The next case, 14538, which is the application of  
9 Marshall and Winston, Inc. to cancel an operator's  
10 authority and terminate a space unit and approve a  
11 change of operator in Lea County, New Mexico. And that  
12 case has also been continued until the September 22nd  
13 Commission meeting.

14 We have before us an order for case number ~~14547~~,  
15 which is the application of the New Mexico Oil  
16 Conservation Division through the compliance and  
17 enforcement manager for an order authorizing the  
18 division to recognize an operator of record for wells  
19 currently operated by Yeso Energy, Inc. in Lea, Eddy,  
20 and Chaves Counties, New Mexico.

21 Commissioners, you have seen drafts of this  
22 order. Counsel, would you tell us if there have been  
23 any changes to these drafts?

24 MS. BADA: There have been no changes since  
25 the draft was sent out on August 15th, so the order you

1 have before you today is the same order that was sent  
2 out last Monday.

3 CHAIRWOMAN BAILEY: Do I hear a motion to  
4 sign this order for case number 14547?

5 MR. DAWSON: I'll motion to sign the order.

6 CHAIRWOMAN BAILEY: Do I hear a second?

7 MR. BALCH: I'll second that.

8 CHAIRWOMAN BAILEY: All those in favor?

9 MR. DAWSON: Aye.

10 MR. BALCH: Aye.

11 CHAIRWOMAN BAILEY: Aye. All those opposed?

12 Nobody. Then the two commissioners who are present  
13 today will sign and then the order will be mailed to  
14 Commissioner Balch for his signature. In the meantime,  
15 copies of the order with the two signatures will be  
16 released to the parties so that they are aware of what  
17 the order requires.

18 Commissioner Dawson, would you like to sign?

19 MR. DAWSON: Sure.

20 CHAIRWOMAN BAILEY: And I'm signing as  
21 Chair.

22 And, Commissioner Balch, this will be in the mail  
23 to you today.

24 MR. BALCH: Great.

25 CHAIRWOMAN BAILEY: Is there any other

1 business before the Commission?

2 MR. DAWSON: I have no other business.

3 CHAIRWOMAN BAILEY: Do you have any other  
4 business, Commissioner Balch?

5 MR. BALCH: No other business.

6 CHAIRWOMAN BAILEY: Do I hear a motion to  
7 adjourn?

8 MR. DAWSON: I'll motion to adjourn.

9 CHAIRWOMAN BAILEY: Is there a second?

10 MR. BALCH: I will second the motion to  
11 adjourn.

12 CHAIRWOMAN BAILEY: All those in favor?

13 MR. DAWSON: Aye.

14 MR. BALCH: Aye.

15 CHAIRWOMAN BAILEY: Aye. This hearing is  
16 closed.

17 Off the record at 9:06 AM. Cheryl, Bada.

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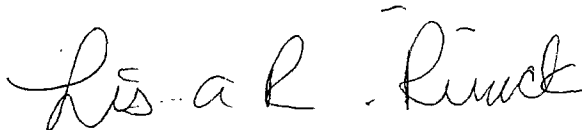
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## REPORTER'S CERTIFICATE

I, Lisa Reinicke, New Mexico Provisional Reporter, License #P-405, working under the direction and direct supervision of Paul Baca, New Mexico CCR License #112, Official Court Reporter for the US District Court, District of New Mexico, do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings and was reduced to printed form under my direct supervision.

I FURTHER CERTIFY that I am neither employed by nor related to 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.



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