

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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Oil Conservation Division
CONTINUED AND DISMISSED CASES

Case No. 12940

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

October 23rd, 2003

Santa Fe, New Mexico

These matters came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, October 23rd, 2003, 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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I N D E X

October 23rd, 2003
Continued and Dismissed Cases

PAGE

REPORTER'S CERTIFICATE

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A P P E A R A N C E S

FOR THE DIVISION:

GAIL MacQUESTEN
Deputy General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 8:15 a.m.:

3 EXAMINER STOGNER: This hearing will come to
4 order. Please note it's Docket Number 35-03. Today's date
5 is October 23rd, 2003. I'm Michael Stogner, appointed
6 Hearing Officer for today's dates.

7 At this time we'll go over the continuances and
8 dismissals that we have at this time.

9 First page, Case 12,776, this is a reopened
10 matter to consider the provisions of Order Number R-11,723
11 for the East Penasco Draw-Upper Pennsylvanian Pool in Eddy
12 County, New Mexico. This case will be continued to
13 November the 7th, 2003.

14 Next case, Case 13,170, the Application of
15 Energen Resources Corporation to expand the Langlie-Lynn
16 Queen Unit Waterflood Project in Lea County, New Mexico.
17 This case will be continued to December the 4th.

18 Next case, 13,144, is the Application of Permian
19 Resources, Inc., for special pool rules or, in the
20 alternative, for an unorthodox well location, Lea County,
21 New Mexico. This case will be continued to December the
22 4th.

23 Next case, 13,171, this is the Application of
24 Leede Operating Company, L.L.C., for compulsory pooling,
25 Lea County, New Mexico. This case will be continued to

1 November the 20th.

2 I need to bring this up too, and I'm sorry I
3 didn't do that. Due to a change in the schedule, the
4 November -- or what we would have normally scheduled for
5 November 6th, would have been a Thursday, the hearing has
6 been moved to November 7th. That would be the Friday.
7 That was called by the Director. So if you see November
8 the 6th anywhere on the docket today, please change that to
9 November 7th.

10 Okay, let's see. Second page, Application of
11 Mewbourne Oil Company for an unorthodox oil well location,
12 Lea County, that's Case 13,172, this case will be continued
13 to the November 7th docket.

14 Okay, let's go to page 3. Case 13,156, this is
15 Chi Energy, Inc., for compulsory pooling, Eddy County, New
16 Mexico. This case will be dismissed.

17 Case 13,173, Application of Merrion Oil and Gas
18 Corporation for an unorthodox infill coal gas well
19 location, San Juan County, New Mexico. This case will be
20 dismissed. This case should never have showed up on
21 today's docket. It was withdrawn prior to it getting on
22 the docket due to lack of communication on my part with the
23 appropriate people. It got on the docket and I apologize
24 for that. It was an administrative application that was
25 going to be set for hearing but was withdrawn prior to

1 that. Again, I apologize. 13,173 will be dismissed.

2 Let's see, down to 13,175, this is the
3 Application of Permian Resources, Inc., for a nonstandard
4 spacing and proration unit and an unorthodox well location,
5 Lea County. This case will be continued to December the
6 18th, 2003.

7 Page 4, first one on the top, 13,146, this is the
8 Application of EOG Resources, Inc., for compulsory pooling
9 and a nonstandard gas spacing unit, Lea County, New Mexico.
10 This case will be continued to November 20th.

11 Case 13,040, this is the Application of David H.
12 Arrington Oil and Gas, Inc., for a waterflood project and
13 an enhanced oil recovery, Lea County, New Mexico. This
14 case is dismissed.

15 Down at the bottom of the page, 13,142, this is
16 the Application of the OCD for an order requiring Maralo,
17 L.L.C., to remediate hydrocarbon contamination and an
18 abandoned well and battery site, Lea County, New Mexico.
19 This case is continued to November the 20th.

20 Are there any other continuances or dismissals at
21 this time?

22 MR. BRUCE: Mr. Examiner, on the first page --

23 EXAMINER STOGNER: Okay.

24 MR. BRUCE: -- at the bottom, 13,139, the Gruy
25 Petroleum Management Company case, I would ask that that be

1 continued to November 20th.

2 EXAMINER STOGNER: Continued to November 20th.

3 Just as a reminder, before I do, we're having a
4 lot of continuances and dismissals, and it has appeared
5 over the last few months that the dockets in some cases are
6 small and then they turn large some other times, so we may
7 need to adjust at a later date.

8 At this time, though, Case 13,129, will be
9 continued to the November 20th docket.

10 MR. BRUCE: On page 2, Mr. Examiner --

11 EXAMINER STOGNER: Page 2.

12 MR. BRUCE: -- the second Mewbourne Oil case,
13 12,940, Mr. Feldewert is here for several of his clients.
14 The clients are going -- or the parties are going to meet
15 and Mr. Feldewert has asked that this matter be continued
16 to November 20th, and Mewbourne Oil Company agrees with
17 that.

18 EXAMINER STOGNER: Okay, that's continued to when
19 again?

20 MR. BRUCE: November 20th.

21 EXAMINER STOGNER: Just for the record, who are
22 Mr. Feldewert's clients?

23 MR. BRUCE: Harvey E. Yates Company, Pecos
24 Production Company and Gruy Petroleum Management.

25 MR. FELDEWERT: You got it.

1 EXAMINER STOGNER: Okay.

2 MR. BRUCE: And finally, Mr. Examiner, on the
3 bottom of that page, the Devon Energy case, that
4 Application has been amended and readvertised. That was
5 filed yesterday. It's for the November 20th hearing.

6 EXAMINER STOGNER: Okay, let's see. Case 12,940
7 will be continued to the November 20th docket. Devon Case
8 13,132 will be continued to and readvertised for the
9 November 20th docket also.

10 Any other continuances or dismissals at this
11 time?

12 We're going to go through the docket, or the
13 remainder of the docket as it is. Before we call the Pride
14 case, which will be the last one, Dave Catanach has been
15 involved in that matter, and he will be today's Hearing
16 Officer in that case, so we'll take a break and I'll go
17 upstairs and get him and allow him time to change clothes
18 and put on a jacket and improve his appearance accordingly.

19 (Thereupon, these proceedings were concluded at
20 8:20 a.m.)

21 * * *

22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the Examiner hearing of Case No. 12940
25 heard by me on 23 October 2003
Oil Conservation Division, Examiner

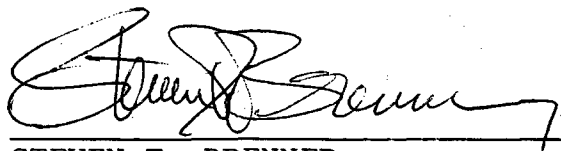
CERTIFICATE OF REPORTER

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 October 23rd, 2003.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006