

NEW MEXICO OIL CONSERVATION DIVISION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date JULY 9, 1998 Time 8:15 A.M.

NAME	REPRESENTING	LOCATION
Joe Clement	Saga Pet	Midland, TX
Lorin Rullo	SAGA PET.	Midland, TX
JOHN KULLMAN	PETROCEUM DEVELOPMENT CORP	MIDLAND, TX
MIKE HANAGAN	MARATHON ENERGY CORP.	Roswell, NM
DAMIAN BARRETT	JOHN H. HENRICH CORP	MIDLAND, TX
Roy Wain	Oryx Energy	DALLAS, TX
Paul Ferguson	Oryx Energy	Dallas, TX
Nicholas C. Duane	Oryx Energy	Dallas, TX
Bryan Aronson	CCO	Albuquerque, N.M.
J. Kellie	Kellie Kellie	Santa Fe
William A. Tull	Tull, Tull, Tull & Tull	Santa Fe
George ULMO	STEVENS + TULL	Midland, TX
Jerry A. Weant	"	"
DALE DOUGLAS	DAVID H. ARONSON O&G	"
DAVID ARONSON	"	"
Bill Bacon	"	"
Robert Hooper	Jimmy Hooper	Roswell NM
JOHN KLOOSTERMAN	MARATHON	MIDLAND, TX
Steve Daniels	Marathon	Midland, TX
DENISE COX	MARATHON	MIDLAND, TX

NEW MEXICO OIL CONSERVATION DIVISION

EXAMINER HEARINGSANTA FE, NEW MEXICOHearing Date JULY 9, 1998 Time 8:15 A.M.

<u>NAME</u>	<u>REPRESENTING</u>	<u>LOCATION</u>
Patrick Tower	Enron Oil & Gas	Midland, TX
Barry Zinz	Enron Oil & Gas	Midland, TX
Wes McInnis	Santa Fe Energy	Midland, TX
John Humphrey	"	"
Don Rogers	"	"
Jim FNeal	-	SF
Mike Lovvick	Oxy USA	Midland, TX
BOB DOTY	"	"
Rick Farnham	"	"
Joe Clement	Saga Petroleum	Midland

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 SABA ENERGY OF TEXAS,)
 INCORPORATED, FOR POOL CREATION AND)
 SPECIAL POOL RULES, LEA COUNTY,)
 NEW MEXICO)

CASE NO. 11,986

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

RECEIVED

August 6th, 1998

1998

Santa Fe, New Mexico

Oil Conservation Division

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, August 6, 1998, 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 6th, 1998
Examiner Hearing
CASE NO. 11,986

PAGE

REPORTER'S CERTIFICATE

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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
2040 South Pacheco
Santa Fe, New Mexico 87505

FOR THE APPLICANT:

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

* * *

1 WHEREUPON, the following proceedings were had at
2 8:24 a.m.:

3 EXAMINER STOGNER: Call Case Number 11,986.

4 MR. CARROLL: Application of Saba Energy of
5 Texas, Incorporated, for pool creation and special pool
6 rules, Lea County, New Mexico.

7 MR. CARR: May it please the Examiner, I'm
8 William F. Carr with the Santa Fe law firm Campbell, Carr,
9 Berge and Sheridan.

10 This case was heard approximately six weeks ago,
11 and at the time of that hearing there was an 80-acre tract
12 that was actually within a mile of the subject well.

13 The Examiner requested that notice -- actual
14 notice, be provided to the owners of the interest in that
15 tract, unleased mineral interests. They have had title
16 work done, and they are still trying to identify all those
17 interest owners to provide that notice, and so we have to
18 request that the case be continued to September the 3rd.

19 I did discuss this matter with their land
20 department late last week, and we are hopeful that we can
21 provide the notice to those mineral owners -- there are a
22 number of them -- in this 80-acre tract and be ready to
23 request the case be taken under advisement by the first
24 hearing in September.

25 EXAMINER STOGNER: Anything further in Case

1 11,986?

2 Then this matter will be continued to the
3 Examiner's Hearing scheduled for September 3rd, 1998.

4 Thank you, Mr. Carr.

5 (Thereupon, these proceedings were concluded at
6 8:26 a.m.)

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I do hereby certify that the foregoing is
a correct record of the proceedings in
the Examiner hearing of Case No. 11986,
heard by me on 6 August 1998.
[Signature], Examiner
Off 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 August 25th, 1998.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998