

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:)
APPLICATION OF NEARBURG EXPLORATION)
COMPANY, LLC, FOR COMPULSORY POOLING,)
LEA COUNTY, NEW MEXICO)

CASE NO. 13,967
(Reopened)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, Jr., Technical Examiner
DAVID K. BROOKS, Jr., Legal Examiner

September 20th, 2007

Santa Fe, New Mexico

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This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, Jr., Technical Examiner, DAVID K. BROOKS, Jr., Legal Examiner, on Thursday, September 20th, 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.

* * *

I N D E X

September 20th, 2007
 Examiner Hearing
 CASE NO. 13,967

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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 DIVISION:

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

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 2:43 p.m.:

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4
5 EXAMINER JONES: Okay, at this time let's call
6 Case 13,967, reopened, Application of Nearburg Exploration
7 Company, LLC, for compulsory pooling, Lea County, New
8 Mexico.

9 Call for appearances.

10 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
11 representing the Applicant. I'm just submitting a couple
12 of affidavits.

13 Mr. Examiner, this case was previously presented
14 by affidavit, and I think the Division issued an order,
15 R-12,805.

16 The original application in this matter asked to
17 pool from the surface to the base of the Drinkard, although
18 if you go back and look at the original file what was
19 proposed was an 8700-foot test.

20 8700 feet would actually include the Abo, which
21 is immediately below the Drinkard, and so the Applicant is
22 simply asking to amend the order to state from the surface
23 to the base of the Abo, rather than from the surface to the
24 base of the Drinkard.

25 Attached as Exhibit 1 is an affidavit from

1 Nearburg's landman. Basically when they discovered the
2 error, they did send a new letter to the only interest
3 owner being force pooled, Mr. Kenneth Cone.

4 The AFE is the same as the one previously
5 submitted to the Division, same depth, et cetera, except it
6 says Abo test rather than Drinkard test. Mr. Cone has
7 still not responded to any offers regarding this matter.

8 And submitted as Exhibit 2 is my affidavit of
9 notice to Mr. Cone, and as has happened three times in the
10 last three months, Mr. Cone just won't pick up his mail.
11 The last go-around, although it came in after the hearing,
12 he simply did not pick up the letter. It was unclaimed.

13 EXAMINER JONES: Okay.

14 MR. BRUCE: And so it would move the admission of
15 Exhibits 1 and 2 and ask that the order be amended simply
16 to describe the deepest formation as the Abo.

17 EXAMINER JONES: Exhibits 1 through 2 will be
18 admitted. And that was -- I think that was my mistake, I
19 should -- I wrote the wrong formation in there.

20 MR. BRUCE: No, no, it was -- it was my client's
21 mistake. They said pool to the base of the Drinkard. And
22 then about a month ago they said, Oh, no, that's --

23 EXAMINER JONES: It's the Abo.

24 MR. BRUCE: -- it should be the Abo.

25 EXAMINER JONES: We'll change it to the Abo. Or

1 we'll take it under advisement.

2 EXAMINER BROOKS: Okay.

3 EXAMINER JONES: Sorry. Okay, so that case,
4 13,967 is taken under advisement.

5 (Thereupon, these proceedings were concluded at
6 2:46 p.m.)

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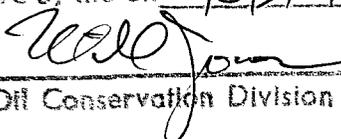
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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 13957
heard by me on 10/3/47

_____, 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 September 26th, 2007.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2010