

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

ORIGINAL

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 14985

APPLICATION OF APACHE CORPORATION
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

DOCKET NO. 18-13

BEFORE: PHILLIP GOETZE, Hearing Officer
DAVID K. BROOKS, Legal Examiner

MAY 30, 2013

8:37 AM

Santa Fe, New Mexico

This matter came on for hearing before the
New Mexico Oil Conservation Division, PHILLIP GOETZE,
Hearing Examiner, and DAVID K. BROOKS, Legal Examiner,
on THURSDAY, MAY 30, 2013, at the New Mexico Energy,
Minerals and Natural Resources Department, 1220 South
Street Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: PAUL BACA PROFESSIONAL COURT
REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102

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A P P E A R A N C E S

For Apache Corporation:

JAMES GARRETT BRUCE, ATTORNEY AT LAW
P.O. Box 1056
Santa Fe, NM 87504-1056
(505) 982-2043

I N D E X

PAGE

CERTIFICATE OF COMPLETION OF HEARING

5

EXHIBITS

MARKED/IDENTIFIED

1. Verified Statement of Michelle Hanson

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2. Affidavit of Notice

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3. Affidavit of Publication

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1 MR. EXAMINER: The next case is 14985
2 application of Apache Corporation for compulsory
3 pooling, Lea County, New Mexico.

4 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa
5 Fe representing the applicant. Again, I will be
6 submitting this by affidavit.

7 And in this case I'm submitting again three
8 exhibits. Mr. Examiner, if you turn again to the land
9 plat attached as Exhibit A to the landman's statement
10 Apache seeks to force pool lot 2 of section 2, 20 south,
11 38 east. This well will be drilled down to the Abo
12 formation. So it seeks to force pool the surface to the
13 base of the Abo rather than the Drinkard in this
14 particular case. Lot 2 is 39.77 acres.

15 The parties being pooled in this case are the
16 exact same parties as were pooled in the prior case.
17 Again, Seven Ways Minerals has agreed to lease so they
18 are not being pooled in this case. The proposal letters
19 are attached together with the last two pages. Exhibit
20 D is the AFE. The cost of this well is slightly deeper,
21 approximately \$2.1 million.

22 The applicant requests a 200 percent risk charge,
23 and again requests 7500 a month for a drilling well and
24 750 for a producing well.

25 Exhibit 2 is my affidavit of notice. And all of

1 the parties, including Bulington and I think it was
2 Mr. Meier did receive actual notice. Their green cards
3 were returned in this case. And Exhibit 3 is the
4 affidavit of publication against the unlocateable
5 parties.

6 Excuse me. I think I said lot 2 of section 2.
7 It's lot 3 of section 2. I want to make sure I clarify
8 that.

9 And with that I'd move the admission of Exhibits
10 1, 2, 3.

11 MR. EXAMINER: Exhibits 1, 2, and 3 are
12 admitted.

13 [Exhibits 1, 2, and 3 admitted into evidence.]

14 MR. BRUCE: I have nothing further in the
15 case.

16 MR. EXAMINER: Any questions?

17 EXAMINER BROOKS: No questions.

18 MR. EXAMINER: I have no questions. This
19 case is taken under advisement.

20 [Case 14985 taken under advisement.]

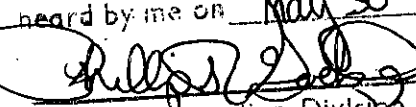
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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 14985
heard by me on May 30, 2013.
 Examiner
Oil Conservation Division

REPORTER'S CERTIFICATE

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Working under the direction and direct supervision of Paul Baca, New Mexico CCR License #112, Official Court Reporter for the US District Court, District of New Mexico, I do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings and was reduced to printed form under my direct supervision.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case and that I have no interest whatsoever in the final disposition of this case in any court.



PAUL BACA PROFESSIONAL COURT
REPORTERS