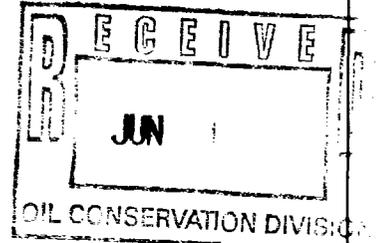


STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING)
CALLED BY THE OIL CONSERVATION)
DIVISION FOR THE PURPOSE OF)
CONSIDERING:)
)
APPLICATION OF YATES PETROLEUM)
CORPORATION)
)

CASE NO. 11,283

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

May 18th, 1995

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on Thursday, May 18th, 1995, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, 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

May 18th, 1995
Examiner Hearing
CASE NO. 11,283

PAGE

REPORTER'S CERTIFICATE

6

* * *

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
2040 South Pacheco
Santa Fe, New Mexico 87505

FOR THE APPLICANT:

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

FOR TIDE WEST OIL COMPANY:

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

* * *

1 WHEREUPON, the following proceedings were had at
2 9:48 a.m.:

3

4 EXAMINER STOGNER: At this time I'll call Case
5 11,283, which is the Application of Yates Petroleum
6 Corporation for an amendment to Division Order No. R-9976-A
7 authorizing a location change of a certain unorthodox
8 infill well in Chaves County, New Mexico.

9 I'll call for any appearances or anything at this
10 time.

11 MR. CARR: May it please the Examiner, my name is
12 William F. Carr with the Santa Fe law firm Campbell, Carr
13 and Berge.

14 I represent Yates Petroleum Corporation in this
15 matter.

16 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
17 the Santa Fe law firm of Kellahin and Kellahin, appearing
18 on behalf of Tide West Oil Company.

19 EXAMINER STOGNER: Are there any statements at
20 this time?

21 MR. CARR: May it please the Examiner, this case
22 is the result of a well that Yates Petroleum Corporation
23 has drilled at an unorthodox location, and objection to
24 that location has been filed by Mr. Kellahin's client.

25 As you're aware, they have obtained a subpoena

1 seeking certain information from Yates Petroleum
2 Corporation.

3 We are reviewing the subpoena, we will be
4 producing certain information to Mr. Kellahin and are
5 hopeful that we can resolve that matter between counsel.

6 If we cannot, we may need to approach a Division
7 Examiner concerning that matter. But at this time the two
8 of us, Mr. Kellahin and I, are negotiating that.

9 Mr. Kellahin also filed a motion requesting that
10 the well be shut in. I can advise you that the well
11 currently is shut in because of gas prices. It has
12 produced monthly and only for lease-maintenance purposes,
13 and at this time should remain that way.

14 So for those reasons, we jointly are requesting
15 that the case be continued now to June the 1st.

16 We will continue to attempt to resolve the
17 exchange of information, and if we're unsuccessful in that
18 regard we may need to come back.

19 But at this time, I think we are in concurrence
20 that the case should be continued to the 1st.

21 MR. KELLAHIN: Mr. Examiner, Mr. Carr has
22 correctly stated my understanding of our positions.

23 EXAMINER STOGNER: And you also seek that the
24 case be continued to June 1st?

25 MR. KELLAHIN: Yes, sir.

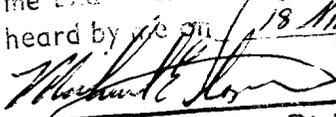
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EXAMINER STOGNER: Okay.

The matter in Case 11,283 will, then, be continued to the hearing scheduled for June 1st.

(Thereupon, these proceedings were concluded at 9:50 a.m.)

* * *

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiners' hearing of Case No. 11283, heard by me on 18 May 1995.

_____, 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 May 23rd, 1995.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 1998