

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. 12,874

APPLICATION OF CONCHO OIL & GAS CORP. )  
AND NEARBURG PRODUCING COMPANY FOR )  
APPROVAL OF SURFACE COMMINGLING OF )  
PRODUCTION FROM WELLS OPERATED BY TWO )  
DIFFERENT OPERATORS, EDDY COUNTY, NEW )  
MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

June 27th, 2002

Santa Fe, New Mexico

01008 2002 JUN 27  
10 06:23

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, June 27th, 2002, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

STEVEN T. BRENNER, CCR  
(505) 989-9317

## I N D E X

June 27th, 2002  
Examiner Hearing  
CASE NO. 12,874

PAGE

REPORTER'S CERTIFICATE

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## A P P E A R A N C E S

## FOR THE DIVISION:

DAVID K. BROOKS  
Attorney at Law  
Energy, Minerals and Natural Resources Department  
Assistant General Counsel  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

## FOR THE APPLICANT:

JAMES G. BRUCE, Attorney at Law  
324 McKenzie  
Santa Fe, New Mexico 87501  
P.O. Box 1056  
Santa Fe, New Mexico 87504

## ALSO PRESENT:

WILL JONES  
Engineer  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, NM 87501

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   8:15 a.m.:

3           EXAMINER CATANACH: Call the hearing to order  
4   this morning for Docket Number 19-02. I'll go ahead and  
5   call the continuances and dismissals at this point.

6           (Off the record)

7           EXAMINER CATANACH: Okay, at this time we'll call  
8   Case 12,874, the Application of Concho Oil and Gas  
9   Corporation and Nearburg Producing Company for approval of  
10   surface commingling of production from wells operated by  
11   two different operators, Eddy County, New Mexico.

12          Call for appearances in this case.

13          MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,  
14   representing the Applicant. I just have a short statement.

15          EXAMINER CATANACH: Okay, any additional  
16   appearances?

17          There being none, Mr. Bruce, you may proceed.

18          MR. BRUCE: Mr. Examiner, this case was heard two  
19   weeks ago and all the evidence was presented. It was  
20   determined at that time that there was an error in the  
21   notice. The Commissioner of Public Lands had not been  
22   notified of the Application.

23          Subsequent to that hearing, the Applicants  
24   obtained the approval of the Commissioner of Public Lands  
25   for the surface commingling, and that has been submitted to

1 the Division, so we'd ask that the case be taken under  
2 advisement.

3 EXAMINER CATANACH: And just for the record, let  
4 the record show that I did receive this approval from the  
5 Commissioner of Public Lands, from Mr. Bruce, and that will  
6 become part of the record in this case.

7 All right, there being nothing further in this  
8 case, Case 12,874 will be taken under advisement.

9 (Thereupon, these proceedings were concluded at  
10 8:18 a.m.)

11 \* \* \*

12  
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16 I do hereby certify that the foregoing is a complete record of the proceedings before the Examiner hearing of Case 12874, heard by me on June 27, 2002.  
17  
18 David R. Catnach, Examiner  
19 Oil Conservation Division  
20  
21  
22  
23  
24  
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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 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 June 28th, 2002.



STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 14, 2002