

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:)
APPLICATION OF MERIDIAN OIL, INC.)
_____)

CASE NO. 11,135

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

November 10th, 1994

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Thursday, November 10th, 1994, at Morgan Hall, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico, before Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

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

I N D E X

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Examiner Hearing
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A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
Attorney at Law
Legal Counsel to the Division
State Land Office Building
Santa Fe, New Mexico 87504

FOR THE APPLICANT:

KELLAHIN & KELLAHIN
117 N. Guadalupe
P.O. Box 2265
Santa Fe, New Mexico 87504-2265
By: W. THOMAS KELLAHIN

ALSO PRESENT:

ORVILLE SLAUGHTER, offset interest owner

* * *

1 WHEREUPON, the following proceedings were had at
2 8:25 a.m.:

3 EXAMINER CATANACH: At this time we'll call Case
4 11,135.

5 MR. CARROLL: Application of Meridian Oil, Inc.,
6 for downhole commingling, San Juan County, New Mexico.

7 EXAMINER CATANACH: Appearances in this case?

8 MR. KELLAHIN: If the Examiner please, I'm Tom
9 Kellahin of the Santa Fe law firm of Kellahin and Kellahin,
10 appearing on behalf of the Applicant.

11 EXAMINER CATANACH: Are there any additional
12 appearances in this case?

13 MR. KELLAHIN: Mr. Examiner, for the record let
14 me remind you that Mr. Orville Slaughter has entered a
15 facsimile displaying his interest in this matter. Mr.
16 Slaughter is present in the hearing room, and he's this
17 gentleman off to my left.

18 I have visited with him this morning, and I am
19 persuaded he has no objection in this particular case, and
20 you're certainly invited to ask him if he has any
21 objection, but I am not aware of any opposition.

22 EXAMINER CATANACH: Mr. Slaughter you don't
23 intend to object to this Application?

24 MR. SLAUGHTER: No, I do not. I just have been
25 in that Fruitland sand for about 40 years, and I've become

1 possessive about it, and I -- but I'm not opposing any
2 objections at this time.

3 MR. KELLAHIN: We've provided Mr. Slaughter with
4 copies of the exhibits, and he has that information.

5 EXAMINER CATANACH: Is there any need to go into
6 a formal presentation in this case, Mr. Kellahin?

7 MR. KELLAHIN: I'm aware of none, Mr. Examiner.

8 EXAMINER CATANACH: Okay.

9 MR. KELLAHIN: The reason this case is before you
10 is that except for the ownership difference within the
11 spacing units, all other matters are in conformance with
12 Division Rule 303. The difference in ownership is between
13 the Pictured Cliff 160 spacing unit and the coal gas 320
14 unit.

15 Again, you'll find in this exhibit book that's
16 been pre-filed with you a list of the names, addresses,
17 kinds of interests of the parties within those two spacing
18 units, and then a list of the photocopies of the green
19 cards.

20 You will also find in that list that the offset
21 operators have been notified. So what you're looking at
22 behind Exhibit Tab Number 2 is a combination of both
23 interest owners and offset operators. You can distinguish
24 the two by looking at the ownership plats right behind the
25 Application in Exhibit 1. It will give you an ownership

1 plat, it will be coded by number, and you can use the
2 number, then, and follow the index at the bottom and see
3 who the offsets are.

4 But for the ownership difference within the
5 units, this would be eligible for approval as an
6 administrative application.

7 At this time, Mr. Examiner, we move the
8 introduction of Exhibits 1 through 8, plus the opportunity
9 to submit a post-hearing certificate of notice for your
10 consideration.

11 EXAMINER CATANACH: Okay, Exhibits 1 through 8
12 will be admitted in this case.

13 And there being nothing further, Case 11,135 will
14 be taken under advisement.

15 (Thereupon, these proceedings were concluded at
16 8:29 a.m.)

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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 November 10th, 1994.

Steven T. Brenner
 STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete and true transcript of the proceedings in the case of *State of New Mexico vs. [illegible]* heard by the court on *November 10, 1994*.
David R. Colantoni, Examiner
 Oil Conservation Division