

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. 13,004

APPLICATION OF THE NEW MEXICO OIL)
CONSERVATION DIVISION, THROUGH THE)
ENVIRONMENTAL BUREAU CHIEF, FOR AN ORDER)
DETERMINING THE RESPONSIBLE PARTY OR)
PARTIES AND ORDERING THE RESPONSIBLE)
PARTY OR PARTIES TO CONDUCT DIVISION-)
APPROVED CORRECTIVE ACTION WITH RESPECT)
TO A HYDROCARBON RELEASE, LEA COUNTY,)
NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDING

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

RECEIVED
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Oil Conservation Division

April 10th, 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, April 10th, 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.

* * *

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

I N D E X

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Examiner Hearing
CASE NO. 13,004

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A P P E A R A N C E S

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* * *

1 WHEREUPON, the following proceedings were had at
2 8:55 a.m.:

3 EXAMINER STOGNER: You know, while we're on a
4 roll here, can I call Case Number 13,004, which is the
5 Application of the New Mexico Oil Conservation Division,
6 through the Environmental Bureau Chief, for an order
7 determining the responsible party or parties and ordering
8 the responsible party or parties to conduct Division-
9 approved corrective action with respect to a hydrocarbon
10 release, Lea County, New Mexico? Would that be okay if I
11 called that at this point, Mr. Catanach?

12 EXAMINER CATANACH: Well, you are the senior
13 Examiner, Mr. Stogner.

14 EXAMINER STOGNER: Only by a few months, but
15 thank you very much.

16 At this time I will call Case Number 13,004, so
17 noted on the docket.

18 Call for appearances.

19 MR. BROOKS: Mr. Examiner, I'm David Brooks,
20 Assistant General Counsel to the Energy, Minerals and
21 Natural Resources Department of the State of New Mexico,
22 appearing for the New Mexico Oil Conservation Division.

23 MR. HALL: Mr. Examiner, Scott Hall, Miller
24 Stratvert, PA, Santa Fe, appearing on behalf of Shell
25 Exploration and Production Company.

1 MR. OWEN: May it please the Examiner, I'm Paul
2 R. Owen of the Santa Fe law firm of Montgomery and Andrews,
3 appearing on behalf of Samedan Oil Corporation, now known
4 as Noble Energy, Inc.

5 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
6 the Santa Fe law firm of Kellahin and Kellahin. I'm
7 appearing on behalf of Occidental Permian.

8 EXAMINER STOGNER: Okay. Mr. Brooks, or who
9 would like to make a statement at this time?

10 MR. BROOKS: Mr. Examiner, as has been
11 represented to the Examiner previously, the parties have
12 reached a tentative settlement in this case, and the terms
13 of the settlement were that Case Number 13,004 was to be
14 dismissed.

15 Someone expressly called for it to be dismissed
16 without prejudice. Of course, all OCD dismissals are
17 without prejudice, so that's a technicality, but the
18 settlement does contemplate that if the terms of the
19 settlement are not fully performed or if they do not
20 satisfy the OCD's requirement, even though they are fully
21 performed, the case may be refiled. However, the case will
22 remain dismissed under the terms of the settlement unless
23 and until it is refiled.

24 And I believe all parties have signed off on the
25 settlement at this point, and therefore we are requesting

1 that relief.

2 EXAMINER STOGNER: Anything further along these
3 lines?

4 Just for the record, I have before me the
5 Stipulated Conditional Dismissal, which has the signatures
6 of each of the attorneys representing today. This is the
7 official document in which a reference -- I plan to proceed
8 to offer to Ms. Wrotenbery a dismissal with the stipulation
9 that this dismissal will be incorporated on the record
10 within that, as opposed to trying to recopy this onto the
11 actual dismissal. That's how I'll proceed at this time.

12 So instead of dismissing it on the record, I'm
13 going to take it under advisement with the intention of
14 offering the dismissal to Ms. Wrotenbery with the
15 stipulation.

16 Anything further?

17 MR. BROOKS: That will be satisfactory, and I
18 believe for the record I will state that it will be OCD's
19 understanding that the deadlines referred to in the
20 agreement will run from the date that Ms. Wrotenbery signs
21 the order of dismissal.

22 EXAMINER STOGNER: So noted, and I will make this
23 a priority to give to her so she can act accordingly and in
24 a timely manner.

25 If there's nothing further, then Case 13,004 will

1 be taken under advisement with my intention to offer that
2 dismissal.

3 MR. OWEN: Thank you, Mr. Examiner.

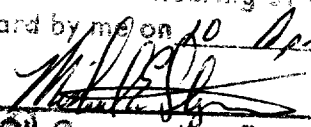
4 EXAMINER STOGNER: Thank you, Mr. Catanach.

5 EXAMINER CATANACH: Anything else we can do for
6 you, Mr. Stogner?

7 EXAMINER STOGNER: No, no, I apologize for
8 butting in on your most esteemed hearing today. At this
9 time I'll take leave until I think I might be needed again.

10 (Thereupon, these proceedings were concluded at
11 8:57 a.m.)

12 * * *

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20 I do hereby certify that the foregoing is
21 a complete record of the proceedings in
the Examiner hearing of Case No. 13004,
heard by me on 10 April 2003.
22  , Examiner
23 Oil Conservation Division
24
25

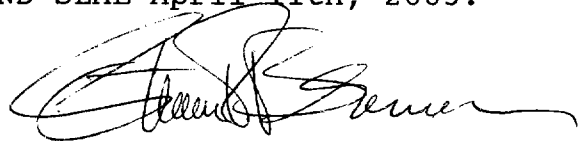
CERTIFICATE OF REPORTER

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 April 11th, 2003.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006