

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

PRE-HEARING TRANSCRIPT

BEFORE: RICHARD EZEANYIM, Chief Examiner-Engineer
DAVID K. BROOKS, Legal Examiner

April 12, 2012

Santa Fe, New Mexico

This matter came on for hearing before the
New Mexico Oil Conservation Division, RICHARD EZEANYIM,
Chief Examiner-Engineer, and DAVID K. BROOKS, Legal
Examiner, on Thursday, April 12, 2012, at the New Mexico
Energy, Minerals and Natural Resources Department,
Porter Hall, 1220 South St. Francis Drive, Santa Fe, New
Mexico.

REPORTED BY: Mary C. Hankins, CCR, RPR
New Mexico CCR #20
Paul Baca Professional Court Reporters
500 4th Street, Northwest, Suite 105
Albuquerque, New Mexico 87102

1 (8:15 a.m.)

2 EXAMINER EZEANYIM: Good morning,
3 everybody. We will come to order. And before I
4 proceed, I need to make a couple of announcements,
5 minor.

6 As we all know, the Horizontal Well Rule is
7 now in effect, and there are certain provisions in that
8 rule that you-all should know about. One of them that
9 we encounter every time we have a hearing is, when you
10 request for a non-standard spacing unit and you're going
11 to drill a well, you know we define that as completed
12 interval. Now I would like you to give us your well
13 construction diagram showing that, when you present your
14 cases from now on. Maybe today -- I haven't made that
15 announcement before, but today you might say, Yeah, I'm
16 going to give you the completed interval; however, I'm
17 going to give you the construction diagram to show us
18 that within the -- depending on how you constructed your
19 well; you have casings or no casings or something. We
20 are saying, Give us a completed diagram of the well
21 construction diagram. That's one important thing I
22 wanted to -- I know that is news to everybody. So
23 whenever you are coming, make sure you give it. Today I
24 may not require it, because you're not aware of that.

25 Awhile ago we made an announcement that a

1 new policy is now in effect just to help us to de-clog
2 our dockets. What happens is that people continue to
3 continue their cases indefinitely, and every time -- and
4 so we're not going to have that anymore. So we started
5 that, and last time I had told you that. Second
6 continuances will be granted for only third time. After
7 that, the case will be dismissed without prejudice. You
8 don't have to request for dismissal. If you want to
9 continue, it's not going to be allowed. It has to be
10 dismissed without prejudice.

11 On the cases today, I want to do that to
12 see if we can have a docket -- so we want you to plan
13 ahead and see what you want to do. Of course, if you
14 want to continue -- if you want to continue it, it can
15 be a long, but anytime time you want, that's one
16 continuance. But once you get to three times, we are
17 going to have to dismiss without prejudice.

18 With that being said, I would like to give
19 an opportunity for any comments. Any comments? Is
20 there anything I didn't make clear?

21 No comments. Okay.

22 Now, with that, we'll go to the docket.
23 Today we have Docket Number 11-12. And I guess
24 everybody knows, whoever -- everybody that's here, the
25 first thing we do is discuss continuances and other

1 business.

2 We'll go to page 1. Case Number 14809 is
3 continued to April 26th. Case Number 14810 is continued
4 to April 26th.

5 On page 2, Case Number 14811 is continued
6 until May the 10th. Case Number 14787 is continued
7 until May 10th. And as I said, now, this is the final
8 continuance. The next time, this case has to be heard.
9 That is May the 10th. When I say May the 10th, it has
10 to be heard May 10th; otherwise, it will be dismissed
11 without prejudice.

12 Case Number ~~14798~~ is continued to April
13 26th, and this is the final continuance. This is the
14 final continuance. On April 26th, it will be dismissed
15 without prejudice.

16 On page 3, Case Number 14813 is dismissed.
17 That dismissal was by request of the operator.

18 Case Number 14770 is continued until May
19 the 10th. And, again, this is the final continuance.
20 I'm just reading so that the operator will know that
21 this is the final continuance. On May the 10th, it has
22 to be heard, or it will be dismissed without prejudice.

23 Case Number 14771 is continued until May
24 the 10th. Again, this is the final continuance. I
25 notate them to pass it on to you that this is the final

1 continuance. On May 10th, if it's not heard, it will be
2 dismissed.

3 Page 4, the final page, Case Number 14703
4 is continued to May the 10th. Case Number 14704 is
5 continued to May the 10th. Case Number 14705 is
6 continued to May the 10th. Case Number 14698 is
7 continued to May the 10th.

8 Now, if you look at the last case, 14745,
9 that case could have been heard today, and that is this
10 case -- case here, and the operator wishes to continue
11 it to a different date. So that case will be dismissed
12 without prejudice.

13 Let the record reflect, Case Number 14745
14 will be dismissed without prejudice.

15 (The proceedings concluded, 8:21 a.m.)
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21 I do hereby certify that the foregoing is
22 a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____

23 _____, Examiner
24 Oil Conservation Division
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1 STATE OF NEW MEXICO

2 COUNTY OF BERNALILLO

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CERTIFICATE OF COURT REPORTER

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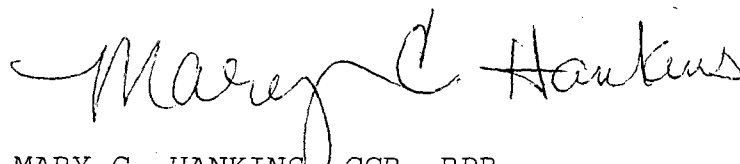
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I, MARY C. HANKINS, New Mexico Certified
Court Reporter No. 20, and Registered Professional
Reporter, do hereby certify that I reported the
foregoing proceedings in stenographic shorthand and that
the foregoing pages are a true and correct transcript of
those proceedings that were reduced to printed form by
me to the best of my ability.

I FURTHER CERTIFY that the Reporter's
Record of the proceedings truly and accurately reflects
the exhibits, if any, offered by the respective parties.

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 in
the final disposition of this case.

WITNESS MY HAND this 24th day of April
2012.



MARY C. HANKINS, CCR, RPR
Paul Baca Professional Court Reporters
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2012