

1 STATE OF NEW MEXICO
2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
3 OIL CONSERVATION DIVISION
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7 EXAMINER HEARING
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9 IN THE MATTER OF:
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12 Application of Bannon Energy, Case 9799
13 Incorporated, for an unorthodox oil
14 well location, Rio Arriba County,
15 New Mexico.
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19 TRANSCRIPT OF PROCEEDINGS
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21 BEFORE: VICTOR T. LYON, EXAMINER
22

23 STATE LAND OFFICE BUILDING

24 SANTA FE, NEW MEXICO

25 November 1, 1989

CUMBRE COURT REPORTING
(505) 984-2244

ORIGINAL

1 HEARING EXAMINER: We'll call next case,
2 9798.

3 MR. STOVALL: Application of Bannon Energy,
4 Incorporated, for an unorthodox oil well location,
5 Rio Arriba County, New Mexico.

6 HEARING EXAMINER: Appearances in this
7 case.

8 MR. STOVALL: Any appearance on behalf of
9 Bannon Energy, Incorporated?

10 Mr. Examiner, could I look at the file for
11 that for a moment?

12 HEARING EXAMINER: Sure.

13 MR. STOVALL: Mr. Examiner, I believe this
14 case was called at the last hearing. No one from
15 Bannon Energy appeared at that hearing. It's again
16 been called today. No one has appeared today.

17 It appears to me that what has happened in
18 the chronology of this case is that Bannon filed an
19 application for an administrative approval.
20 Apparently, the administrative approval has not been
21 given, and I'm not even sure whether the case
22 qualifies for administrative approval. I cannot be
23 certain whether or not Bannon has been notified, or
24 whether they believe that this is an administrative
25 case still.

1 So I'm going to recommend that this case be
2 continued to the November 29th docket and that the
3 Division make sure that the Bannon is aware that that
4 matter is on the docket and that we're going to
5 require a hearing before it can be approved.

6 HEARING EXAMINER: That sounds like a good
7 procedure.

8 Case 9799 is hereby continued to the
9 November 29th Examiner hearing docket.

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I do hereby certify that the foregoing is
a true and correct copy of the
the examination hearing of Case No. 9801.
Record by me on November 1, 1989.
W. J. Ryan, Examiner
Oil Conservation Division

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3 CERTIFICATE OF REPORTER4
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6 STATE OF NEW MEXICO)
7) ss.
8 COUNTY OF SANTA FE)9
10 I, Diana Abeyta, Certified Shorthand
11 Reporter and Notary Public, HEREBY CERTIFY that the
12 foregoing transcript of proceedings before the Oil
13 Conservation Division was reported by me; that I
14 caused my notes to be transcribed under my personal
15 supervision; and that the foregoing is a true and
16 accurate record of the proceedings.17
18 I FURTHER CERTIFY that I am not a relative
19 or employee of any of the parties or attorneys
20 involved in this matter and that I have no personal
21 interest in the final disposition of this matter.22
23 WITNESS MY HAND AND SEAL January 3, 1990.24
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My commission expires: May 7, 1993

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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
CASE 9799

EXAMINER HEARING

IN THE MATTER OF:

Application of Bannon Energy, Incorporated,
for an Unorthodox Oil Well Location,
Rio Arriba County, New Mexico

TRANSCRIPT OF PROCEEDINGS

BEFORE: MICHAEL E. STOGNER, EXAMINER

STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO

November 29, 1989

ORIGINAL

A P P E A R A N C E S

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FOR THE DIVISION:

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

FOR THE APPLICANT:

WILLIAM F. CARR, ESQ.
Campbell & Black, P.A.
Post Office Box 2208
Santa Fe, N.M. 87504-2208

1 HEARING EXAMINER: Call next case,
2 No. 9799.

3 MR. STOVALL: Application of Bannon Energy,
4 Incorporated, for an unorthodox oil well location, Rio
5 Arriba County, New Mexico.

6 HEARING EXAMINER: Call for appearances?

7 MR. CARR: May it please the Examiner, my
8 name is William F. Carr, with the law firm of Campbell
9 & Black, P.A. We have, in the past, represented
10 Bannon and have one matter going for them now.

11 When we saw the docket, we attempted to
12 contact Mr. Jeff Holcom, their agent in New Mexico.
13 He is out. We were unable to contact him, and so with
14 your permission I will request that the case be
15 continued to December 13th, and we will confirm
16 between now and then whether or not they're going
17 forward with this and desire for us to represent them
18 or not.

19 MR. STOVALL: Mr. Carr, additionally for
20 the record and I don't believe you were here at the
21 November 1st hearing when we continued this case, at
22 that time no appearances were entered for Bannon and
23 if my memory serves me correctly that's true from at
24 least one or two previous hearings.

25 We would appreciate it if you would contact

1 Bannon. It appears that we may have made an error and
2 failed to notify them that this administrative request
3 was set for hearing.

4 MR. CARR: Also, the one time I have
5 represented them, I was asked to represent them about
6 9:00 the night before the hearing, and they were
7 already here. So I'll talk to them about it and also
8 see if something can't be done so that this kind of
9 situation doesn't happen again.

10 MR. STOVALL: Yes, and we'll also look at
11 our procedures in notifying people that administrative
12 approvals or requests are set for hearing, but I think
13 there has just been a breakdown in communication
14 here.

15 MR. CARR: I'll check with Mr. Holcom, and
16 I have a message in for him now.

17 HEARING EXAMINER: For the record, this
18 case was sought to be put on the docket by our
19 district office in Aztec, who requested the
20 administrative application that we received. It looks
21 like it was received back in August, and in September
22 the Aztec District Office requested it be put on the
23 docket, which it was.

24 But like Mr. Stovall has said, there seems
25 to be a failure to communicate here. Thank you.

CERTIFICATE OF REPORTER

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

I, Carla Diane Rodriguez Certified
Shorthand Reporter and Notary Public, HEREBY CERTIFY
that the foregoing transcript of proceedings before
the Oil Conservation Division 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 December 11, 1989.

Carla Diane Rodriguez
CARLA DIANE RODRIGUEZ
CSR No. 91

My commission expires: May 25, 1991

I do hereby certify that the foregoing is
a complete and correct transcript of the proceedings in
the Executive Session of Case No. 9799,
heard by me on 29 December 1989.
Michael E. Stagner, Executive
Oil Conservation Division

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

Cases: 9712, 9713, 9828, 9838, 9799,
9812, 9813, 9788, 9827, 9829

CONTINUATIONS AND DISMISSALS
FROM THE EXAMINER HEARING

TRANSCRIPT OF PROCEEDINGS

BEFORE: DAVID R. CATANACH, EXAMINER

STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO

December 13, 1989

A P P E A R A N C E S

FOR THE DIVISION:

ROBERT G. STOVALL

Attorney at Law

Legal Counsel to the Divison

State Land Office Building

Santa Fe, New Mexico

1 HEARING EXAMINER: We'll call this hearing
2 to order this morning for Docket No. 3589. We'll run
3 through the continuances and dismissals first this
4 morning.

5 Call Case 9712.

6 MR. STOVALL: In the matter of the hearing
7 called by the Oil Conservation Division on its own
8 motion to permit Tom L. Ingram, American Employers'
9 Insurance Company, and other interested parties to
10 appear to show cause why the Chappell "5" Well No. 1
11 in San Miguel County, New Mexico, should not be
12 plugged and abandoned in accordance with a
13 Division-approved plugging program.

14 We knew if we postponed this case long
15 enough that that well would somehow get plugged, and
16 so the Division moves to dismiss it at this time.

17 HEARING EXAMINER: Case 9712 is hereby
18 dismissed.

19 * * * * *

20 HEARING EXAMINER: Call Case 9713.

21 MR. STOVALL: In the matter of the hearing
22 called by the Oil Conservation Division on its own
23 motion to permit Tom L. Ingram, American Employers'
24 Insurance Company, and all other interested parties to
25 show cause why the Gihon "31" Well No. 1, San Miguel

1 County, New Mexico, should not be plugged and
2 abandoned in accordance with a Division-approved
3 plugging program. Worked for two of them.

4 Move to dismiss this case as well.

5 HEARING OFFICER: Case 9713 is hereby
6 dismissed.

7 * * * * *

8 HEARING EXAMINER: Call Case 9828.

9 MR. STOVALL: Application of Bill Fenn,
10 Inc., for an amendment of Division Order No. R-8951 as
11 amended, Eddy County, New Mexico.

12 Applicant requests this case be dismissed.

13 HEARING OFFICER: Case 9828 is hereby
14 dismissed.

15 * * * * *

16 HEARING EXAMINER: Call Case 9838.

17 MR. STOVALL: Application of Parker
18 Drilling Company for the institution of gas
19 prorationing and the adoption of Special Rules for the
20 Pitchfork Ranch-Atoka Gas Pool, Lea County, New
21 Mexico.

22 Applicant requests this case be continued
23 to December 27, 1989.

24 HEARING OFFICER: Case 9838 will hereby be
25 continued to the December 27th docket.

* * * * *

HEARING EXAMINER: Call Case 9799.

MR. STOVALL: The application of Bannon Energy Incorporated for an unorthodox oil well location, Rio Arriba County, New Mexico.

Applicant requests this case be dismissed.

HEARING OFFICER: Case 9799 is hereby dismissed.

* * * * *

HEARING EXAMINER: Call Case 9812.

MR. STOVALL: Application of Meridian Oil, Inc., on behalf of El Paso Natural Gas Company, for an unorthodox coal gas well location, Rio Arriba County, New Mexico.

Applicant requests this case be continued to December 27, 1989.

HEARING OFFICER: Case 9812 is hereby continued to the December 27th docket.

* * * * *

HEARING EXAMINER: Call Case 9813.

MR. STOVALL: Application of Meridian Oil, Inc., on behalf of El Paso Natural Gas Company, for an unorthodox coal gas well location, Rio Arriba County, New Mexico.

Applicant requests this case be continued

1 to December 27.

2 HEARING OFFICER: Case 9813 is hereby
3 continued to the December 27th docket.

4 * * * * *

5 HEARING EXAMINER: Call Case 9788.

6 MR. STOVALL: Application of Yates
7 Petroleum Corporation for directional drilling and an
8 unorthodox gas well location, Eddy County, New Mexico.
9 Applicant requests this case be dismissed.

10 HEARING OFFICER: Case 9788 is hereby
11 dismissed.

12 * * * * *

13 HEARING EXAMINER: Call Case 9827.

14 MR. STOVALL: Application of Exxon
15 Corporation for special casinghead gas allowable, Lea
16 County, New Mexico.

17 The Applicant requests this case be
18 continued to a hearing in February of 1990. Hearing
19 date to be determined when the schedule is published.

20 HEARING EXAMINER: Case 9827 is hereby
21 continued to the first hearing in February 1990.

22 * * * * *

23 HEARING EXAMINER: At this time we'll call
24 Case 9829.

25 MR. STOVALL: Application of Roberts and

1 Hammack, Inc., for a nonstandard oil proration unit,
2 Lea County, New Mexico.

3 Mr. Examiner, this case has been previously
4 heard and is being readvertised to correct notice
5 deficiencies.

6 HEARING EXAMINER: Are there any additional
7 appearances at this time?

8 MR. STOVALL: We will take this case under
9 advisement.

10 HEARING EXAMINER: There being no further
11 appearances, Case 9829 will be taken under advisement
12 at this time.

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CERTIFICATE OF REPORTER

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

I, Freda Simmons, Certified Shorthand Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division 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 February 18, 1989.

Freda Simmons
FREDA SIMMONS

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiners hearing of Case No. 9789, heard by me on December 12, 1989.

David R. Catant, Examiner
Oil Conservation Division