

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

CONTINUED AND DISMISSED CASES

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: DAVID R. CATANACH, Hearing Examiner

January 5th, 2006

Santa Fe, New Mexico

2006 JUN 19 PM 4 26

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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I N D E X

January 5th, 2006
Continued and Dismissed Cases

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REPORTER'S CERTIFICATE

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1 WHEREUPON, the following proceedings were had at
2 8:18 a.m.:

3 EXAMINER CATANACH: I'll call this docket to
4 order this morning. This is Docket Number 01-06, Thursday,
5 January 5th, 2006.

6 At this time I'll call the continuances and the
7 dismissals.

8 On page 1, Case 13,597 is dismissed; Case 13,603
9 is continued to the 19th of January; Case 13,598 is
10 continued to January 19th.

11 On page 2, Case 13,612 continued to January 19th;
12 Case 13,613 continued to January 19th; and Case 13,614
13 continued to January 19th.

14 On page 3, Case 13,615 continued to January 19th;
15 Case 13,617 continued to January 19th; and Case 13,618 also
16 continued to January 19th.

17 On page 4, Case 13,619, 13,620, 13,621, 13,622,
18 13,623 and 13,624 are all continued to January 19th.

19 And on page 5, Case 13,625 continued to January
20 19th; Case 13,610 is dismissed; and Case 13,578 is also
21 dismissed.

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,

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

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

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

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

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

1 the turnover of geophysical data.

2 MR. CARR: And that's our principal concern.
3 We'll certainly get with Mr. Bruce and get that information
4 quickly to the Ard interests so they have ample time to
5 look at it before the hearing.

6 EXAMINER CATANACH: Do you -- I know there's some
7 pending motions in that case, gentlemen. Do we need to --
8 Do those need to be resolved?

9 MR. CARR: They'll need to be resolved, but
10 they're independent of the question concerning the data.

11 MR. BRUCE: They are, and because of the legal
12 issues I think there's been discussion about having
13 Division's counsel review those, and if there is going --
14 and to let us know if they request a brief hearing on the
15 matter. So whenever Division Counsel could let Mr. Carr
16 and I know. Probably the sooner, the better.

17 MR. CARR: But in the meantime, we're not waiting
18 on that to proceed with this exchange of information.

19 EXAMINER CATANACH: Okay, thank you.

20 (Thereupon, these proceedings were concluded at
21 8:24 a.m.)

22 * * * I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the Examiner hearing of Case No. January 8, 2006
25 David P. Catnach, Examiner
Oil Conservation Division

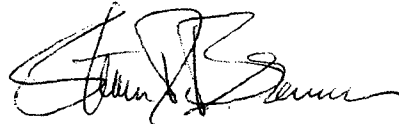
CERTIFICATE OF REPORTER

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 January 5th, 2006.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006