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. 13,177

APPLICATION OF CROSSLAND OPERATING,

L.L.C., FOR COMPULSORY POOLING, EDDY

COUNTY, NEW MEXICO

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RECEIVED

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

JAN 22 2004

Direction Division 1220 S. St. Francis Drive DAVID R. CATANACH, Hearing Examiners and Fe, NM 87505

January 8th, 2004

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH,
Hearing Examiner, on Thursday, January 8th, 2004, 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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STATEMENT BY MR. OWEN

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REPORTER'S CERTIFICATE

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APPEARANCES

FOR THE APPLICANT:

MONTGOMERY & ANDREWS, P.A.
Attorneys at Law
325 Paseo de Peralta
P.O. Box 2307
Santa Fe, New Mexico 87504-2307
By: PAUL R. OWEN

* * *

WHEREUPON, the following proceedings were had at 8:18 a.m.:

EXAMINER CATANACH: And at this time I'll call the first case on the docket, Case 13,177, the Application of Crossland Operating, L.L.C., for compulsory pooling, Eddy County, New Mexico.

Call for appearances.

MR. OWEN: Paul Owen of the Santa Fe law firm of Montgomery and Andrews, appearing on behalf of the Applicant, Crossland.

EXAMINER CATANACH: Any additional appearances?
Okay, Mr. Owen?

MR. OWEN: Mr. Examiner, we're here to clear up a notice matter. This Application was initially filed on October the 14th, 2003, requesting a November 7th hearing.

The matter was heard on November 7th.

An advertisement was attached to the initial Application, which referenced the quarter quarter section in which the well was to be drilled, rather than the east half, which in fact the Application was requesting be pooled. The matter was heard on November 7th.

Exhibit 4 to that hearing is an affidavit which attests that notice was given to the affected parties as required by NMOCD Rules. The notice letters attached to that affidavit, in fact, do reference the east half, rather

than the quarter quarter section. So the affected parties were given the proper notice for the evidentiary hearing in this matter.

Subsequent to the hearing, a series of miscommunications between myself and NMOCD staff led to proper readvertisement not being sent out until I sent a letter in on December 16th of 2003, requesting readvertisement with the correct acreage description, the east half. The Examiner's file should reflect that that readvertisement was, in fact, done by the Division.

Therefore, the affected parties received notice of the evidentiary hearing which was held in this matter. The case has been properly readvertised. All evidentiary matters were heard by the Examiner at the November 7th, 2003, hearing without objection, and the case is ready for decision by the Examiner.

I do note that during the November 7th, 2003, hearing, the Applicant in this matter requested that this matter be -- that an order in this case be expedited because of rig availability and other concerns. And given the delay that has occurred since then, I do request that an order be expedited. And if the Examiner would prefer, I would be happy to submit a proposed order if that would help.

I ask that this order be taken under advisement.

1	EXAMINER CATANACH: Okay, Mr. Owen, not having
2	originally heard this case, I would not enter an order on
3	it, but I will communicate that to the Examiner. I believe
4	it was Mr. Jones; is that correct?
5	MR. OWEN: I believe that's correct.
6	EXAMINER CATANACH: I will communicate your
7	request to Mr. Jones for an expedited order.
8	And have you examined the advertisement and does
9	it show everything correct at this point?
10	MR. OWEN: It does.
11	EXAMINER CATANACH: Okay. All right, then, there
12	being nothing further in this case, Case 13,177 will be
13	taken under advisement.
14	(Thereupon, these proceedings were concluded at
15	8:22 a.m.)
16	* * *
17	
18	de hereby certify that the foregoing its
19	e complete record of the proceedings the the Exemplete hearing of Case No. 13177.
20	reard by me on though 3004.
21	Oil Conservation Division
22	
23	
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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 January 8th, 2004.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006