

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

CASE NO. 12,086 (Continued)

CASE NO. 11,839 (Dismissed)

CONTINUED AND DISMISSED CASES
TRANSCRIPT OF PROCEEDINGS

BEFORE: LORI WROTENBERY, CHAIRMAN
WILLIAM J. LEMAY, COMMISSIONER
JAMI BAILEY, COMMISSIONER

February 11th, 1999

Santa Fe, New Mexico

99 FEB 26 PM 12:55

OIL CONSERVATION DIV.

These matters came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Thursday, February 11th, 1999, 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.

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I N D E X

February 11th, 1999
Commission Hearing
CASE NO. 12,086 (Continued)
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PAGE

REPORTER'S CERTIFICATE

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A P P E A R A N C E S

FOR THE COMMISSION:

LYN S. HEBERT
Deputy General Counsel
Energy, Minerals and Natural Resources Department
2040 South Pacheco
Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 9:10 a.m.

3 CHAIRMAN WROTENBERY: Okay, it's February 11th,
4 1999. We're here in the Oil Conservation Division
5 conference room in Santa Fe, New Mexico, for a hearing of
6 the Oil Conservation Commission.

7 I'm Lori Wrotenbery, Chairman of the Commission.
8 To my left is Commissioner Bill LeMay, and this is his last
9 Commission meeting, as a Commissioner, so we're going talk
10 a little bit more about that in a little while.

11 To my right is Commissioner Jami Bailey,
12 representing Land Commissioner Ray Powell on the Oil
13 Conservation Commission.

14 To Commissioner Bailey's right is Florene right,
15 the Division Secretary, and to Commissioner LeMay's left is
16 Lyn Hebert, the Commission's legal counsel, and of course
17 Steve Brenner is going to record the meeting for us.

18 We have just a few items of business to take care
19 of, and then a couple of substantive matters, the gas
20 allowables for the prorated gas pools and then two rule-
21 making items to take up today. I think, though, we can
22 probably proceed through most of these fairly quickly.

23 First item of business is the minutes of the Oil
24 Conservation Commission meeting held on January 14th, 1999.

25 COMMISSIONER LEMAY: Madame Chair, I make a

1 motion for acceptance of the minutes.

2 COMMISSIONER BAILEY: I second.

3 CHAIRMAN WROTENBERY: All in favor say "aye".

4 COMMISSIONER LEMAY: Aye.

5 COMMISSIONER BAILEY: Aye.

6 CHAIRMAN WROTENBERY: Aye.

7 I'll sign those minutes on behalf of the
8 Commission.

9 * * *

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11 CHAIRMAN WROTENBERY: We also had docketed today
12 Case Number 12,086, the Application of Yates Petroleum
13 Corporation and Hanley Petroleum, Inc., for allowable
14 reduction and the escrow of production proceeds, Lea
15 County, New Mexico.

16 This matter has been continued to the
17 Commission's hearing on March 25th, 1999, at the request of
18 the Applicant.

19 * * *

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21 CHAIRMAN WROTENBERY: And we also had docketed
22 today Case 11,839, the Application of Odessa Oil
23 Investments, Inc., for saltwater disposal in Eddy County,
24 New Mexico.

25 This is a case to be heard *de novo*, upon the

1 request of the Applicant, Odessa Oil Investments, Inc., and
2 this one we have received a request from the Applicant to
3 continue this matter once again for two months, but I
4 wanted to discuss this with the Commissioners.

5 We did inquire with the legal counsel for the
6 Applicant, James Bruce, just to ask him why this case was
7 being continued indefinitely. I know it's been on our
8 docket from month to month to about the past year.

9 Ms. Hebert, do you want to talk a little bit
10 about --

11 MS. HEBERT: Yes, I talked with Jim this week,
12 and he said he's been waiting for a response from the State
13 Land Office, and he had copied the General Counsel of the
14 Land Office on it, because I asked if he had called to talk
15 to their attorneys.

16 This case involves a situation where his client
17 believes they had an easement, and apparently the Land
18 Office is taking the position that they don't have an
19 easement over State lands.

20 So he was amenable to the case being dismissed
21 without prejudice, meaning that he could refile at any
22 time, and he said he would go forward and try to contact
23 the Land Office and see what...

24 CHAIRMAN WROTENBERY: So we could do that, I
25 think. I think our options are, dismiss it without

1 prejudice at this time until the Applicant can -- has
2 worked through the land and get those issues sorted out
3 or --

4 COMMISSIONER BAILEY: I have no problem with
5 that.

6 CHAIRMAN WROTENBERY: Okay.

7 COMMISSIONER LEMAY: I don't either.

8 CHAIRMAN WROTENBERY: Okay. We don't really need
9 a formal motion on that particular point, do we? Or should
10 we go ahead? Is that something I can handle?

11 MS. HEBERT: You can handle it, yes.

12 CHAIRMAN WROTENBERY: Okay, I will send them a
13 letter and dismiss this particular Application without
14 prejudice and note that they can bring it back up when and
15 if they get the response that they're seeking from the Land
16 Office.

17 (Thereupon, these proceedings were concluded at
18 9:15 a.m.)

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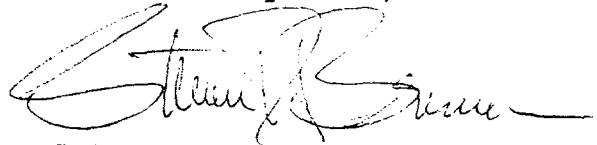
CERTIFICATE OF REPORTER

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 Commission 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 February 11th, 1999.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 2002