

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 19, 1962

REGULAR HEARING

BEST AVAILABLE COPY

IN THE MATTER OF: (Rehearing-Continued)

Application of Consolidated Oil & Gas, Inc.
for an amendment of Order No. R-1670-C
changing the allocation formula for the
Basin-Dakota Gas Pool, San Juan, Rio
Arriba, and Sandoval Counties, New Mexico.
In accordance with the Commission's Rul-
ing of October 18, 1962, on motions to
Quash Subpoenas Duces Tecum, George Eaton,
David H. Rainey, Frank Renard, and L. M.
Stevens will be required to produce all
core analysis reports and all electric and
radioactivity logs concerning any and all
wells that have been cored in the Basin-
Dakota Gas Pool by their respective com-
panies, if they have not filed the same
with the Commission prior to December 19,
1962. The Case will then be continued to
the regular hearing on February 14, 1963.

) Case 2504

BEFORE: Honorable Thomas Bolack
Mr. A. L. "Pete" Porter
Mr. E. S. "Johnny" Walker

TRANSCRIPT OF HEARING

MR. PORTER: We are going to change the order of the
docket and take up Case 2504.

MR. DURRETT: Application of Consolidated Oil & Gas,
Inc. for an amendment of Order No. R-1670-C changing the alloca-
tion formula for the Basin-Dakota Gas Pool, San Juan, Rio Arriba,

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and Sandoval Counties, New Mexico.

If the Commission please, I would like to state for the record that all of the parties subpoenaed by the Commission have now complied with the subpoenas and the Commission has on deposit with it all of the subpoenaed information.

MR. PORTER: That is in accordance with the order of the Commission issued as a result of our Farmington meeting?

MR. DURRETT: Yes, sir, that is in accordance with the ruling on the motions to Quash the Subpoenas Duces Tecum.

MR. PORTER: You'll notice attached to the docket a memorandum from the Director of the Commission which has stated that this case will be continued to the regular Commission hearing to be held on February 14, 1963. That case will be continued.

We will take a ten-minute recess.

(Whereupon, a recess was taken.)

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I, ADA DEARNLEY, Court Reporter, do hereby certify that the

IN WITNESS WHEREOF I have affixed my hand and notarial seal

Notary Public-Court Reporter

My commission expires:

June 19, 1963.

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 14, 1962

REGULAR HEARING

IN THE MATTER OF: (Rehearing Continued))

)
Application of Consolidated Oil & Gas, Inc.)
for an amendment of Order No. R-1670-C)
changing the allocation formula for the)
Basin-Dakota Gas Pool, San Juan, Rio)
Arriba, and Sandoval Counties, New Mexico.)
In accordance with the Commission's Rul-) Case 2504
ing of October 18, 1962, on Motions to)
Quash Subpoenas Duces Tecum, the Commission)
will receive evidence concerning custody)
and/or control of core analysis, reports,)
and electric and radioactivity logs con-)
cerning wells that have cored in the Basin-)
Dakota Gas Pool. The case will then be)
continued to the regular hearing on December)
19, 1962.)

BEFORE: Honorable Edwin L. Mechem
Mr. A. L. "Pete" Porter
Mr. E. S. "Johnny" Walker

TRANSCRIPT OF HEARING

MR. PORTER: We will proceed to Case 2504.

MR. DURRETT: Application of Consolidated Oil & Gas,
Inc. for an amendment of Order No. R-1670-C changing the alloca-
tion formula for the Basin-Dakota Gas Pool, San Juan, Rio Arriba,
and Sandoval Counties, New Mexico. In accordance with the
Commission's Ruling of October 18, 1962, on Motions to Quash

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Subpoenas Duces Tecum, the Commission will receive evidence concerning custody and/or control of core analysis, reports, and electric and radioactivity logs concerning wells that have cored in the Basin-Dakota Gas Pool. The case will then be continued to the regular hearing on December 19, 1962.

May the Commission please, we have some correspondence in the file that I would like to read into the record at this time.

MR. PORTER: You may proceed to read the communications which we have received, Mr. Durrett.

MR. DURRETT: The Commission has in its official file a telegram received on November 13 reading as follows: "Re: Case 2504, this is to inform you that Mr. Frank Renard is authorized to furnish the data as ordered concerning Basin-Dakota wells that have been cored by British American Oil Producing Company. British American Oil Producing Company, Thomas M. Hogan."

We also have in our file a letter received October the 31st from Mr. Kenneth A. Swanson on behalf of Aztec Oil and Gas Company, and I would like to read that letter at this time.

"Re: New Mexico Oil Conservation Commission Case 2504, Rehearing. Gentlemen: Receipt is acknowledged of the Commission's ruling with respect to the motions to Quash Subpoenas Duces Tecum. As required by Order in paragraph 2, Mr. L. M. Stevens will appear before the Commission at 9:00 A.M. on December 19, 1962 and

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will there produce all core analyses reports and all electric and radioactivity logs concerning any and all wells that have been cored in the Basin-Dakota Pool by Aztec Oil and Gas Company. Mr. Stevens has been given custody and control of such logs and reports for such purpose. Therefore, Aztec Oil and Gas Company does not plan to argue that some party other than Mr. Stevens actually has custody and control of this data at the November 14, 1962 hearing."

The Commission also has in its files a stipulation entered into by Jason W. Kellahin, attorney for Consolidated Oil and Gas, Inc. and William J. Cooley of the law firm of Verity, Burr and Cooley, attorneys for Southwest Production Company. I would like to ask the Commission to take administrative notice of this stipulation as it appears in full in the file rather than read the entire stipulation into the record.

The stipulation in general states that Consolidated waives objection to the non-appearance of Leon Wiederkehr at the hearing on December 19 as Southwest Production Company does not have any of the required information to be produced.

MR. PORTER: The Commission will take note of the stipulation as requested by counsel. I believe from the communications that you have just made part of the record that we have heard from Mr. Stevens, Mr. Wiederkehr and Mr. Frank Renard,



representing Aztec and British American, Southwest Production Company.

MR. DURRETT: Yes, that is correct.

MR. PORTER: That leaves Mr. Eaton, Mr. Frank D. Gorham and Mr. David H. Rainey. Mr. Malone.

MR. MALONE: May it please the Commission, Charles Malone, Atwood, Malone, Roswell, counsel for George Eaton. I am also authorized to make a statement for Pan American Petroleum Corporation, Mr. Eaton's employer. Pan American feels that the Commission ruling and Order of October 18, 1962 is a very fair and appropriate disposition of the Subpoena Duces Tecum and Motions to Quash directed to those Subpoenas.

Pan American wishes to cooperate with the Commission in carrying out the ruling. To that end while the core analyses reports and electric and radioactivity logs specified by the Order are not in the custody or control of Mr. Eaton, who merely has access to them in the performance of his duties, Pan American will nevertheless furnish to the Commission all core analyses reports and all electric and radioactivity logs covering any and all wells in New Mexico in the Basin-Dakota Gas Pool which are owned and operated by Pan American.

Pan American will be prepared to produce these reports and logs at the Commission's hearing on December 19, 1962, or at such

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other time and place as the Commission may direct.

MR. PORTER: Thank you, Mr. Malone.

MR. FEDERICI: If the Commission please, Bill Federici of Seth, Montgomery, Federici and Andrews on behalf of El Paso Natural Gas Company, and Dave Rainey personally. I want to show an entry of appearance also for Mr. Garrett Whitworth, attorney, El Paso, Texas. With reference to the subpoena which was served on Dave Rainey and although Dave Rainey does not have the custody or control of the electric and radioactivity logs and the core analyses reports, El Paso Natural Gas Company will none the less make this information available to Mr. Dave Rainey to produce that information and that data at the hearing on December 19, 1962.

If the Commission please, my understanding of the order is that it requires Dave Rainey to produce the core analyses reports and the electric and radioactivity logs on wells owned and operated by El Paso Natural Gas Company which have been cored.

MR. PORTER: That is correct, Mr. Federici. Mr. Kelleher.

MR. KELLEHER: May it please the Commission, we also concur in the thought that the ruling of the Commission was fair on the question of Subpoenas Duces Tecum. I was in hopes that some lawyer would start another argument about the Subpoena Duces

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Tecum today, but apparently the Commission would like to have that dispensed with.

Everything that Pubco has belongs to Mr. Gorham personally, everything we have is a public record excepting the core analyses. We have an interest in thirteen wells in the Basin-Dakota, ten of which we operate. We have no wells that have been cored. However, Mr. Gorham will be here in person on December 19 and will obey the order of the Commission with reference to any testimony that he should give, but at this time we would like it clear that we do not have core analyses of our wells.

MR. PORTER: The Commission is happy, of course, that all of the people have indicated that they will comply with the ruling that the Commission made on October 18, I believe it was, that they will be here with the information desired and the case then, unless somebody else has something to offer at this time, the case will be heard on the 19th of December as scheduled. Mr. Kellahin.

MR. KELLAHIN: Just for the sake of the record, I think everybody has concurred that they will bring forth this evidence and the stipulation between Consolidated and Southwest Production was based upon an affidavit which was signed by the witness subpoenaed to the effect that they do not have this information, and for the sake of the record I wish to say that we concur

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with the statement that has been made by Mr. Kelleher. If he says they don't have any cores, we accept it.

MR. PORTER: We will take the case up at the regular hearing on the 19th of December. Any questions anyone has concerning this matter? If not we'll proceed to the next case.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 27th day of November, 1962.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:
June 19, 1963.

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