

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: )

CASE NO. 13,551

APPLICATION OF LATIGO PETROLEUM, INC., )  
FOR COMPULSORY POOLING, EDDY COUNTY, )  
NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

September 8th, 2005

Santa Fe, New Mexico

2005 SEP 22 AM 10 04

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, September 8th, 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.

\* \* \*

## I N D E X

September 8th, 2005  
Examiner Hearing  
CASE NO. 13,551

## PAGE

REPORTER'S CERTIFICATE

5

\* \* \*

## E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	3	4
Exhibit 2	4	4

\* \* \*

## A P P E A R A N C E S

## FOR THE APPLICANT:

JAMES G. BRUCE  
Attorney at Law  
P.O. Box 1056  
Santa Fe, New Mexico 87504

## FOR OCCIDENTAL PERMIAN:

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 9:02 a.m.:

3 EXAMINER CATANACH: Call Case 13,551, the  
4 Application of Latigo Petroleum, Inc., for compulsory  
5 pooling, Eddy County, New Mexico. Call for appearances.

6 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,  
7 representing the Applicant. I just have a brief statement.

8 MR. CARR: May it please the Examiner, my name is  
9 William F. Carr with Holland and Hart, L.L.P. We represent  
10 Occidental Permian. I do not have a witness or a  
11 statement.

12 MR. BRUCE: Mr. Examiner, I've handed you two  
13 exhibits. Exhibit 1 is a statement in support of the force  
14 pooling by Latigo's landman.

15 If you turn to the third page to Exhibit A,  
16 Latigo seeks to force pool 320 acres -- 320-acre units in  
17 the east half of Section 13 of 23 South, 28 East. There  
18 are two tracts involved. Latigo and its partners own the  
19 south half, southeast quarter; Occidental Permian owns the  
20 northeast quarter and the north half of southeast quarter.

21 The next page is the acreage dedication plat  
22 showing that the well is 660 feet from the south line and  
23 1980 feet from the east line. The only party being pooled  
24 is Occidental Permian, which does own 75 percent of the  
25 well unit.

1           The correspondence with OXY, together with e-mail  
2 messages, is attached as Exhibit B. The parties have been  
3 in discussions for almost two months now, and I believe  
4 they will reach a position -- or an agreement, but they  
5 haven't at this point, and we're seeking pooling merely  
6 because of drilling constraints, time constraints.

7           And then attached as Exhibit C is the AFE.

8           Submitted as Exhibit 2 is the affidavit of notice  
9 showing that notice of this hearing was given to Occidental  
10 Permian. If the parties do reach agreement, I will notify  
11 the Division and the case can be dismissed, but --  
12 Hopefully they will over the next week, but at this point  
13 they're still trying to work out a JOA or a farmout. And I  
14 would move the admission of Exhibits 1 and 2.

15           EXAMINER CATANACH: Exhibits 1 and 2 will be  
16 admitted.

17           Anything further?

18           MR. BRUCE: Nothing in this matter.

19           EXAMINER CATANACH: Mr. Carr? Nothing?

20           MR. CARR: Nothing.

21           EXAMINER CATANACH: Okay. There being nothing  
22 further, Case 13,551 will be taken under advisement.

23           (Thereupon, these proceedings were concluded at  
24 9:05 a.m.)

25           I do hereby certify that the foregoing is  
a complete record of the proceedings in  
\* \* \* Examiner hearing of Case No. 13551,  
heard by me on September 8, 2005.

STEVEN T. BRENNER, CCR, Examiner  
(505) 989-9347, 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 September 9th, 2005.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 16th, 2006