

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

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

CASE NO. 13,705

APPLICATION OF RANGE OPERATING NEW )  
MEXICO, INC., FOR APPROVAL OF ITS EAST )  
LOVING-DELAWARE LEASEHOLD WATERFLOOD )  
PROJECT INCLUDING SIX INJECTION WELLS TO )  
BE LOCATED AT UNORTHODOX WELL LOCATIONS )  
AND QUALIFICATION OF THE PROJECT AREA )  
FOR THE RECOVERED OIL TAX RATE PURSUANT )  
TO THE ENHANCED OIL RECOVERY ACT, )  
LEA COUNTY, NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, JR., Hearing Examiner

June 8th, 2006

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, June 8th, 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

June 8th, 2006  
Examiner Hearing  
CASE NO. 13,705

## PAGE

REPORTER'S CERTIFICATE

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## E X H I B I T S

Applicant's	Identified	Admitted
Exhibit A	4	4
Exhibit B	4	4

\* \* \*

## A P P E A R A N C E S

## FOR THE DIVISION:

GAIL MacQUESTEN  
Deputy General Counsel  
Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

## FOR THE APPLICANT:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR  
110 N. Guadalupe, Suite 1  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208  
By: WILLIAM F. CARR

\* \* \*

STEVEN T. BRENNER, CCR  
(505) 989-9317

1 WHEREUPON, the following proceedings were had at  
2 9:18 a.m.:

3 EXAMINER JONES: Okay, let's call Case 13,705,  
4 continued from May the 11th, Application of Range Operating  
5 New Mexico, Incorporated, for approval of its East Loving-  
6 Delaware leasehold waterflood project including six  
7 injection wells to be located at unorthodox well locations  
8 and qualification of the project area for the recovered oil  
9 tax rate pursuant to the Enhanced Oil Recovery Act, Lea  
10 County, New Mexico.

11 Call for appearances.

12 MR. CARR: May it please the Examiner, my name is  
13 William F. Carr with the Santa Fe office of Holland and  
14 Hart, L.L.P. I'd like to enter my appearance in this case  
15 on behalf of Range Operating New Mexico, Inc.

16 As you have stated, the case was heard on May the  
17 11th and it was continued to today's date to correct errors  
18 in the legal ad. There was potential opposition in that  
19 case, but immediately before the hearing an agreement was  
20 reached as to certain language that the parties request be  
21 included in the order.

22 Mr. Kellahin represented Range at that time.  
23 Since the hearing, he has provided to the Division evidence  
24 that the notice of the Application has been correctly  
25 provided.

1 In discussions with Mr. Catanach who heard the  
2 case, today we have agreed that on behalf of Range I would  
3 present two exhibits, things that Mr. Catanach had  
4 requested.

5 Exhibit A is the text of the proposed stipulation  
6 between the parties, and Exhibit B is a plugging schematic  
7 for the Brantley Com Well Number 1. This schematic was  
8 inadvertently left out of the C-108 that was filed with the  
9 Application.

10 And so with your permission, I would move the  
11 admission of Range Exhibits A and B and request that the  
12 case be taken under advisement.

13 EXAMINER JONES: Okay, we'll admit Range Exhibits  
14 A and B into evidence, and -- Do you have any questions?

15 MS. MacQUESTEN: (Shakes head)

16 (Off the record)

17 EXAMINER JONES: Okay, we have no questions, so  
18 we'll take Case 13,705 under advisement. Thank you.

19 MR. CARR: Thank you, Mr. Examiner.

20 (Thereupon, these proceedings were concluded at  
21 9:21 a.m.)

22 \* \* \*  
23 I do hereby certify that the foregoing is  
24 a complete record of the proceedings in  
25 the Examiner hearing of Case No. \_\_\_\_\_  
heard by me on \_\_\_\_\_

\_\_\_\_\_, Examiner  
Oil Conservation Division

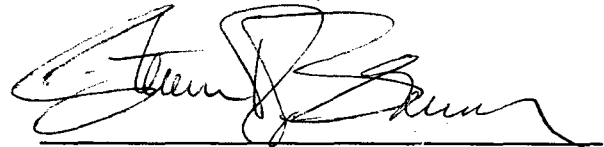
## CERTIFICATE OF REPORTER

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 June 11th, 2006.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 16th, 2006