

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: )

CASE NO. 12,135

APPLICATION OF MARATHON OIL COMPANY )  
 FOR SURFACE COMMINGLING, OFF-LEASE )  
 MEASUREMENT AND STORAGE, EDDY COUNTY, )  
 NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

April 15, 1999

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, April 15th, 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.

\* \* \*

## I N D E X

April 15th, 1999  
 Examiner Hearing  
 CASE NO. 12,135

PAGE

REPORTER'S CERTIFICATE

5

\* \* \*

## E X H I B I T

Applicant's	Identified	Admitted
Certificate of notice	4	-

\* \* \*

## 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:

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   8:50 a.m.:

3           EXAMINER STOGNER: At this time I'll Case Number  
4   12,135.

5           MR. CARROLL: Application of Marathon Oil Company  
6   for surface commingling, off-lease measurement and storage,  
7   Eddy County, New Mexico.

8           EXAMINER STOGNER: Call for appearances.

9           MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of  
10   the Santa Fe law firm of Kellahin and Kellahin, appearing  
11   on behalf of the Applicant.

12          EXAMINER STOGNER: Any other appearances?

13          Do you have any witnesses or --

14          MR. KELLAHIN: No, sir.

15          Mr. Examiner, this case was heard by Examiner  
16   Catanach on March 18th. The petroleum engineer for  
17   Marathon presented his project request, and this was a  
18   request for surface commingling, offlease measurement and  
19   storage.

20          As a result of that evidentiary hearing, and as  
21   part of Marathon's Application, they had sought to add and  
22   subtract existing or future wells from the facility. And  
23   in order to allow that to be done without coming back to  
24   subsequent hearings every time a change is made, we asked  
25   Examiner Catanach for authority to include, in the order he

1 is to write, such approval.

2 In reviewing that case with him on March 18th, he  
3 asked us to send notice again to all the interest owners  
4 that share in that production, to advise them specifically  
5 of the fact that we were seeking this additional  
6 administrative procedure to expand and contract the  
7 facility.

8 We have done that, and that's why we're here  
9 today, to deliver to you our certificate of notice that  
10 pursuant to Division notice rules we advertised and advised  
11 all the parties of our modified request. And I'm here to  
12 tell you today that I am aware of no objection, and I'm  
13 here to submit the certificate of notice.

14 EXAMINER STOGNER: Is there anything else at this  
15 time, Mr. Kellahin?

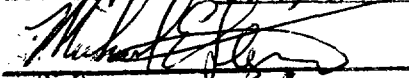
16 MR. KELLAHIN: No, sir.

17 EXAMINER STOGNER: Then Case number 12,135 will  
18 be taken under advisement at this time.

19 (Thereupon, these proceedings were concluded at  
20 8:53 a.m.)

21 \* \* \*

22 I do hereby certify that the foregoing is  
23 a complete record of the proceedings in  
24 the Examiner hearing of Case No. 12135,  
heard by me on 15 April 1999.

25  , Examiner  
Oil Conservation Division

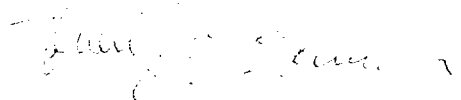
CERTIFICATE OF REPORTER

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 April 15th, 1999.

  
 \_\_\_\_\_  
 STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 14, 2002