

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. 12,391

APPLICATION OF OXY USA, INC., FOR)
COMPULSORY POOLING, EDDY COUNTY,)
NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

May 4th, 2000

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, May 4th, 2000, 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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OIL CONSERVATION DIV.
CO MAY 23 AM 5:15

I N D E X

May 4th, 2000
 Examiner Hearing
 CASE NO. 12,391

PAGE

REPORTER'S CERTIFICATE

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E X H I B I T

Applicant's

Identified

Admitted

Exhibit 1

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* * *

A P P E A R A N C E S

FOR THE DIVISION:

LYN S. HEBERT
 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 8:25 a.m.:

3 EXAMINER CATANACH: At this time I'll call Case
4 12,391, the Application of OXY USA, Incorporated, for
5 compulsory pooling in Eddy County, New Mexico.

6 This case is also styled in the absence of
7 objection this matter will be taken under advisement. I
8 will call for appearances at this time.

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 CATANACH: Any additional appearances?

13 MR. KELLAHIN: Mr. Examiner, OXY's Application in
14 this case follows the same process as I followed for the
15 Trilogy Operating Company, which was the prior case. It's
16 organized in the same fashion and follows the same
17 procedure as outlined in Division Rule 1207.

18 You'll find when you review this matter that the
19 Application is the first attachment. The affidavit then
20 follows, and all the appropriate attachments to that
21 affidavit. This affidavit is attested to by OXY's landman,
22 petroleum engineer and geologist, and they conclude that in
23 the Section 9 it's appropriate to enter a compulsory
24 pooling order for the various formations indicated in this
25 Application.

1 Once again, this is an effort to obtain a
2 compulsory pooling order based upon the affidavit, so that
3 the witnesses are not required to come to Santa Fe and
4 testify in person.

5 You'll find when you look behind Enclosure A,
6 there is the plat. It shows the organization of the leases
7 in the north half of Section 9.

8 Following the plat is a breakout of the interest
9 owners for whom there are no leases. And it's these
10 parties listed on this schedule that we're asking to be
11 pooled pursuant to a compulsory pooling order. Again, the
12 affidavit will demonstrate to you that despite OXY's best
13 efforts, they are not able to locate a number of these
14 individuals.

15 If that effort was unsuccessful based upon modern
16 Internet searches of phone books and various records by
17 which we might obtain more accurate and current information
18 as to the location of these individuals, you'll see behind
19 Exhibit Tab Number B are my efforts to find these people
20 and advise them of this hearing. There are instances where
21 using the best known last addresses, we were able to obtain
22 delivery of notice of hearing on four of these individuals,
23 none of whom have responded or contacted either me or OXY.
24 This is again an instance where we have parties that either
25 we cannot locate or, having located them, they choose not

1 to respond.

2 We would ask that you enter an appropriate order
3 pursuant to Division Rule 1207 and admit OXY's Exhibit
4 Number 1 at this time.

5 EXAMINER CATANACH: Okay, Exhibit Number 1 will
6 be admitted as evidence.

7 Anything further?

8 MR. KELLAHIN: No, sir.

9 EXAMINER CATANACH: There being nothing further,
10 Case 12,391 will be taken under advisement.

11 (Thereupon, these proceedings were concluded at
12 8:29 a.m.)

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I do hereby certify that the foregoing is
a complete record of the proceedings
the Examiner hearing of Case 12391
heard by me on May 6, 1980
David R. Catanach
Off Conservation Division

CERTIFICATE OF REPORTER

[illegible]

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 May 8th, 2000.

Steven R. Zinner

STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 2002