STATE OF NEW MEXICO

OL CONSTRUCTION DIV

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT PM 3:58

OIL CONSERVATION COMMISSION

CASE NOS. 12,186 and 12,148-50 (Continued)

ORIGINAL

CONTINUED CASES

TRANSCRIPT OF PROCEEDINGS

BEFORE: LORI WROTENBERY, CHAIRMAN

JAMI BAILEY, COMMISSIONER

ROBERT LEE, COMMISSIONER (Present by Telephone)

October 14th, 1999 Santa Fe, New Mexico

These matters came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Thursday, October 14th, 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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REPORTER'S CERTIFICATE

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APPEARANCES

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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WHEREUPON, the following proceedings were had at 1 9:00 a.m. 2 CHAIRMAN WROTENBERY: Okay, we'll go ahead and 3 This should be a very quick meeting of the 4 get started. Oil Conservation Commission. It's October 14th, 1999, and 5 most of us are here in the OCD conference room in Santa Fe. 6 I'm Lori Wrotenbery, Chairman of the Oil 7 Conservation Commission. 8 We've got Commissioner Jami Bailey representing 9 Land Commissioner Ray Powell here. 10 Commissioner Robert Lee is participating in this 11 meeting by telephone. It's going to be such a short 12 meeting, we determined that we would hook him in by phone 13 14 rather than asking him to make the four-hour trip back and forth between Santa Fe and Socorro. 15 Lyn, do we need to say anything more to make 16 Commissioner Lee's participation official? 17 MS. HEBERT: Commissioner Lee is attending 18 pursuant to the Division's rule on attendance of 19 Commissioners at hearings by telephone. 20 CHAIRMAN WROTENBERY: Okay, great, thank you. 21 We also have Florene Davidson, the Commission 22

We also have Florene Davidson, the Commission secretary, Lyn Hebert, the Commission's legal counsel, Steve Brenner is going to record this short meeting for us today, and then the Oil Conservation Division's legal

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counsel Rand Carroll is going to assist us with one of the 1 items on the agenda. 2 First thing is the minutes of last meeting of the 3 Oil Conservation Commission, it's the one we held in 4 Farmington on September 23rd, 1999. 5 Commissioners, have you had a chance to review 6 the draft minutes? 7 COMMISSIONER BAILEY: Yes, I have, and I move 8 that we accept the minutes of the last meeting. 9 COMMISSIONER LEE: I second. 10 CHAIRMAN WROTENBERY: All in favor say "aye". 11 COMMISSIONER BAILEY: 12 Aye. 13 COMMISSIONER LEE: Aye. CHAIRMAN WROTENBERY: Aye. And I will sign those 14 15 minutes on behalf of the Commission. * * * 16 17 CHAIRMAN WROTENBERY: And let's see, we did have 18 a couple of cases that were originally scheduled for 19 today's meeting, but they have been continued. 20 21 One of them is Case 12,186. This is the de novo hearing on the Application of Chesapeake Oil Operating, 22 23 Inc., for compulsory pooling in Lea County, New Mexico. 24 the request of the parties, this case is being continued to 25 the Commission's hearing on November 17th, 1999.

And then we had three cases involving the Wiser Oil Company. These were Cases 12,148, 12,149 and 12,150. They all involve Applications of the Wiser Oil Company to qualify three of their waterflood expansion projects for the recovered oil tax rates, and these particular cases have been continued to the Commission's hearing on November 17th, 1999, at the request of the de novo Applicant. (Thereupon, these proceedings were concluded at 9:05 a.m.) * * *

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 October 29th, 1999.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 14, 2002