

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

IN THE MATTER OF THE HEARING CALLED BY )  
THE OIL CONSERVATION DIVISION FOR THE )  
PURPOSE OF CONSIDERING: )  
APPLICATION OF MARBOB ENERGY CORPORATION )  
FOR CONTRACTION OF THE EAST EMPIRE-YESO )  
POOL AND EXTENSION OF THE HORIZONTAL )  
BOUNDARIES AND THE VERTICAL LIMITS OF A )  
PORTION OF THE GRAYBURG-JACKSON (SEVEN )  
RIVERS-QUEEN-GRAYBURG-SAN ANDRES) POOL, )  
EDDY COUNTY, NEW MEXICO )

CASE NO. 13,386

ORIGINAL  
12/31/04  
WST

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, JR., Hearing Examiner

December 16th, 2004

Santa Fe, New Mexico

2004 DEC 30 AM 10 30

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, December 16th, 2004, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

I N D E X

December 16th, 2004  
Examiner Hearing  
CASE NO. 13,386

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\* \* \*

E X H I B I T

Applicant's	Identified	Admitted
Exhibit 1	4	4

\* \* \*

A P P E A R A N C E S

FOR THE APPLICANT:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR  
110 N. Guadalupe, Suite 1  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208  
By: WILLIAM F. CARR

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   8:23 a.m.:

3           EXAMINER JONES: And on the fourth page let's  
4   call Case 13,386, Application of Marbob Energy Corporation  
5   for contraction of the East Empire-Yeso Pool and extension  
6   of the horizontal boundaries and the vertical limits of a  
7   portion of the Grayburg-Jackson Pool, Eddy County, New  
8   Mexico.

9           Call for appearances.

10          MR. CARR: May it please the Examiner, my name is  
11   William F. Carr with the Santa Fe office of Holland and  
12   Hart, L.L.P. We represent Marbob Energy Corporation in  
13   this matter.

14          Mr. Examiner, this case was presented to Examiner  
15   Catanach on November the 18th and taken under advisement at  
16   that time.

17          On the 24th of November I was called and Mr.  
18   Catanach advised me that we had an error in the property  
19   description, having sought a contraction of the boundaries  
20   of the East Empire-Abo Pool to exclude the southeast  
21   quarter of Section 2, 17 South, 29 East, and some other  
22   acreage, and in fact what we were needing to do was  
23   contract the southwest quarter.

24          We have corrected the legal description, filed on  
25   that day an amended Application, have re-notified all

1 affected interest owners and re-published legal notice for  
2 the case correctly describing the property contraction.

3 Exhibit 1 is my notice affidavit. Attached to  
4 that is again a list of the parties who have been notified,  
5 my notice letter, and return receipts showing that the  
6 parties were, in fact, notified. And to the extent that  
7 there are a couple that we have not received yet return  
8 receipts on, at least they are mailed and they are the  
9 addresses that we have used before to reach these  
10 individuals.

11 The final document is a copy of the notice of  
12 publication for this matter.

13 We would request that the case be taken -- that  
14 this Exhibit 1 be admitted into the record in this case and  
15 that the case be taken under advisement based on the record  
16 made on November the 18th.

17 EXAMINER JONES: Okay, let's admit Exhibit 1 into  
18 evidence, and we'll take this case under advisement.

19 MR. CARR: Thank you.

20 EXAMINER JONES: Thank you, Mr. Carr.

21 (Thereupon, these proceedings were concluded at  
22 8:25 a.m.)

23 \* \* \*

I do hereby certify that the foregoing  
is a complete record of the proceedings in  
the Examiner hearing of Case No. 3586,  
heard by me on \_\_\_\_\_.

Will Jones, Examiner  
Oil Conservation Division

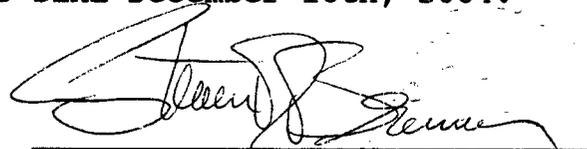
## CERTIFICATE OF REPORTER

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

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; 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 16th, 2004.



STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 16th, 2006