

NEW MEXICO OIL CONSERVATION COMMISSION

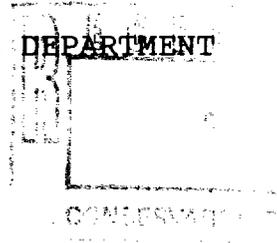
EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date AUGUST 8, 1996 Time: 8:15 A.M.

NAME	REPRESENTING	LOCATION
Bill Sirata	InterCoast oil & Gas	Midland
Rick Deffenbough	InterCoast Oil & Gas	Tulsa, Ok
Pam Staley	Amoco	DENVER CO
Jim Lovato	BLM - Durango, CO	Durango, CO
J. Jellalini	Jellalini & Jellalini	Santa Fe
William L. ...	Campbell, Jim, ...	Santa Fe
Bryan ...	CCD	ARTESIA

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 DUGAN PRODUCTION)
CORPORATION FOR SURFACE COMMINGLING,)
SAN JUAN COUNTY, NEW MEXICO)

CASE NO. 11,583

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

August 8th, 1996

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, August 8th, 1996, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

I N D E X

August 8th, 1996
Examiner Hearing
CASE NO. 11,583

PAGE

REPORTER'S CERTIFICATE

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* * *

1 WHEREUPON, the following proceedings were had at
2 9:20 a.m.:

3 EXAMINER STOGNER: At this time I'll call Case
4 Number 11,583, which is the Application of Dugan Production
5 Company for surface commingling, San Juan County, New
6 Mexico.

7 With this Application, Dugan is requesting the
8 surface commingling of Basin-Dakota, which is spaced on
9 320, and Harper Hill-Fruitland Sand-Pictured Cliffs Pool
10 production, which is spaced on 160 acres, and by virtue of
11 the two acreage sizes, mineral interests are not equal, and
12 therefore an administrative approval for the commingling of
13 this production cannot be administered.

14 The Application has been reviewed and submitted
15 to this format, and in the absence of objection, this case
16 will be taken under advisement.

17 At this time I will call for any appearances.

18 Let the record show there is none, and that this
19 matter will be taken under advisement.

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

22 * * *

23

24

25

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.

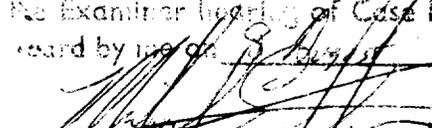
I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL August 9th, 1996.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 11583.
heard by me on 8 August 1996.

Examiner
Oil Conservation Division