

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

CASE NOS. 11,839, 12,086, (12,073) (Continued)

CONTINUED AND DISMISSED CASES  
TRANSCRIPT OF PROCEEDINGS

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

December 18th, 1998

Santa Fe, New Mexico

OIL CONSERVATION DIV  
99 JAN -7 AM 11:33

These matters came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Friday, December 18th, 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.

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## I N D E X

December 18th, 1998  
Commission Hearing  
CASE NOS. 11,839, 12,086, 12,073 (Continued)

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

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1           WHEREUPON, the following proceedings were had at  
2   9:00 a.m.

3           CHAIRMAN WROTENBERY: We'll call this meeting of  
4   the Oil Conservation Commission to order now.

5           I think everybody here knows each other, so I'll  
6   forego the introductions today. But just let the record  
7   reflect that all three Commissioners are in attendance at  
8   this meeting.

9           We have two quick items of business today, one  
10   being the minutes of the Commission's meeting on November  
11   16th, 1998. I believe, Commissioners, you've had a chance  
12   to review the draft of the minutes.

13          COMMISSIONER LEMAY: I move acceptance.

14          COMMISSIONER BAILEY: I second.

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

16          COMMISSIONER LEMAY: Aye.

17          COMMISSIONER BAILEY: Aye.

18          CHAIRMAN WROTENBERY: Aye.

19           And then the second item is a proposed order of  
20   the Commission in *de novo* Case Number 12,003. This is  
21   Order Number R-11,053-A in the Application of Manzano Oil  
22   Corporation for special pool rules in the Featherstone-Bone  
23   Springs Pool, Lea County, New Mexico.

24           This was the case that we heard at our last  
25   meeting on November 16th.

1           And I believe, Commissioners, you've each had an  
2 opportunity to review the proposed order --

3           COMMISSIONER BAILEY: Yes.

4           CHAIRMAN WROTENBERY: -- is that right?

5           COMMISSIONER BAILEY: And I intend to sign it.

6           COMMISSIONER LEMAY: I likewise intend to sign  
7 it, Madame Chair.

8           CHAIRMAN WROTENBERY: Okay. Then I guess at this  
9 point just entertain a motion for approval of this proposed  
10 order? I'm not sure I've gotten this procedure down yet.  
11 We've had so few orders to actually sign this year.

12           MS. HEBERT: I think move to approve the order as  
13 written.

14           CHAIRMAN WROTENBERY: Okay.

15           COMMISSIONER BAILEY: I move to approve the order  
16 as written.

17           COMMISSIONER LEMAY: I second.

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

19           COMMISSIONER BAILEY: Aye.

20           COMMISSIONER LEMAY: Aye.

21           CHAIRMAN WROTENBERY: Aye. Okay, so that order  
22 has been approved and signed.

23           And then we just have a couple of cases that I  
24 need to announce have been continued.

25           First of all, Case 11,839. This is the

1 Application of Odessa Oil Investments, Inc., for saltwater  
2 disposal, Eddy County, New Mexico. This case is to be  
3 heard *de novo*. Upon the request of the Applicant, the  
4 Applicant has requested the case be continued to February  
5 11th, 1999, and it will be continued.

6 I will say that this particular case has been on  
7 our docket for almost a year now, and we keep getting  
8 requests from the Applicant to continue it. We may need to  
9 ask the Applicant, maybe at the February 11th meeting, just  
10 what their intentions are and what the holdup is on this  
11 particular application.

12 But we will today continue it to February 11th.

13 We also have Case 12,086 on the docket for today.  
14 It's the Application of Yates Petroleum Corporation and  
15 Hanley Petroleum, Inc., for allowable reduction and the  
16 escrow of production process, Lea County, New Mexico. The  
17 Applicant has requested that this case be continued to  
18 January 14th, and so we'll hear it in January.

19 And then finally Case Number 12,073, the  
20 Application of Nearburg Exploration Company, L.L.C., for  
21 compulsory pooling and an unorthodox surface location and  
22 subsurface drilling window in Eddy County, New Mexico.  
23 This Application is to be heard *de novo* pursuant to the  
24 request of Yates Petroleum Corporation. Also, the  
25 Applicant in this case has indicated that they may want to

1 change the location of the well involved in this particular  
2 Application. So we have granted a request to continue the  
3 case until the January 14th Commission meeting. So we will  
4 hear it at that time.

5 And I think those were all of the cases on our  
6 docket for today, Florene?

7 MS. DAVIDSON: Yes.

8 CHAIRMAN WROTENBERY: I do want to talk for a  
9 minute. I'm not sure if Jami knows. Bill did submit a  
10 letter to Jennifer Salisbury, informing her that he would  
11 be resigning his position on the Commission. He actually  
12 made it effective this month, but he said that he would be  
13 willing to continue on through February. And I'm hoping --

14 COMMISSIONER LEMAY: Sure.

15 CHAIRMAN WROTENBERY: -- maybe I should say I'm  
16 requesting to please do --

17 COMMISSIONER LEMAY: Okay.

18 CHAIRMAN WROTENBERY: -- go ahead and participate  
19 with us at the Commission meetings in January and February.

20 COMMISSIONER LEMAY: Yeah, the reasons are, I've  
21 enjoyed this very much. I just think the purpose was for  
22 transition, and that was a year, and I think since we had  
23 so many waiting cases, I really felt that --

24 (Laughter)

25 COMMISSIONER LEMAY: -- you could use my

1 expertise. No, I feel very good about just the whole --  
2 the time, and I think it's right to resign now. It makes  
3 it difficult for me to pursue some other things I'd like to  
4 do, being a Commissioner, so that's another reason.

5 COMMISSIONER BAILEY: We're going to miss you.

6 COMMISSIONER LEMAY: Well, I'll miss this. I've  
7 really enjoyed it.

8 COMMISSIONER BAILEY: It's been fun, absolutely  
9 great working with you all these years.

10 COMMISSIONER LEMAY: Well, with you it's been an  
11 extension of a year, hasn't it? It's been great. No, same  
12 here, I agree. I appreciate the opportunity to. It's been  
13 a very rewarding experience for me.

14 CHAIRMAN WROTENBERY: Well, I've been very glad  
15 that you agreed to --

16 COMMISSIONER LEMAY: Well, thank you.

17 CHAIRMAN WROTENBERY: -- stay on here at the  
18 Commission. It's been a great help to me and --

19 COMMISSIONER LEMAY: Any way I can be of service  
20 to the Commission, even after I depart, give me a call.

21 CHAIRMAN WROTENBERY: Appreciate that. Well,  
22 we're not letting you go quite yet. We'll expect you to be  
23 here in January and February.

24 COMMISSIONER LEMAY: I'll be here, I'll be here.

25 CHAIRMAN WROTENBERY: Great.

1                   Okay. Is there any other business for today.

2                   No? Okay, we'll adjourn this meeting of the  
3 Commission, then.

4                   Thank you very much.

5                   COMMISSIONER LEMAY: Thank you.

6                   (Thereupon, these proceedings were concluded at  
7 9:10 a.m.)

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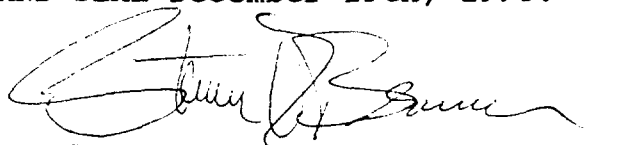
## CERTIFICATE OF REPORTER

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 December 19th, 1998.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 2002