STATE OF NEW MEXICO

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ORIGINAL

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

Cuse No. 13433

CONTINUED AND DISMISSED CASES

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

March 17th, 2005 Santa Fe, New Mexico

These matters came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, March 17th, 2005, 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.

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STEVEN T. BRENNER, CCR (505) 989-9317 March 17th, 2005 Continued and Dismissed Cases

REPORTER'S CERTIFICATE

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WHEREUPON, the following proceedings were had at 1 2 8:15 a.m.: EXAMINER STOGNER: Good morning, happy St. 3 Patrick's Day. Today is Thursday, March 17th, 2005, Docket 4 I'm Michael Stogner, appointed Hearing Number 09-05. 5 Officer in today's cases. 6 7 We'll go through the continuances and dismissals. Page 1, Case 13,405. This is the Application of 8 Yates Petroleum Corporation for compulsory pooling, Eddy 9 County, New Mexico; this case will be continued to April 10 The next two on this page, 13,445 and 13,446, both 11 21st. are Applications of EOG Resources, Inc., for compulsory 12 13 pooling in Lea County, New Mexico; both of these cases are dismissed. 14 15 On the second page, amended Case 13,417, this is the Application of Huntington Energy, L.L.C., for 16 17 compulsory pooling, Rio Arriba County, New Mexico; this case will be continued to April the 7th. Case 13,418 is 18 19 another amended Application of Huntington Energy, L.L.C., 20 for compulsory pooling, Rio Arriba County, New Mexico; this 21 case is continued to April the 7th. Case 13,416, 22 Application of Nadel and Gussman Permian, LLC, for 23 compulsory pooling, Eddy County, New Mexico; this case will be continued to April 7th. Last one on this page, Case 24 25 13,433, Application of Myco Industries, Inc., for an

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| 1 | exception to Division Rule 104.C.(2).(c), Eddy County, New |
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| 2 | Mexico for the record, this is 320-acre spacing because |
| 3 | it's deep this case will be dismissed. |
| 4 | On page 3, Case 13,447, this is the Application |
| 5 | of Myco Industries, Inc., for compulsory pooling, Eddy |
| 6 | County, New Mexico; this case will be continued to April |
| 7 | 7th. The next one, 13,448, Application of Myco Industries, |
| 8 | Inc., for compulsory pooling, Eddy County, New Mexico, will |
| 9 | also be continued to April 7th. Case 13,421, Application |
| 10 | of Mewbourne Oil Company for compulsory pooling, Eddy |
| 11 | County, New Mexico; this case will be continued to April |
| 12 | 21st. |
| 13 | Page 4, nothing on this page. |
| 14 | Let's go to page 5. Down toward the bottom, Case |
| 15 | 13,274, this is the Application of Arch Petroleum, Inc., |
| 16 | and Westbrook Oil Corporation for approval of two |
| 17 | nonstandard gas spacing and proration units in the Jalmat |
| 18 | Gas Pool, Lea County, New Mexico; this case, which actually |
| 19 | was heard some time ago but had to be reopened at this time |
| 20 | for notification issues, will now be continued to April |
| 21 | 7th. |
| 22 | Any other continuances or dismissals at this |
| 23 | time? |
| 24 | MR. BRUCE: Mr. Examiner, on page 4 |
| 25 | EXAMINER STOGNER: Page 4. |
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5 -- and the top of page 5, there are MR. BRUCE: 1 two OGX Resources cases, 13,428 and 13,429. They were 2 companion cases to the EOG cases, and I request that they 3 be dismissed. 4 EXAMINER STOGNER: Cases 13,428 and 13,429, both 5 of which are Application of OGX Resources, LLC, for 6 compulsory pooling, Eddy County, New Mexico, are now 7 dismissed. 8 Any others? 9 10 MR. BRUCE: At the top of page 4, I didn't get the final documents in, so I ask that this case be 11 12 continued to April 7th, Chi Energy, 13,381. 13 EXAMINER STOGNER: Case 13,381, which is the 14 Application of Chi Energy, Inc., for compulsory pooling, Eddy County, New Mexico; this case will be continued again 15 16 to April 7th; is that correct, sir? 17 MR. BRUCE: April 7th, yes. 18 EXAMINER STOGNER: Thank you, Mr. Bruce. 19 (Thereupon, these proceedings were concluded at 20 9:02 a.m.) 21 an har ar sann ga ann an Alamhanna A a complete sound of the proversity a te 22 the Expansion towaring of Cover No. 13733. heard by my of 17 March 2005 23 Examiner 24 **Of Conservation** Division 25

> STEVEN T. BRENNER, CCR (505) 989-9317

CERTIFICATE OF REPORTER

SS.

STATE OF NEW MEXICO) 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 March 17th,

CCR No. 7

STEVEN T.

BRENNEI

My commission expires: October 16th, 2006

STEVEN T. BRENNER, CCR (505) 989-9317

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