

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. 13,849
APPLICATION OF XTO ENERGY, INC., FOR)
COMPULSORY POOLING, SAN JUAN COUNTY,)
NEW MEXICO)
_____)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Jr., Hearing Examiner

January 18th, 2007

Santa Fe, New Mexico

2007 FEB 1 PM 9 26

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Jr., Hearing Examiner, on Thursday, January 18th, 2007, 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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I N D E X

January 18th, 2007
 Examiner Hearing
 CASE NO. 13,849

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* * *

E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	3	5
Exhibit B	4	5
Exhibit C	4	5
Exhibit D	4	5
Exhibit 2	4	5
Exhibit 3	4	5

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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

* * *

1 WHEREUPON, the following proceedings were had at
2 2:31 p.m.:

3 EXAMINER BROOKS: Okay, we'll go back on the
4 record, then. We'll call Case Number 13,489 [sic],
5 Application of XTO Energy, Inc., for compulsory pooling,
6 San Juan County, New Mexico.

7 Call for appearances.

8 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
9 representing the Applicant. I'm submitting this case by
10 affidavit.

11 EXAMINER BROOKS: Any other appearances?

12 Very good, you may proceed.

13 MR. BRUCE: Mr. Examiner, marked as Exhibit 1 is
14 the landman [sic] of Christopher Spencer, who is a landman
15 for XTO Energy, Inc. XTO seeks the force pooling of the
16 west-half equivalent of Section 5, Township 30 North, Range
17 13 West. Fortunately, it is a 320.72-acre unit, after
18 the --

19 (Laughter)

20 MR. BRUCE: And they are seeking the force
21 pooling of two wells. One well, the Lunt Well Number 1 in
22 the northwest quarter, and a Lunt Number 2 in the southwest
23 quarter of Section 5.

24 The party lists the three people being force
25 pooled. Each own about 1 1/4 percent. The interests being

1 pooled are the beneficiaries of a gentleman, and they had
2 to search far and wide to find these people. They found
3 almost all of them except one, who's apparently
4 unlocatable. The affidavit contains a request for the 200-
5 percent risk charge and contains overhead rates.

6 Exhibit B attached to this exhibit is the
7 correspondence sent to these parties.

8 And Exhibits C and D are the AFEs for the two
9 wells involved. There were originally about eight or --
10 no, there were originally about 10 heirs of this gentleman,
11 and XTO tracked them down.

12 Submitted as Exhibit 2 is the affidavit of
13 notice. More people were notified than we are pooling. At
14 this time we are only seeking to pool Mr. Mann, Jack
15 Pierson and Harvey Dell Cranmore.

16 The -- I did a bad copy, but it's -- Harvey Dell
17 Cranmore is a woman, and she was -- the correspondence to
18 her is addressed to Ms. Cranmore. She was not locatable.
19 The last page of Exhibit 2, I apparently copied the wrong
20 side of the returned envelope. She was not locatable, and
21 an advertisement was -- or a notice was published in the
22 Farmington newspaper, and that is attached as Exhibit 3.

23 EXAMINER BROOKS: Very good.

24 MR. BRUCE: And I would move the admission of
25 Exhibits 1 to 3 into the record and that this matter be

1 taken under advisement.

2 It is a Fruitland Coal test, I forgot to mention.

3 EXAMINER BROOKS: Yeah, and you're pooling only
4 in the Fruitland Coal?

5 MR. BRUCE: That is correct.

6 EXAMINER BROOKS: Okay. Exhibits 1 through 3
7 will be admitted, and Case Number 13,489 [sic] will be
8 taken under advisement.

9 (Thereupon, these proceedings were concluded at
10 2:36 p.m.)

11 * * *

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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. 13848
heard by me on Jan 18 2007.
David K. Brooks, 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 January 21st, 2007.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2010