STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 1 OIL CONSERVATION DIVISION STATE LAND OFFICE BUILDING 2 SANTA FE, NEW MEXICO 3 25 June 1986 4 5 EXAMINER HEARING 6 7 8 IN THE MATTER OF: 9 The hearing called by the Oil Conser-CASE vation Division on its own motion for 8930 10 creating, assigning a discovery allowable, reclassifying, and extending cer-11 tain pools in Lea County, New Mexico, and 12 Creating and extending certain pools CASE in Chaves and Eddy Counties, New 8931 13 Mexico. 14 BEFORE: David R. Catanach, Examiner 15 16 17 18 TRANSCRIPT OF HEARING 19 20 APPEARANCES 21 22 For the Oil Conservation Jeff Taylor Division: Attorney at Law 23 Legal Counsel to the Division State Land Office Bldg. 24 Santa Fe, New Mexico 87501 25

3 1 2 MR. CATANACH: Call next Case 3 8930. 4 In the matter of the hearing 5 called by the Oil Conservation Division on its own motion 6 for an order creating, assigning a discovery allowable, 7 reclassifying, and extending certain pools in Lea County, 8 New Mexico. 9 Are there appearances in this 10 case? 11 MR. TAYLOR: Mr. Examiner, my 12 name is Jeff Taylor, counsel for the Division. I have one 13 witness in this case and I would move that we consolidate 14 this case with 8931, which is the nomenclature for pocls in 15 Chaves and Eddy Counties. 16 MR. CATANACH: Case 8931 will 17 be consolidated for the purpose of testimony. 18 Taylor, your witness Mr. has 19 already been sworn. 20 Are there any other appearances 21 in this case, or these cases. 22 You will have one witness, as I 23 understand? 24 MR. TAYLOR: Yes, sir. As you 25 stated he has already been sworn so we will just go right

4 Ŧ into this. 2 MR. CATANACH: All right. 3 4 MICHAEL E. STOGNER, 5 being called as a witness and being previously sworn upon 6 his oath, testified as follows, to-wit: 7 8 DIRECT EXAMINATION 9 BY MR. TAYLOR: 10 0 Would you please state your name and 11 position for the record? 12 Α I'm Michael E. Stogner. I'm a petroleum 13 engineer here in Santa Fe with the New Mexico Oil Conserva-14 tion Division. 15 You've previously testified before the 0 16 examiners before and had your credentials accepted? 17 Yes, I have. Α 18 MR. TAYLOR: Are the witness' 19 qualifications acceptable? 20 MR. CATANACH: They are. 21 Q Mr. Stogner, are you prepared to make re-22 commendations to the Examiner today in both of these cases? 23 Yes, I'm prepared to make recommendations A 24 for District I, that includes just Lea County, and in Dist-25 rict II, which covers Chaves and Eddy County.

5 ۱ And are your recommendations prepared in 0 2 the form of exhibits? 3 Ä They are. 4 Will you please refer to the exhibits --Q 5 are those -- how are those exhibits denominated, Exhibit 6 One, or ---7 A Both of them are designated as Exhibit 8 One in their appropriate cases. 9 Would you please refer to Exhibit One in 0 10 each of these cases and to the docket prepared and distri 11 buted at the hearing this morning and point out any differ 12 ences between the two? 13 There are no differences between the two. A 14 0 Do you have anything further to add to 15 your testimony? 16 A I do not. 17 MR. TAYLOR: Mr. Examiner, I 18 move the admission of Exhibit One in Case 8930 and Exhibit 19 One in Case 3931. 20 CATANACH: Exhibit One in MR. 21 Case 8930 and Exhibit Number One in Case 8931 will be admit-22 ted into evidence. 23 MR. TAYLOR: That's all we have 24 in this matter. 25 MR. CATANACH: Is there any-

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1	thing further in Case 8930 or Case 8931?
2	If not, they will be taken un-
3	der advisement.
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5	(Hearing concluded.)
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7 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 Oil Conservation Division (Commission) was reported by 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 Solly les, Bryd 12 13 14 15 16 I do horawy consists that the foregoing is a concluse among of the proceedings in 17 the Examiner hearing of Case tos. 8930 + 8931 heard by me on 25 June 1986. 18 Tit 19 PAtton , Examiner Oil Conservation Division 20 21 22 23 24 25