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. 12,991

APPLICATION OF MARATHON OIL COMPANY TO VACATE DIVISION ADMINISTRATIVE ORDER SWD-852, EDDY COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

January 23rd, 2003

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, January 23rd, 2003, 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.

* * *

INDEX

January 23rd, 2003 Examiner Hearing CASE NO. 12,991

PAGE

REPORTER'S CERTIFICATE

5

* * *

APPEARANCES

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:

KELLAHIN & KELLAHIN
117 N. Guadalupe
P.O. Box 2265
Santa Fe, New Mexico 87504-2265
By: W. THOMAS KELLAHIN

* * *

WHEREUPON, the following proceedings were had at 1 2 8:20 a.m.: 3 EXAMINER STOGNER: At this time I'll call Case Number 12,991, which is the Application of Marathon Oil 4 Company to vacate Division Administrative Order SWD-852, 5 Eddy County, New Mexico. 6 7 At this time I'll call for appearances. MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of 8 the Santa Fe law firm of Kellahin and Kellahin, appearing 9 on behalf of Marathon Oil Company. 10 11 Mr. Carr represents Yates. You should find a letter from Mr. Carr by which 12 13 he and I have agreed that Yates concurs that the SWD order may be revoked. 14 15 EXAMINER STOGNER: You're referring to the 16 January 17th letter? MR. KELLAHIN: Yes, sir, that's the one I have. 17 EXAMINER STOGNER: And that is part of the record 18 in this matter at this time. 19 MR. KELLAHIN: With the submission of the 20 21 agreement by Yates to dismiss their -- or ask the Division to vacate their SWD order, we would ask that you take this 22 23 case under advisement and grant the Application as requested. 24 25 EXAMINER STOGNER: If there are no other

```
appearances in this matter, Case Number 12,991 will be
 1
     taken under advisement, and we'll proceed to issue an order
 2
     accordingly in this matter.
 3
                 (Thereupon, these proceedings were concluded at
 4
 5
     8:21 a.m.)
 6
 7
 8
 9
10
                                   the careby certify that the foregon.
11
                                   estar place record of the proceedings to
                                   the Adams of Case No. 1299/
12
                                     114 by me on 23 January 2003
13
14
                                     Of Conservation Division
15
16
17
18
19
20
21
22
23
24
25
```

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 January 23rd, 2003.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006