STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CONTINUED AND DISMISSED CASES

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: DAVID R. CATANACH, Hearing Examiner

January 5th, 2006

ORIGINAL

Santa Fe, New Mexico

These matters came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, January 5th, 2006, 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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REPORTER'S CERTIFICATE

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WHEREUPON, the following proceedings were had at 1 8:18 a.m.: 2 EXAMINER CATANACH: I'll call this docket to 3 order this morning. This is Docket Number 01-06, Thursday, 4 5 January 5th, 2006. At this time I'll call the continuances and the 6 7 dismissals. On page 1, Case 13,597 is dismissed; Case 13,603 8 is continued to the 19th of January; Case 13,598 is 9 continued to January 19th. 10 On page 2, Case 13,612 continued to January 19th; 11 Case 13,613 continued to January 19th; and Case 13,614 12 13 continued to January 19th. On page 3, Case 13,615 continued to January 19th; 14 15 Case 13,617 continued to January 19th; and Case 13,618 also 16 continued to January 19th. On page 4, Case 13,619, 13,620, 13,621, 13,622, 17 13,623 and 13,624 are all continued to January 19th. 18 19 And on page 5, Case 13,625 continued to January 19th; Case 13,610 is dismissed; and Case 13,578 is also 20 dismissed. 21 22 MR. BRUCE: Mr. Examiner? 23 EXAMINER CATANACH: I'm sorry, Mr. Bruce? 24 MR. BRUCE: Could I ask one thing? One of the 25 cases that was continued -- Excuse me, just for the record,

Jim Bruce, and I represent the Ard interest in Case 13,598, which is continued.

And if the record could reflect, I'm here with the principals of -- Mr. and Mrs. Ard, the principals of the Ard interests, and with my witness Ron Grappe, although the case is not being heard.

Yesterday when we discussed this matter, there was a question about turnover of some data that the Ard interests had previously requested, and I know there's no subpoena on that data, but we had requested it, and I had separately mentioned that to Mr. Carr, and I'd like the record to reflect that if that information is going to be turned over, it would certainly help, the sooner the better, before the next hearing.

MR. CARR: May it please the Examiner, William F. Carr, I represent the Hudson interest. As we were directed yesterday, we're prepared to meet with Mr. Bruce and review what they need. We won't give proprietary or confidential information, but it looked to me like, from a letter that was attached to his response to a motion to quash the subpoena, then, most of that data can be provided, and I'll meet with Mr. Bruce, and we'll quickly get that to the Ard interests.

MR. BRUCE: There was one -- the geophysical data, and we recognize that the Division does not request

the turnover of geophysical data. 1 MR. CARR: And that's our principal concern. 2 We'll certainly get with Mr. Bruce and get that information 3 quickly to the Ard interests so they have ample time to 4 look at it before the hearing. 5 EXAMINER CATANACH: Do you -- I know there's some 6 7 pending motions in that case, gentlemen. Do we need to --Do those need to be resolved? 8 MR. CARR: They'll need to be resolved, but 9 they're independent of the question concerning the data. 10 MR. BRUCE: They are, and because of the legal 11 issues I think there's been discussion about having 12 Division's counsel review those, and if there is going --13 and to let us know if they request a brief hearing on the 14 matter. So whenever Division Counsel could let Mr. Carr 15 and I know. Probably the sooner, the better. 16 MR. CARR: But in the meantime, we're not waiting 17 on that to proceed with this exchange of information. 18 EXAMINER CATANACH: Okay, thank you. 19 (Thereupon, these proceedings were concluded at 20 8:24 a.m.) 21 22 23 to the second of the second to the second to 要常用的可以使用。 1000 心管能量 医动物性肠管动脉 勉強 24 10000y 5, 2006 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 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 January 5th, 2006.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006