STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

CASE NO. 10,804

CASE NUMBER 10,804 (REOPENED)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

RECEIVED

March 2nd, 1995

MAR 1 0 1995

Santa Fe, New Mexico Oil Conservation Division

This matter came on for hearing before the Oil Conservation Division on Thursday, March 2nd, 1995, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, before Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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March 2nd, 1995 Examiner Hearing CASE NO. 10,804 (Reopened)

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REPORTER'S CERTIFICATE

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APPEARANCES

FOR THE DIVISION:

RAND L. CARROLL Attorney at Law Legal Counsel to the Division State Land Office Building Santa Fe, New Mexico 87504

FOR THE APPLICANT:

CAMPBELL, CARR, BERGE & SHERIDAN, P.A. Suite 1 - 110 N. Guadalupe P.O. Box 2208 Santa Fe, New Mexico 87504-2208 By: WILLIAM F. CARR

* * *

WHEREUPON, the following proceedings were had at 1 2 1:10 p.m.: EXAMINER CATANACH: Okay, call the hearing back 3 to order, and at this time we'll call Case 10,804. 4 MR. RAND CARROLL: In the matter of Case Number 5 10,804 being reopened pursuant to the provisions of 6 Division Order Number R-10,010, which order promulgated 7 temporary special rules and regulatios for the Happy 8 9 Valley-Delaware Pool in Eddy County, New Mexico. 10 EXAMINER CATANACH: Are there any appearances in 11 this case? 12 MR. CARR: May it please the Examiner, my name is 13 William F. Carr with the Santa Fe law firm Campbell, Carr, 14 Berge and Sheridan. This case was originally brought before the 15 Commission on the application of Collins and Ware, Inc. 16 Recently Louis Dreyfus Natural Gas Corporation has 17 succeeded to the interests of Collins and Ware in this 18 19 pool. Louis Dreyfus has reviewed the available 20 21 information on the wells in the pool and has concluded that 22 the pool can effectively be developed under statewide rules. 23 Accordingly, we are not appearing here today to 24 25 present additional testimony and believe it would be

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

| appropriate for statewide rules to, from this time forward, govern the development of the Happy Valley-Delaware Pool. EXAMINER CATANACH: OKay, are there any additional appearances or anything further in this case? There being nothing further, Case 10,804 will be taken under advisement. (Thereupon, these proceedings were concluded at 1:11 p.m.) **** 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 38 39 30 31 31 32 33 34 35 36 37 38 39 30 31 32 33 34 35 | | |
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| EXAMINER CATANACH: Okay, are there any additional appearances or anything further in this case? There being nothing further, Case 10,804 will be taken under advisement. (Thereupon, these proceedings were concluded at 1:11 p.m.) *** | 1 | appropriate for statewide rules to, from this time forward, |
| <pre>4 additional appearances or anything further in this case? 5 There being nothing further, Case 10,804 will be 6 taken under advisement. 7 (Thereupon, these proceedings were concluded at 8 1:11 p.m.) 9 *** 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24</pre> | 2 | govern the development of the Happy Valley-Delaware Pool. |
| 5 There being nothing further, Case 10,804 will be taken under advisement. 7 (Thereupon, these proceedings were concluded at 1:11 p.m.) 9 *** 10 11 11 12 13 14 15 16 17 18 19 20 21 22 23 24 24 24 | 3 | EXAMINER CATANACH: Okay, are there any |
| 6 taken under advisement. 7 (Thereupon, these proceedings were concluded at 8 1:11 p.m.) 9 *** 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 24 | 4 | additional appearances or anything further in this case? |
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| 8 1:11 p.m.) * * * 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 | 6 | taken under advisement. |
| 9 * * * 10 * * * 11 * * * 12 * 13 * 14 * 15 * 16 * 17 * 18 * 19 * 20 * 21 * 22 * 23 * 24 * | 7 | (Thereupon, these proceedings were concluded at |
| 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 | 8 | 1:11 p.m.) |
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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 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 March 6th, 1995.

STEVEN T. BRENNER CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 10801 heard by me on 1995

Oil Conservation Division STEVEN T. BRENNER, CCR (505) 989-9317 5