

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

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

ORIGINAL

PROPOSED AMENDMENT OF 19.15.39 NMAC TO ADD TWO NEW SECTIONS SETTING OUT SPECIAL PROVISIONS FOR SANTA FE COUNTY AND THE GALISTEO BASIN; PROPOSED AMENDMENT 19.15.39.9 NMAC, AND PROPOSED AMENDMENT 19.15.39.10 NMAC.

CASE NO. 14255

- CASE NO. 14163; CONTINUED TO FEBRUARY 2009
- CASE NO. 14106; CONTINUED TO FEBRUARY 2009
- CASE NO. 13957; CONTINUED TO FEBRUARY 2009
- CASE NO. 14149; CONTINUED TO FEBRUARY 2009
- CASE NO. 14150; CONTINUED TO FEBRUARY 2009
- CASE NO. 14124; CONTINUED TO FEBRUARY 2009
- CASE NO. 14145; CONTINUED TO FEBRUARY 2009

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSIONER HEARING

BEFORE: MARK E. FESMIRE, CHAIRMAN
JAMI BAILEY, COMMISSIONER
WILLIAM C. OLSON, COMMISSIONER

January 15, 2009

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Commission, MARK E. FESMIRE, Chairman, on Thursday, January 15, 2009, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: JOYCE D. CALVERT, P-03
Paul Baca Court Reporters
500 Fourth Street, NW, Suite 105
Albuquerque, New Mexico 87102

1 Anything further in this case?

2 Okay. With that, we will call the next case on the
3 docket, which is Case No. 14163, the Application of Merrion Oil
4 and Gas Corp. for Compulsory Pooling in San Juan County, New
5 Mexico. This case will be continued to February 24, 2009.

6 The next case on the docket is Case No. 14106, the
7 Application of the New Mexico Oil Conservation Division for a
8 Compliance Order Against Xeric Oil and Gas Corporation. This
9 case will be continued to the February 24, 2009, Commission
10 docket.

11 The next case on the docket is Case No. 13957, the
12 de novo, Amended Application of Energen Resource Corp. to Amend
13 the Cost Recovery Provisions of Compulsory Pooling Order
14 No. R-1960 to Determine Reasonable Costs and for Authorization
15 to Recover Costs From Production of Pool Mineral Interests in
16 Rio Arriba County. This case will be continued to the
17 February 24, 2009, Commission docket.

18 The next case on the docket is Case No. 14149, the
19 de novo Application of El Paso E&P Company, LP, to Abolish the
20 Van Bremmer Canyon-Vermejo Gas Pool, Expand the Castle Rock
21 Park-Vermejo Gas Pool and to Establish Special Rules and
22 Regulations for the Castle Rock-Vermejo Gas Pool, Colfax
23 County, New Mexico. This case will be continued to the
24 February 24, 2009, docket.

25 The next case on the docket is Case No. 14150, the

1 Application of El Paso E&P Company, LP, to Expand the
2 Stubblefield Canyon Raton-Vermejo Gas Pool and to Establish
3 Special Rules and Regulations for the Pool, Colfax County, New
4 Mexico. This case will be continued to the February 24, 2009,
5 docket.

6 The next case on the docket is Case No. 14124, the
7 Application of Cimarex Energy Company of Colorado for Special
8 Pool Rules, Lea County, New Mexico. This case will be
9 continued to the February 24, 2009, docket.

10 The last case on the docket today is Case No. 14145,
11 the de novo Application of Fasken Oil and Ranch, Ltd., for a
12 Compliance Order Requiring Cimarex Energy Company of Colorado
13 to Comply with the Division's Oil Proration Rules for the
14 Apache Ridge-Bone Spring Pool, Lea County, New Mexico. This
15 case will be continued to the February 24, 2009, docket.

16 As you can see, the February 24, 2009, docket is kind
17 of full.

18 Is there any other business before the Commission
19 this evening?

20 MS. FOSTER: On the 24th, we start at 9:00 a.m.?

21 CHAIRMAN FESMIRE: Yes, ma'am. Is there anything
22 else?

23 The Chair would entertain a motion to adjourn.

24 COMMISSIONER BAILEY: I so move.

25 COMMISSIONER OLSON: Second.

1 CHAIRMAN FESMIRE: All those in favor signify by
2 saying "aye."

3 COMMISSIONER BAILEY: Aye.

4 COMMISSIONER OLSON: Aye.

5 CHAIRMAN FESMIRE: Aye.

6 With that, we're adjourned. Thank you.

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REPORTER'S CERTIFICATE

I, JOYCE D. CALVERT, Provisional Court Reporter for the State 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 in the final disposition of this proceeding.

DATED this 15th day of January, 2009.



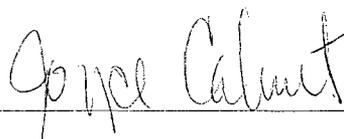
JOYCE D. CALVERT
New Mexico P-03
License Expires: 7/31/09

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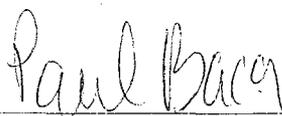
STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I, JOYCE D. CALVERT, a New Mexico Provisional Reporter, working under the direction and direct supervision of Paul Baca, New Mexico CCR License Number 112, hereby certify that I reported the attached proceedings; that pages numbered 1-262 inclusive, are a true and correct transcript of my stenographic notes. On the date I reported these proceedings, I was the holder of Provisional License Number P-03.

Dated at Albuquerque, New Mexico, 15th day of January, 2009.



Joyce D. Calvert
Provisional License #P-03
License Expires: 7/31/09



Paul Baca, RPR
Certified Court Reporter #112
License Expires: 12/31/09



January 6, 2009

VIA HAND-DELIVERY

Mr. Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

2009 JAN 6 PM 11 37
RECEIVED

Re: Case No. 14106: Application of the New Mexico Oil Conservation Division for a Compliance Order Against Xeric Oil & Gas Corporation.

Dear Mr. Fesmire:

Xeric Oil & Gas Corporation, Inc. requests that the hearing on the above-referenced application, currently scheduled for January 15, 2009, be continued to the Oil Conservation Commission hearing scheduled for February 24, 2009. Mikal Altomare, attorney for the Oil Conservation Division, does not object to this request.

Your attention to this matter is appreciated.

Very truly yours,

Ocean Munds-Dry
Ocean Munds-Dry
Attorney for Xeric Oil & Gas Corporation

cc: Mikal Altomare, Esq.