

## STATE OF NEW MEXICO

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING )  
 CALLED BY THE OIL CONSERVATION )  
 COMMISSION FOR THE PURPOSE OF )  
 CONSIDERING: )  
 APPLICATIONS OF LOUISE Y. LOCKE )

CASE NOS. 10,345  
 10,346

**ORIGINAL**

REPORTER'S TRANSCRIPT OF PROCEEDINGSCOMMISSION HEARING

BEFORE: WILLIAM J. LEMAY, CHAIRMAN  
 WILLIAM WEISS, COMMISSIONER  
 GARY CARLSON, COMMISSIONER

March 10th, 1994

Santa Fe, New Mexico

This matter came on for hearing before the Oil  
 Conservation Commission on Thursday, March 10th, 1994, at  
 Morgan Hall, State Land Office Building, 310 Old Santa Fe  
 Trail, Santa Fe, New Mexico, before Steven T. Brenner,  
 Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

## I N D E X

March 10th, 1994  
Commission Hearing  
CASE NOS. 10,345, 10,346

PAGE

REPORTER'S CERTIFICATE

5

\* \* \*

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

FOR THE COMMISSION:

ROBERT G. STOVALL  
Attorney at Law  
Legal Counsel to the Division  
State Land Office Building  
Santa Fe, New Mexico 87504

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   9:05 a.m.:

3           CHAIRMAN LEMAY: Good morning. This is the Oil  
4   Conservation Commission.

5           My name is Bill LeMay.

6           To my right is Commissioner Gary Carlson  
7   representing the Commissioner of Public Lands, State of New  
8   Mexico.

9           To my left, Commissioner Bill Weiss.

10          Appreciate your attendance.

11          And we will start by calling Case Number 10,345.

12          MR. STOVALL: It's the Application of Louise Y.  
13   Locke to consider objections to well costs, San Juan  
14   County, New Mexico.

15          And Mr. Chairman, I would suggest at this time we  
16   can also call Case 10,346. They are going --

17          CHAIRMAN LEMAY: Okay, we'll call 10,346 along  
18   with 10,345.

19          MR. STOVALL: Which is also the Application of  
20   Louise Y. Locke to consider objections to well costs, San  
21   Juan County, New Mexico.

22          These cases are on permanent continuance, and it  
23   appears that that will continue for another -- at least one  
24   more hearing date. I think they've actually got some well  
25   tests to object to object to at this point. I haven't had

1 a chance to review them, and they may go away.

2 CHAIRMAN LEMAY: Is there any objection to  
3 continuing these cases to the April 21st hearing?

4 If not, they shall be continued.

5 (Thereupon, these proceedings were concluded at  
6 9:06 a.m.)

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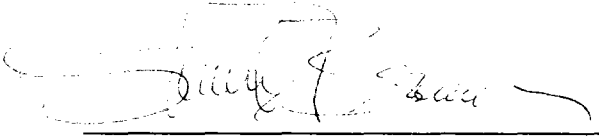
## 1 CERTIFICATE OF REPORTER

2  
3 STATE OF NEW MEXICO )  
4 ) ss.  
COUNTY OF SANTA FE )

5  
6 I, Steven T. Brenner, Certified Court Reporter  
7 and Notary Public, HEREBY CERTIFY that the foregoing  
8 transcript of proceedings before the Oil Conservation  
9 Commission was reported by me; that I transcribed my notes;  
10 and that the foregoing is a true and accurate record of the  
11 proceedings.

12 I FURTHER CERTIFY that I am not a relative or  
13 employee of any of the parties or attorneys involved in  
14 this matter and that I have no personal interest in the  
15 final disposition of this matter.

16 WITNESS MY HAND AND SEAL March 13th, 1994.

17  
18   
19 STEVEN T. BRENNER  
CCR No. 7

20  
21 My commission expires: October 14, 1994  
22  
23  
24  
25

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING )  
CALLED BY THE OIL CONSERVATION )  
COMMISSION FOR THE PURPOSE OF )  
CONSIDERING: )

CASE NOS. 10345  
and 10346

APPLICATION OF LOUISE Y. LOCKE  
-----

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: William R. LeMay, Chairman  
Gary Carlson, Commissioner  
Bill Weiss, Commissioner  
Florene Davidson, Senior Staff Specialist

November 10, 1993

Santa Fe, New Mexico

This matter came on for hearing before the  
Oil Conservation Commission on November 10, 1993, at  
Morgan Hall, State Land Office Building, 310 Old Santa  
Fe Trail, Santa Fe, New Mexico, before Deborah O'Bine,  
RPR, Certified Court Reporter No. 63, for the State of  
New Mexico.

**ORIGINAL**

CUMBRE COURT REPORTING  
P.O. Box 9262  
Santa Fe, New Mexico 85704-9262  
(505) 984-2244 FAX: 984-2092

1 CHAIRMAN LeMAY: We shall call cases 10345  
2 and 10346.

3 MR. STOVALL: These are both the  
4 applications of Louise Y. Locke to consider objections  
5 to well costs, San Juan County, New Mexico. Just for  
6 the Commission's information, I have been informed by  
7 the counsel for BHP Petroleum that these cases are  
8 being continued -- they have been continued numerous  
9 times and are continuing to be continued because Mrs.  
10 Locke is awaiting information from BHP before she can  
11 determine whether to pursue the cases or dismiss them.

12 And, therefore, they request they be  
13 continued to the January 1994 docket.

14 CHAIRMAN LeMAY: Without objection, those  
15 cases will be continued to the January 1994 docket.

16 Before I call the additional cases, I'd  
17 like to put into the record some hearing dates for  
18 1994.

19 For the record, the first five months of  
20 1994 -- because the Commission normally does not hear  
21 cases in December, so our next hearing date will be  
22 January 1994 -- January 13, February 10, March 10,  
23 April 21, and May 19. Those will be at least the  
24 first five months' hearing dates. I'm not sure we're  
25 going to hear these cases -- the way our building is

1 going, I assume we'll probably be right here for those  
2 five months, but at one time we were supposed to  
3 move. I don't know where the status of that is right  
4 now. So those of you planning your schedules and so  
5 forth, that's going to be our schedule.

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CUMBRE COURT REPORTING  
P.O. Box 9262  
Santa Fe, New Mexico 85704-9262  
(505) 984-2244 FAX: 984-2092



CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )

) ss.

COUNTY OF SANTA FE )

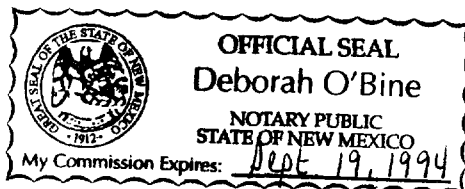
I, Deborah O'Bine, Certified Shorthand Reporter and Notary Public, HEREBY CERTIFY that I caused my notes to be transcribed under my personal supervision, and that the foregoing transcript is a true and accurate record of the proceedings of said hearing.

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, November 10, 1993.

*Deborah O'Bine*

DEBORAH O'BINE  
CCR No. 63



CUMBRE COURT REPORTING  
P.O. Box 9262  
Santa Fe, New Mexico 85704-9262  
(505) 984-2244 FAX: 984-2092

## NEW MEXICO OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

CASE NO. 10345

IN THE MATTER OF:

The Application of Louise Y. Locke  
to Consider Objections to Well Costs,  
San Juan County, New Mexico.

BEFORE:

CHAIRMAN WILLIAM LEMAY

COMMISSIONER BILL WEISS

COMMISSIONER JAMI BAILEY

FLORENE DAVIDSON, Staff Specialist

State Land Office

August 19, 1993

REPORTED BY:

CARLA DIANE RODRIGUEZ  
Certified Court Reporter  
for the State of New Mexico

20 1993

ORIGINAL

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

FOR THE NEW MEXICO OIL CONSERVATION DIVISION:

**ROBERT G. STOVALL, ESQ.**

General Counsel

Post Office Box 2088

State Land Office Building

Santa Fe, New Mexico 87504-2088

1 CHAIRMAN LEMAY: Call Case 10345.

2 MR. STOVALL: Application of Louise Y.  
3 Locke to consider objections to well costs, San  
4 Juan County, New Mexico.

5 Applicant has requested this case be  
6 continued once again.

7 CHAIRMAN LEMAY: Is there any objection  
8 to the continuance of this case? If not, Case  
9 10345 shall be continued to the September 22nd  
10 hearing.

11 (And the proceedings concluded.)

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## CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF SANTA FE )

I, Carla Diane Rodriguez, Certified  
Court Reporter and Notary Public, HEREBY CERTIFY  
that the foregoing transcript of proceedings  
before the Oil Conservation Commission was  
reported by me; that I caused my notes to be  
transcribed under my personal supervision; 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 September 8,  
1993.

  
CARLA DIANE RODRIGUEZ, RPR  
CCR No. 4

## NEW MEXICO OIL CONSERVATION COMMISSION

COMMISSION HEARINGSANTA FE, NEW MEXICOHearing Date SEPTEMBER 22, 1993 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
Dick Morrow Maurice Trimmer William A. [unclear]	Devon Energy Rw Byram Co. Campbell, [unclear] + [unclear]	Oklahoma City SF Santa Fe



## 1 STATE OF NEW MEXICO

2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

3 OIL CONSERVATION COMMISSION

4 CASES 10,345, 10,346, 10,719, 10,693, 10,498

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6 CONTINUED AND DISMISSED CASES7  
8  
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11 TRANSCRIPT OF PROCEEDINGS12  
13  
14 BEFORE: WILLIAM J. LEMAY, CHAIRMAN

15 WILLIAM WEISS, COMMISSIONER

16 JAMI BAILEY, COMMISSIONER

17  
18  
19 **ORIGINAL**20  
21  
22  
23 STATE LAND OFFICE BUILDING

24 SANTA FE, NEW MEXICO

25 September 22, 1993



1           WHEREUPON, the following proceedings were had  
2           at 9:07 a.m.:

3           CHAIRMAN LEMAY: Good morning to all of you.

4           MR. CARR: Good morning. You still outnumber  
5           us.

6           CHAIRMAN LEMAY: This is the Oil Conservation  
7           Commission. I'm Bill LeMay, on my left Commissioner  
8           Bill Weiss, to my right Commissioner Jami Bailey, and  
9           we're here to serve you.

10          To begin, we shall -- We don't even have a  
11          lawyer, do we? We do have a court reporter.

12          We shall call Case Number 10,345 and 10,346,  
13          companion cases, which are the Applications of Louise  
14          Y. Locke to consider objections to well costs, San Juan  
15          County, New Mexico.

16          I have here that there's a motion to continue  
17          to the November 10th hearing?

18          MR. CARR: May it please the Commission, my  
19          name is William F. Carr. I've entered an appearance, a  
20          very long time ago, for Louise Locke, and I've been  
21          advised by Jim Bruce that they're requesting the case  
22          be continued to November. They are still negotiating,  
23          and it is my belief the case will ultimately be  
24          settled.

25          CHAIRMAN LEMAY: Is there any objection to

1 the continuance of these cases to November 10th?

2 If not, those cases shall be continued to  
3 November 10th.

4 \* \* \*

5 CHAIRMAN LEMAY: And we will call Case Number  
6 10,719, the Application of Application of Anadarko  
7 Petroleum Corporation for directional drilling and an  
8 unorthodox bottomhole gas well location, Eddy County,  
9 New Mexico.

10 I understand there's a motion to continue  
11 this case until the October 14th hearing. Is there any  
12 objection to continuing the case?

13 If not, it shall be continued to the November  
14 14th hearing -- I'm sorry, October 14th hearing.

15 \* \* \*

16 CHAIRMAN LEMAY: And we shall call Case  
17 Number 10,693, which is the Application of Pronghorn  
18 SWD System for salt water disposal, Lea County, New  
19 Mexico.

20 MS. AUBREY: May it please the Commission, my  
21 name is Karen Aubrey. I represent the Applicant.

22 We've requested the case be continued  
23 indefinitely on the Commission's docket while we will  
24 try to work out some other details.

25 CHAIRMAN LEMAY: Ms. Aubrey, without

1 objection Case Number 10,693 will be continued  
2 indefinitely.

3 \* \* \*

4 CHAIRMAN LEMAY: Okay, we shall call Case  
5 Number 10,498, Application of Monty D. McLane to exempt  
6 certain working interests from the compulsory pooling  
7 provisions of Division Order No. R-9690, Lea County,  
8 New Mexico.

9 MR. CARR: May it please the Commission, my  
10 name is William F. Carr, and I represent Monty D.  
11 McLane.

12 An agreement has been reached with Mr.  
13 Gillespie and Mr. McLane.

14 I can tell you as of Friday, which is the  
15 last time I talked to anyone about the case, the only  
16 question outstanding was whether or not Mr. McLane  
17 would pay his proportionate share of the well and then  
18 receive money back, or whether or not it would just be  
19 an accounting question and they would just deduct the  
20 amount that Mr. McLane owned.

21 It's my understanding that's how close they  
22 are to wrapping this up. But as of this morning, they  
23 haven't signed everything.

24 For that reason, I hate to, but I have to ask  
25 one more time that we continue this case. I'm

1 convinced that it will never come back to you. But  
2 until the documents are actually signed, the parties  
3 prefer, if it's agreeable with you, to let this stay on  
4 your docket.

5 CHAIRMAN LEMAY: Would you want to continue  
6 it till November --

7 MR. CARR: I think that would be --

8 CHAIRMAN LEMAY: -- or in October?

9 MR. CARR: I think so because, one, that will  
10 also keep the parties moving to get these papers  
11 signed. I had hoped they would be done today, but I've  
12 called and I can't tell you that they have been.

13 CHAIRMAN LEMAY: So your recommendation is  
14 the October 14th hearing?

15 MR. CARR: Yes, sir.

16 CHAIRMAN LEMAY: Is there any objection to  
17 continuing Case 10,498 to the October 14th Commission  
18 hearing?

19 If not, Case 10,498 shall be continued to the  
20 October 14th hearing.

21 \* \* \*

22 (Thereupon, these proceedings were concluded  
23 at 9:11 a.m.)

24 \* \* \*

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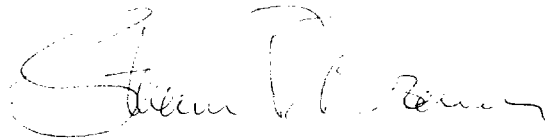
## CERTIFICATE OF REPORTER

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 Commission 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 September 22nd,  
1993.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 1994

## NEW MEXICO OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

CASE NOS. 10345 and 10346 (Consolidated)

IN THE MATTER OF:

The Applications of Louise Y. Locke  
to Consider Objections to Well Costs,  
San Juan County, New Mexico.

BEFORE:

CHAIRMAN WILLIAM LEMAY

COMMISSIONER BILL WEISS

COMMISSIONER GARY CARLSON

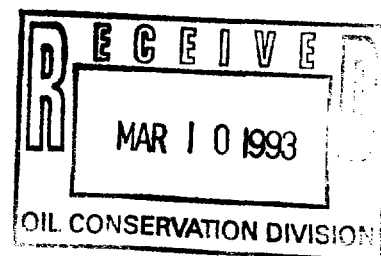
FLORENE DAVIDSON, Staff Specialist

Mabry Hall

February 25, 1993

REPORTED BY:

CARLA DIANE RODRIGUEZ  
Certified Court Reporter  
for the State of New Mexico



ORIGINAL

RODRIGUEZ REPORTING  
(505) 988-1772

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

FOR THE NEW MEXICO OIL CONSERVATION DIVISION:

**ROBERT G. STOVALL, ESQ.**

General Counsel

Post Office Box 2088

State Land Office Building

Santa Fe, New Mexico 87504-2088

1                   CHAIRMAN LEMAY: I'll now call the  
2                   consolidations of 10345 and 10346, both the  
3                   application of Louise Locke to consider  
4                   objections to well costs on wells in the San Juan  
5                   Basin of New Mexico.

6                   MR. STOVALL: Mr. Chairman, it's my  
7                   understanding that the Applicant in this case,  
8                   Louise Locke, is not yet prepared to go forward.  
9                   They've requested a continuance to the April  
10                  Commission hearing, to give her further  
11                  opportunity to review the costs.

12                  With any luck at all this one may be  
13                  dismissed, but at this time they've requested a  
14                  continuance.

15                  CHAIRMAN LEMAY: Without objection,  
16                  those two cases will be continued to the April  
17                  29, 1993, Commission Hearing.

18                  (And the proceedings concluded.)  
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## CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )

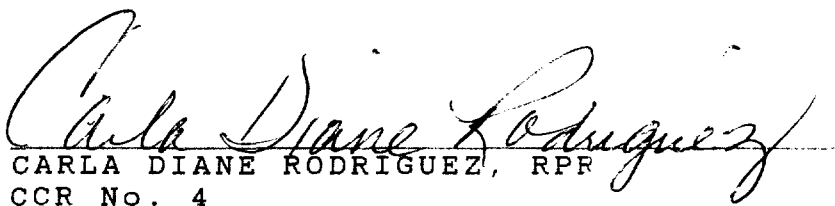
) ss.

COUNTY OF SANTA FE )

I, Carla Diane Rodriguez, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Commission was reported by me; that I caused my notes to be transcribed under my personal supervision; 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 March 4, 1993.

  
CARLA DIANE RODRIGUEZ, RPR  
CCR No. 4

## NEW MEXICO OIL CONSERVATION COMMISSION

STATE LAND OFFICE BUILDING

STATE OF NEW MEXICO

CASE NOS. 10345 and 10346

Consolidated Cases

IN THE MATTER OF:

The Applications of Louise Y. Locke  
to Consider Objections to Well Costs,  
San Juan County, New Mexico.

BEFORE:

CHAIRMAN WILLIAM LEMAY

COMMISSIONER BILL WEISS

COMMISSIONER JAMI BAILEY

FLORENE DAVIDSON, Staff Specialist

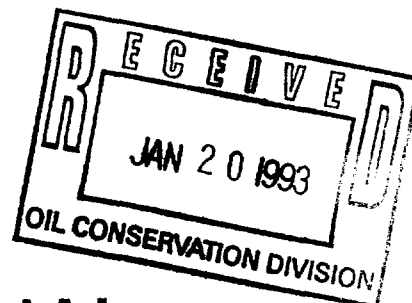
State Land Office Building

Morgan Hall

January 14, 1993

REPORTED BY:

CARLA DIANE RODRIGUEZ  
Certified Court Reporter  
for the State of New Mexico

**ORIGINAL**

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

FOR THE NEW MEXICO OIL CONSERVATION DIVISION:

ROBERT G. STOVALL, ESQ.

General Counsel  
State Land Office Building  
Santa Fe, New Mexico 87504

FOR THE APPLICANT:

(No Appearance)

1                   CHAIRMAN LEMAY: And I shall call Case  
2 No. 10345, which is a de novo application of  
3 Louise Locke to consider objections to well  
4 costs, San Juan County, New Mexico.

5                   MR. STOVALL: Mr. Chairman, I would ask  
6 also at this time you call Case 10346, which is  
7 exactly the same type of application. There are  
8 two different wells.

9                   CHAIRMAN LEMAY: We'll call the  
10 companion case, Case No. 10346, another de novo  
11 application of Louise Locke to consider  
12 objections to well costs, San Juan Basin, New  
13 Mexico.

14                  MR. STOVALL: As background in these  
15 two cases, they actually were de novo on force  
16 pooling cases. The Commission issued a force  
17 pooling order, pooling the interests of Louise  
18 Locke and two wells operated by BHP Petroleum  
19 Americas.

20                  Subsequent to the drilling of those  
21 wells, Louise Locke had filed an objection to the  
22 well costs pursuant to the force pooling order.

23                  I have had conversation with Mrs.  
24 Locke's son, who is actually the Applicant, and  
25 with counsel for the parties, and they've

1 requested this case be continued to the February  
2 hearing. They may be able to resolve this one.

3 CHAIRMAN LEMAY: Is there any objection  
4 to the continuance of Case Nos. 10345 and 10346  
5 to the February hearing?

6 If not, Cases 10345 and 10346 shall be  
7 continued to the February 25, 1993 Commission  
8 hearing.

9 (And the proceedings concluded.)

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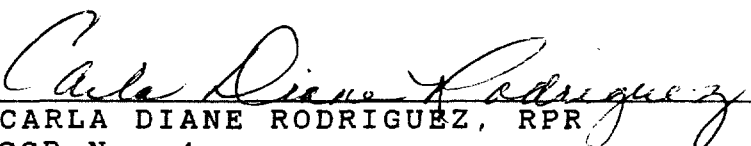
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15 relative or employee of any of the parties or  
16 attorneys involved in this matter and that I have  
17 no personal interest in the final disposition of  
18 this matter.

19 WITNESS MY HAND AND SEAL January 15,  
20 1993.

21  
22  
23   
24 CARLA DIANE RODRIGUEZ, RPR  
25 CCR No. 4