STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 1 OIL CONSERVATION DIVISION STATE LAND OFFICE BUILDING 2 SANTA FE, NEW MEXICO 3 30 April 1986 4 5 EXAMINER HEARING 6 7 8 IN THE MATTER OF: 9 The hearing called by the Oil Conser- CASE vation Divison for an order creating, 8886 contracting, and extending certain 10 pools in Lea County, New Mexico. 11 12 13 14 BEFORE: Michael E. Stogner, Examiner 15 16 TRANSCRIPT OF HEARING 17 18 APPEARANCES 19 20 For the Oil Conservation Jeff Taylor 21 Division: Legal Counsel to the Division Oil Conservation Division 22 State Land Office Bldg. Santa Fe, New Mexico 87501 23 24 25

3 1 2 MR. STOGNER: We'll call next 3 Case Number 8886, which is the matter of the hearing called 4 by the Oil Conservation Division on its own motion for an 5 order creating, contracting, and extending certain pools in 6 Lea County, New Mexico. 7 Call for appearances. 8 If it please the MR. TAYLOR: 9 Examiner, my name is Jeff Taylor, Counsel for the Division, 10 and I have one witness to be sworn. 11 MR. STOGNER: Are there any 12 other appearances? Will the witness please stand and be 13 sworn. 14 15 (Witness sworn.) 16 17 DAVID M. CATANACH, 18 being called as a witness and being duly sworn upon his 19 oath, testified as follows, to-wit: 20 21 DIRECT EXAMINATION 22 BY MR. TAYLOR: 23 Q Will you please state your name, posi-24 tion, and place of residence? 25 Α My name is David Catanach and I work as

4 1 petroleum engineer with the Oil Conservation Division in 2 Santa Fe. 3 Catanach, have you previously testi-0 Mr. 4 fied before the Commission or its examiners before and had 5 your credentials accepted? 6 Α Yes, I have. 7 MR. Mr. TAYLOR: Examiner, I 8 tender the witness as a qualified petroleum engineer. 9 MR. STOGNER: Mr. Catanach is so qualified. 10 11 0 Mr. Catanach, are you prepared to make recommendations to the Division concerning the nomenclature 12 13 of certain pools in Lea County, New Mexico? 14 Yes, I am. А Are your recommendations prepared in the 15 0 16 form of an exhibit? 17 Α Yes, they are. 18 0 Would you please refer to your exhibit 19 and to the docket that's been prepared and distributed at 20 the hearing today and point out any differences between the 21 two. 22 There are no differences between the two. Α 23 0 And how is your exhibit denominated? 24 It is denominated as Exhibit Number One. Α 25 Q Have you reviewed the contents of Exhibit

5 1 One and assured yourself of its accuracy? 2 Α Yes, I have. 3 Q Do you have anything further to add to 4 your testimony? 5 А No, I do not. 6 MR. TAYLOR: Mr. Examiner, I 7 move the admission of Exhibit One. 8 MR. STOGNER: Exhibit One will 9 be admitted into evidence. 10 MR. TAYLOR: That's all we have 11 in this matter. 12 MR. STOGNER: Is there anything 13 further in this case? 14 Mr. Catanach, you may step 15 down. 16 Case Number 8886 will be taken 17 under advisement. 18 19 (Hearing concluded.) 20 21 22 23 24 25

6 1 2 CERTIFICATE 3 4 I, SALLY W. BOYD, C.S.R., DO HEREBY 5 CERTIFY that the foregoing Transcript of Hearing before the 6 Conservation Division (Commission) was reported by Oil me; 7 that the said transcript is a full, true, and correct record 8 of the hearing, prepared by me to the best of my ability. 9 10 11 Salleyles. Boyd CS12 12 13 14 15 16 I do he can call a mat the foregoing is 17 a complete care of the proceedings in the Examiner hearing of Case No. 8886. 18 neard by me of 30 Thuit 19 86 . 19 Examiner, Examiner 20 Oil Conservation Division 21 22 23 24 25