

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

CASE 10,026, CASE 10,027

EXAMINER HEARING

IN THE MATTER OF:

Hearing Called by the Oil Conservation Division on
its Own Motion to Amend Division Order No. R-8945,
as Amended, Chaves County, New Mexico; Hearing
Called by the Oil Conservation Division on its Own
Motion for an Order Creating, Establishing a
Discovery Allowable, Abolishing, Contracting and
Extending Certain Pools in Chaves and Eddy
Counties, New Mexico

TRANSCRIPT OF PROCEEDINGS

BEFORE: DAVID R CATANACH, EXAMINER

STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO

July 25, 1990

A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
Attorney at Law
Natural Gas Programs
P.O. Box 2088
Room 206, State Land Office Building
Santa Fe, New Mexico 87504

ALSO PRESENT:

JAMES MORROW
Chief Engineer
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87504

* * *

I N D E X

Page Number

Appearances

2

Exhibits

3

MICHAEL E. STOGNER

Direct Examination by Mr. Carroll

5

Certificate of Reporter

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E X H I B I T S

DIVISION'S EXHIBITS:

Exhibit 1

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Exhibit 2

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Exhibit 3

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1 WHEREUPON, the following proceedings were had
2 at 2:42 p.m.:

3 EXAMINER CATANACH: At this time we'll call
4 Case 10,026 in the matter of the hearing called by the
5 Oil Conservation Division on its own motion to amend
6 Division Order Number R-8945, as amended, Chaves
7 County, New Mexico.

8 Are there appearances in this case?

9 MR. CARROLL: Yes, there are, Mr. Examiner.
10 Rand L. Carroll for the Oil Conservation Division.

11 EXAMINER CATANACH: Any other appearances?
12 Okay.

13 MR. CARROLL: Mr. Examiner, we move to
14 consolidate this case, 10,026, with Case 10,027.

15 EXAMINER CATANACH: Okay, at this time we'll
16 call Case 10,027, in the matter of the hearing called
17 by the Oil Conservation Division on its own motion for
18 an order creating, establishing a discovery allowable,
19 abolishing, contracting, and extending certain pools in
20 Chaves and Eddy Counties, New Mexico.

21 Do you have any witnesses in the case, Mr.
22 Carroll?

23 MR. CARROLL: Yes, I do. I have one witness.

24 EXAMINER CATANACH: Will the witness please
25 stand to be sworn in?

1 (Thereupon, the witness was sworn.)

2 EXAMINER CATANACH: You may proceed.

3 MR. CARROLL: Thank you, Mr. Examiner.

4 MICHAEL E. STOGNER,

5 the witness herein, after having been first duly sworn
6 upon his oath, was examined and testified as follows:

7 DIRECT EXAMINATION

8 BY MR. CARROLL:

9 Q. Will you please state your name and
10 occupation?

11 A. I'm Michael E. Stogner, I'm engineer with the
12 New Mexico Oil Conservation Division here in Santa Fe.

13 Q. Mr. Stogner, have you previously testified
14 before the Commission or its examiners and had your
15 credentials accepted?

16 A. Yes, I have.

17 MR. CARROLL: Mr. Examiner, I offer Mr.
18 Stogner as an expert witness.

19 EXAMINER CATANACH: He is so qualified.

20 Q. (By Mr. Carroll) Mr. Stogner, are you
21 familiar with the nomenclature proceedings before the
22 Division and the matters about which you're going to
23 testify today?

24 A. Yes, I am.

25 Q. Mr. Stogner, are you prepared today to make

1 recommendations to the Examiner concerning the
2 nomenclature of certain pools in Chaves and Eddy
3 Counties, New Mexico?

4 A. Yes, I am.

5 Q. Are your recommendations prepared in the form
6 of an exhibit?

7 A. Yes, they are, and that exhibit is denoted as
8 Exhibit Number 1.

9 Q. Would you please refer to Exhibit Number 1
10 and to the docket that's been distributed for the
11 hearing today and point out any differences that may
12 exist between the two?

13 A. By the way, that's Exhibit Number 1 in Case
14 Number 10,027. There are some changes.

15 I refer to the docket on today's hearing to
16 case Number 10,027, paragraph (b). That's the creation
17 of a Devonian pool to be known as the Clark Springs-
18 Devonian Pool. That is to be dismissed at this time.

19 I refer to paragraph (c), as in cat. There
20 is a change there. Where it is denoted the north half
21 of Section 2, that should be the south half of Section
22 32.

23 EXAMINER CATANACH: Should be the south half
24 of Section 32?

25 THE WITNESS: Right, instead of the north

1 half.

2 Refer to paragraph (i). This is the
3 extension of the East Burton Flat-Morrow Gas Pool.
4 Where it says Section 13, the north half, that should
5 be deleted. And the north half of Section 15 should be
6 included.

7 Q. (By Mr. Carroll) Are there any further
8 corrections or deletions or additions?

9 A. Not in Case Number 10,027.

10 Q. And what about 10,026?

11 A. 10,026, Mr. Examiner, if you'll refer to my
12 Exhibit Number 1, this is a land plat of this portion
13 of Chaves County that takes in 10,026, 10,027, 10,028,
14 11,026, 11,027 and 11,028.

15 I've denoted in the blue color the present
16 boundary of the Comanche Springs-PrePermian Gas Pool
17 and in pink the present boundary of the Rabbit Flats-
18 PrePermian Gas Pool. Due to inadvertence during the
19 creation of the Comanche Springs Pool, this was the
20 result.

21 Refer to Exhibit Number 2, which is Order
22 Number R-8945, which was a similar case such as this
23 today, heard on May 24th, 1989, I believe heard before
24 you, Mr. Examiner.

25 Paragraph C, which created the Comanche

1 Springs-PrePermian Gas Pool, included in Section 36 of
2 10 South 27 East, Section 36, the west half; and in 11
3 South, 27 East, the north half of 5.

4 As you can see, there is no north half of 5.
5 5 is made up of approximately 348 acres, more or less,
6 comprising lots 1 through 4 in the south half of 5.

7 With the changes today in previous Case
8 10,027, which is -- will abolish certain pools and
9 extend the boundary of the Comanche Springs Pool -- if
10 you will refer to Exhibit Number 3, maybe that will
11 help us follow along.

12 I've denoted in the green hatch-markings,
13 that is the proposed contraction of the Comanche
14 Springs-PrePermian Gas Pool in Case 10,027. In the
15 solid red markings, which takes in the south half of
16 25, the west half of 36 and the north half of Section 8
17 on the western portion of this exhibit, that is the
18 proposed extension of the Comanche Springs-PrePermian
19 Gas Pool, as provided for in 10,027.

20 The Rabbit Flats-PrePermian Pool is proposed
21 to be abolished in its entirety, and that's denoted as
22 the purple hatch-marks in the west half of 36.

23 And I propose to amend Order Number R-8945, a
24 nunc pro tunc, if you will, to include instead of the
25 north half of 5, to say all of Section 5. All of

1 Section 5 is being produced at this time under a
2 nonstandard proration order on the discovery well of
3 the Comanche Springs-Bone Springs Pool.

4 That is all I have at this time, Mr.

5 Examiner.

6 MR. CARROLL: Mr. Examiner, I move at this
7 time we dismiss Paragraph (b) of Case 10,027, related
8 to the creation, designation of the Clark Springs-
9 Devonian Pool.

10 EXAMINER CATANACH: Okay, Paragraph (b) in
11 Case Number 10,027 is hereby dismissed. And the
12 corrections made on the record by Mr. Stogner are
13 hereby incorporated into the record Order in this case.

14 Do you have anything further, Mr. Carroll?

15 MR. CARROLL: Mr. Examiner, I would note that
16 the corrections which Mr. Stogner has made basically in
17 the descriptions of these pools were advertised
18 properly so as not to create any deficiency in the
19 notice published in this case.

20 EXAMINER CATANACH: So noted.

21 MR. CARROLL: I have nothing further.

22 I move that Exhibits 1 through 3 be admitted
23 into evidence.

24 EXAMINER CATANACH: I have a slight problem.
25 We've got -- Is it two exhibits -- two Exhibit Number

1 1's in both of these cases?

2 THE WITNESS: One Exhibit in Case Number
3 10,027, that is the nomenclature for that case, and
4 Exhibit Number 1 for the combined Case 10,027 and
5 10,026. If you could note, I will just propose that
6 that be Exhibit Number 1 in Case Number 10,026.

7 EXAMINER CATANACH: Exhibit Number 1 in Case
8 10,026 is hereby admitted into evidence, and Exhibits
9 Number 1, 2 and 3 in the combined Cases 10,026 and
10 10,027 are hereby admitted into evidence.

11 And is there anything further in this case?

12 MR. CARROLL: I have nothing further.

13 EXAMINER CATANACH: If not, Case 10,026 and
14 Case 10,027 will be taken under advisement.

15 And this hearing is adjourned.

16 (Thereupon, these proceedings were concluded
17 at 2:50 p.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 Shorthand
7 Reporter and Notary Public, HEREBY CERTIFY that the
8 foregoing transcript of proceedings before the Oil
9 Conservation Division was reported by me; that I
10 transcribed my notes; and that the foregoing is a true
11 and accurate record of the 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 August 13, 1990.

17
18 
19 STEVEN T. BRENNER
CSR No. 106

20 My commission expires: October 14, 1990

21
22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
the Examiner hearing of Case No. 10026, 10027
heard by me on July 25, 1990.

24 
25 _____, Examiner
Oil Conservation Division