STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CONTINUED AND DISMISSED CASES

REPORTER'S TRANSCRIPT OF PROCEEDINGS

ME SEP 6 PM 2 21

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

August 23rd, 2007

ORIGINAL

Santa Fe, New Mexico

These matters were dismissed or continued to future hearing dates by DAVID K. BROOKS, Jr., Hearing Examiner, New Mexico Oil Conservation Division, on Thursday, August 23rd, 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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REPORTER'S CERTIFICATE

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WHEREUPON, the following proceedings were had at 1 8:18 a.m.: 2 EXAMINER BROOKS: Okay, we are ready to begin. 3 It is Thursday, August 23rd, shortly after 8:15 a.m. We're 4 in Porter Hall. This is Examiner Docket Number 25-07. 5 David Brooks, I'm the presiding Examiner this morning. 6 There are a few cases on which we will have a 7 Technical Examiner present, but when we get to those cases 8 we will summon the Technical Examiner. 9 First item of business is to announce 10 continuances and dismissals. 11 On page 1, Case Number 13,942 is continued till 12 September the 20th. 13 On page 2, Case 13,963 is dismissed. 14 On page 3, Case 13,972 is continued till 15 September 20th; Case 13,973 is continued till September the 16 20th. 17 On page 4, Case 13,977 is dismissed; Case 13,978 1.8 19 continued till September 6th. 20 On page 5, Case 13,945 is continued till 21 September the 6th; 13,912 is continued till September the 22 6th. On page 6, 13,952 is continued till September the 23 6th; 13,940 is continued till September the 20th. 24 25 Are there any other continuances and dismissals?

MR. CARR: May it please the Examiner, on page 5, 1 Case 13,928, Application of Yates Petroleum Corporation for 2 compulsory pooling, Yates requests that case be dismissed. 3 EXAMINER BROOKS: Case 13,928 is dismissed. 4 Other continuances and dismissals? 5 6 Mr. Hall? MR. HALL: Mr. Examiner, on page 6, Case 13,957, 7 we ask that that case be continued to September 6th. We'll 8 be requesting a case-status conference in that one prior to 9 hearing. 10 Okay, Case 13,957 will be EXAMINER BROOKS: 11 continued till September the 6th. 12 13 Any others? 14 Jim, did you want to speak to Case 13,975? 15 MR. BRUCE: Yes, Mr. Examiner, that's the Application of Devon Energy. Devon Energy requests that 16 that case be continued for four weeks. Although I didn't 17 receive it, I understand that Mr. Shackelford of 18 Shackelford Oil Company entered an appearance. 19 20 EXAMINER BROOKS: Yes, Mr. Don Shackelford entered an appearance in Case Number 13,975. Is Mr. 21 Shackelford here? 2.2 23 In view of the fact that he has not appeared for 24 the hearing, Mr. Bruce, Case 13,975 will be continued until September the 20th. 25

1 Okay, we have a much shorter docket than I thought we were having today, but it's still a fairly 2 substantial docket. Assuming we don't get through by 11:30 3 -- and I'm inclined to think we won't -- we will be taking 4 5 a luncheon recess at 11:30, as I have a medical appointment It's not one of those I'll have to wait a long time 6 today. 7 on, so we should be back soon after 1:00, but we will need to take a recess at 11:30. 8 9 (Off the record at 8:21 a.m.) (The following proceedings had at 9:08 a.m.) 10 11 EXAMINER BROOKS: Okay, previous statement of the 12 Examiner dismissing Case Number 13,963 is vacated, and Case 13 Number 13,963 is reinstated. (Off the record at 9:08 a.m.) 14 (The following proceedings had at 9:33 a.m.) 15 EXAMINER BROOKS: Pursuant to Mr. Kellahin's oral 16 motion, Case Number 13,965 will be dismissed. 17 (Off the record at 9:33 a.m.) 18 19 (The following proceedings had at 2:42 p.m.) EXAMINER BROOKS: Now for the record, before you 20 21 leave, Mr. Carr, I want to call Case Number -- Let's see 22 where I am here. I want to call for the record Case Number 23 13,981 [sic], which is the reopened Application of Petrohawk Energy Corporation for authorization to 24 25 reactivate a waterflood project, Lea County, New Mexico.

May it please the Examiner, William F. MR. CARR: 1 Carr with the Santa Fe office of Holland and Hart. 2 represent Petrohawk in that matter, and we request that the 3 case be continued to the September 20 Examiner Hearing 4 docket. 5 EXAMINER BROOKS: Okay, Case Number 13,891 will 6 7 be continued until September the 20th. Thank you. (Thereupon, these proceedings were concluded at 8 9 2:43 p.m.) 10 11 12 13 I do hereby cartify that the foregoing is 14 « complete record of the proceedings in the Examiner Learing of Case No. _ 15 heard by me on 16 17 Oil Conservation Divisioa 18 19 20 21 22 23 24 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 August 25th, 2007.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2010