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 ON ITS OWN MOTION FOR AN ORDER CREATING AND EXTENDING) CERTAIN EXISTING POOLS IN CHAVES) CASE NO. 10382 AND EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS EXAMINER HEARING

BEFORE: Michael E. Stogner, Hearing Examiner September 5, 1991 10:00 a.m. Santa Fe, New Mexico

This matter came for hearing before the Oil Conservation Division on September 5, 1991, at 10:00 a.m. at the State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico, before Linda Bumkens, CCR, Certified Court Reporter No. 3008, in and for the County of Bernalillo, State of New Mexico.

FOR: OIL CONSERVATION

DIVISION

BY: LINDA BUMKENS CCR Certified Court Reporter CCR NO. 3008

ORIGINAL

| 1 | INDEX | |
|-----|--|---|
| 2 | l | |
| 3 | Examiner Hearing CASE NO. 10382 | |
| 4 | APPEARANCES | 2 |
| 5 | WITNESSES | 2 |
| 6 | DAVID R. CATANACH | 3 |
| 7 | Examination by Mr. Stovall | 3 |
| 8 | RECESS | 5 |
| 9 | REPORTERS CERTIFICATE | 6 |
| 10 | | |
| 11 | APPEARANCES | |
| 12 | | |
| 13 | FOR THE DIVISION: ROBERT G. STOVALL, ESQ. General counsel | |
| 14 | Oil Conservation Commission 310 Old Santa Fe Trail | |
| 15 | Santa Fe, New Mexico 87501 | |
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MR. STOGNER: Call next Case Number 10382
 1
  which is in the matter of a hearing called by the
  Oil Conservation Division on its own motion for an
 3
  order creating and extending certain pools in Chaves
 5 and Eddy County, New Mexico. At this time I'll call
 6 for appearances.
 7
          MR. STOVALL: Robert G. Stovall on behalf of
  the division.
 8
 9
          MR. STOGNER: Are there any other
10 appearances? Mr. Stovall, do have you a witness?
          MR. STOVALL: Well, yeah, I quess you can call
11
12 him that.
13
          MR. STOGNER: Would the witness please stand
  to be sworn at this time?
14
          (At which time David R. Catanach was duly
15
16 sworn.)
          MR. STOGNER: Mr. Stovall, you may continue.
17
18
                    DAVID R. CATANACH,
19 the Witness herein, being previously sworn,
20 testified as follows:
21
  BY MR. STOVALL:
22
            Please state your name and place of
       Q.
23 residence?
24
       Α.
            David Catanach. I live in Santa Fe, New
25 Mexico and work for the Oil Conservation Division as
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an engineer.

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- Q. I didn't ask you that yet. Have you been previously qualified as a petroleum engineer and had your credentials accepted as a matter of record?
 - A. Yes.
- Q. And are you prepared to make a recommendation today in the nomenclature of certain pools in Chaves and Eddy County, New Mexico?
 - A. Yes, I am.
- Q. And how is your recommendation denominated?
- 11 A. We will --
- 12 Q. Or do you need to do that?
- A. We will designate this exhibit as
- 14 Exhibit 1.
- Q. And have you made a complete and cursory

 16 examination of the Exhibit Number 1 in this case?

 17 What's your problem?
- 18 A. I'm sorry.
- Q. And the docket that has been prepared in today's hearing in determining whether or not there are any differences between the two?
- A. As far as I can tell there are no differences between the two, Mr. Stovall.
- Q. And was Exhibit Number 1 prepared in the usual course of business of the Oil Conservation

Division by staff geologists and submitted? 1 I'm sure it was. 2 Α. I have nothing further. I move the 3 admission of Exhibit Number 1 MR. STOGNER: For this you went to college, 5 6 Mr. Catanach? I have no other questions of this witness. Is there anything further in case Number 10382? 8 MR. STOVALL: Not from me. 9 MR. STOGNER: If not, this case will be taken 10 under advisement. This hearing is adjourned. 11 12 (The foregoing hearing was adjourned at the 13 approximate hour of 10:07 a.m.) 14 15 16 17 I do hereby cartify that the foregoing is a complete retern of the prone. Dags in 18 the wanter of the work Case to 1938 -19 heard by me on _ 5 del Examiner 20 Oil Conservation Division 21 22 23 24 25

STATE OF NEW MEXICO SS. COUNTY OF BERNALILLO REPORTER'S CERTIFICATE

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BE IT KNOWN that the foregoing transcript of the proceedings were taken by me, that I was then and there a Certified Shorthand Reporter and Notary Public in and for the County of Bernalillo, State of New Mexico, and by virtue thereof, authorized to administer an oath; that the witness before testifying was duly sworn to testify to the 10 whole truth and nothing but the truth; that the questions propounded by counsel and the answers of 12 the witness thereto were taken down by me, and that 13 14 the foregoing pages of typewritten matter contain a 15 true and accurate transcript as requested by counsel 16 of the proceedings and testimony had and adduced upon the taking of said deposition, all to the best 18 of my skill and ability.

I FURTHER CERTIFY that I am not related to nor employed by any of the parties hereto, and have no interest in the outcome hereof.

DATED at Bernalillo, New Mexico, this day

23 November 14, 1991.

My commission expires April 24, 1994

CCR No. Notary Public