

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 OGX RESOURCES, LLC,)
FOR COMPULSORY POOLING, EDDY COUNTY,)
NEW MEXICO)

CASE NO. 14,024

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

January 10th, 2008

Santa Fe, New Mexico

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RECEIVED

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, January 10th, 2008, 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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8/18/4-10/08
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I N D E X

January 10th, 2008
 Examiner Hearing
 CASE NO. 14,024

PAGE

REPORTER'S CERTIFICATE

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E X H I B I T

Applicant's	Identified	Admitted
Exhibit 5	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:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR
 110 N. Guadalupe, Suite 1
 P.O. Box 2208
 Santa Fe, New Mexico 87504-2208
 By: OCEAN MUNDS-DRY

* * *

1 WHEREUPON, the following proceedings were had at
2 8:23 a.m.:

3 EXAMINER JONES: Okay, what we're going to do
4 this morning is have the -- Ms. Munds-Dry, we're going to
5 have all her cases, mostly Yates Cases, a couple of
6 Chesapeake cases or one Chesapeake case. I think it's
7 on -- the first one would be page 7.

8 Let's call Case 14,024 -- I think this case was
9 heard on the end of November by Mr. Brooks -- the
10 Application of OGX Resources, LLC, for compulsory pooling,
11 Eddy County, New Mexico.

12 Call for appearances.

13 MS. MUNDS-DRY: Thank you, Mr. Examiner. Ocean
14 Munds-Dry with the law firm of Holland and Hart, here on
15 behalf of OGX Resources, LLC, this morning.

16 EXAMINER JONES: Any other appearances?

17 I guess not.

18 EXAMINER BROOKS: Which case is this?

19 EXAMINER JONES: I think you've heard it,
20 continued it.

21 MS. MUNDS-DRY: Thank you, Mr. Examiner.

22 Yes, this case was originally presented on
23 November 29th, and Examiner Brooks heard the case at that
24 time.

25 Certain interest owners were left off the

1 Exhibit A to the Application, and so we had -- with Mr.
2 Brooks' permission, we had Mr. Gaddy, who was the landman
3 at that time, go ahead and present the case, and then we
4 amended the Application and readvertised and renotified.

5 And so what I have handed you that we've marked
6 as Exhibit Number 5 is a notice affidavit from me
7 indicating that notice was given, and we also included the
8 affidavit of publication. And included in this packet also
9 are the green cards and the letter that was sent to those
10 interest owners.

11 We readvertised for everyone on the list, and
12 Exhibit A was included in that. That's the updated list of
13 interest owners that should be pooled.

14 Since that time I should tell you that OGX has
15 reached agreement with Timothy Walterscheid and Ronal
16 O'Connor, so we are no longer seeking to pool those
17 parties.

18 But otherwise, OGX has been unable to reach
19 agreement with the additional parties. Some of them were
20 lost interest owners, and some of them were locatable.

21 So with that, we would move to admit Exhibit
22 Number 5 into the record, into evidence, and ask that you
23 incorporate the record from November 29th, and we'd ask
24 that the case be taken under advisement.

25 EXAMINER BROOKS: Very good, we'll admit Exhibit

1 Number 5. And if there's nothing further, Case 14,024 will
2 be taken under advisement.

3 MS. MUNDS-DRY: Thank you, Mr. Examiner and Mr.
4 Brooks.

5 (Thereupon, these proceedings were concluded at
6 8:27 a.m.)

7 * * *

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12 I do hereby certify that the foregoing is
13 a complete record of the proceedings in
14 the Examiner hearing of Case No. _____
heard by me on _____

15 _____, Examiner
16 Oil Conservation Division
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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 March 10th, 2008.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2010