

1 STATE OF NEW MEXICO
2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
3 OIL CONSERVATION DIVISION
4 STATE LAND OFFICE BUILDING
5 SANTA FE, NEW MEXICO

6 24 May 1989

7 EXAMINER HEARING

8 IN THE MATTER OF:

9 Application of Grand Resources, Inc. CASE
10 for a unit agreement, San Juan County, 9673
11 New Mexico.

12 BEFORE: David R. Catanach, Examiner
13
14

15 TRANSCRIPT OF HEARING
16

17 A P P E A R A N C E S

18 For the Division:

19 For Grand Resources, Inc.: William F. Carr
20 Attorney at Law
21 CAMPBELL and BLACK, P. A.
22 P. O. Box 2208
23 Santa Fe, New Mexico 87501
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I N D E X

STATEMENT BY MR. CARR

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E X H I B I T S

Grand Resources Exhibit A

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Grand Resources Exhibit B

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1 MR. CATANACH; And we'll call
2 first case on the docket, Case 9673.

3 The application of Grand Re-
4 sources, Inc., for a unit agreement, San Juan County, New
5 Mexico.

6 Are there appearances in this
7 case?

8 MR. CARR: May it please the
9 Examiner, my name is William F. Carr with the law firm
10 Campbell & Black, P. A., of Santa Fe. We represent Grand
11 Resources, Inc.

12 As the examiner will recall,
13 Case 9636 was heard on April 26, 1989. That was also an
14 application of Grand Resources, Inc. In that case Grand
15 Resources sought approval of statutory unitization and a
16 waterflood project.

17 Today before the hearing
18 voluntary agreement was reached with all interest owners;
19 therefore, it was unnecessary to seek an order statutorily
20 unitizing this area.

21 We requested and were granted
22 permission on the 26th of April to present a case for
23 voluntary unitization, advertised the case and then re-
24 quested that when the matter came for hearing to request
25 incorporation of the prior record.

1 Therefore at this time we
2 would ask the examiner to incorporate the record made on
3 April 26th in Case 9636 in this matter.

4 MR. CATANACH: The record in
5 Case 9636 will be incorporated into this case.

6 MR. CARR: Mr. Catanach, at
7 that time we were also requested to file with you final
8 copies of the unit agreement and unit operating agreement
9 that reflected the changes agreed to on the 25th of April.
10 I have marked those as Grand Exhibits A and B and would
11 tender them at this time.

12 MR. CATANACH; Okay, Exhibits
13 A and B will be admitted as evidence in this case.

14 MR. CARR: And we have nothing
15 further at this time.

16 MR. CATANACH: Mr. Carr, in
17 looking over the unit area and the proposed unit area and
18 the existing pool boundary for the Mesa Gallup Pool, I find
19 that there are approximately 1640 acres in the unit that
20 are currently undeveloped. I'd like to, if I could, get
21 from the applicant in this case a proposed method of devel-
22 opment of this acreage and plan of operation before this
23 case is taken under advisement.

24 MR. CARR: Mr. Examiner, we
25 would -- we'll provide you with a plan of operation and a

1 plan for development of this acreage and would request that
2 the record remain open until we supply that.

3 If, after you see that, you
4 are concerned that additional testimony might be required
5 at that time, we have no objection to having the case re-
6 docketed and called back for further hearing. We're at-
7 tempting to obtain approval for the waterflood project from
8 Federal authorities and there is some time delay in that,
9 so we have time to do that, if that accommodates your
10 wishes.

11 MR. CATANACH: All right.
12 Then we'll leave the record open in this case until such
13 time as you file the plan of development for that acreage.

14 MR. CARR: We have nothing
15 further.

16 MR. CATANACH: That's all.

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18 (Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C. S. R. DO HEREBY
CERTIFY that the foregoing Transcript of Hearing before the
Oil Conservation Division (Commission) was reported by me;
that the said transcript is a full, true and correct record
of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 9673,
heard by me on May 24, 1957.

David R. Cichan, Examiner
Oil Conservation Division