9

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:

AMENDED APPLICATION OF LCX ENERGY, LLC, FOR COMPULSORY POOLING AND UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO

CASE NO. 13,873

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

May 24th, 2007

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, Jr., Hearing Examiner, on Thursday, May 24th, 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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INDEX

May 24th, 2007 Examiner Hearing CASE NO. 13,873

PAGE

REPORTER'S CERTIFICATE

4

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APPEARANCES

FOR THE DIVISION:

DAVID K. BROOKS, JR.
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

* * *

WHEREUPON, the following proceedings were had at 1 2 10:38 a.m.: 3 EXAMINER JONES: Okay, at this time I need to 4 call Case 13,873, which was, I guess, heard and continued 5 on May the 10th. It's the amended Application of LCX 6 Energy, LLC, for compulsory pooling and unorthodox well location, Eddy County, New Mexico. 7 8 Call for appearances. 9 And I have a submittal -- Let the record show I 10 have a submittal from Scott Hall representing, I guess, 11 LCX. 12 Any other appearances in this case? There being none, we'll take Case 13,873 under 13 advisement. 14 15 (Thereupon, these proceedings were concluded at 16 10:39 a.m.) 17 18 19 20 21 i do heraby certify that the foregoing to a complete record of the proceedings in 22 the Examiner hearing of Case No. heard by me on____ 23 , Examiner 24 OH Conservation Division 25

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 May 28th, 2007.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2010