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. 13,020

AMENDED APPLICATION OF YATES PETROLEUM CORPORATION FOR THE ADOPTION OF SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: MICHAEL E. STOGNER, Hearing Examiner RECEIVED

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Oil Connec

Oil Conservation Division

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, April 10th, 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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STATEMENT BY MR. FELDEWERT

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REPORTER'S CERTIFICATE

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APPEARANCES

FOR THE DIVISION:

DAVID K. BROOKS, JR.
Attorney at Law
Energy, Minerals and Natural Resources Department
Assistant General Counsel
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: MICHAEL H. FELDEWERT

ALSO PRESENT:

DAVID R. CATANACH Hearing Examiner New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, NM 87505

* * *

WHEREUPON, the following proceedings were had at 8:45 a.m.:

EXAMINER STOGNER: At this time -- I'm Michael

Stogner -- I'll call Case Number 13,020. This is the

amended Application of Yates Petroleum Corporation for the

adoption of special pool rules involving the Salt Lake
Delaware Pool in Lea County, New Mexico.

This case was heard on March 13th, 2003, and at this time it has been readvertised to include an additional stipulation. And at this time I will call for any additional testimony.

MR. FELDEWERT: Mr. Examiner, Michael Feldewert with the Santa Fe office of the law firm of Holland and Hart for the Applicant, Yates Petroleum Corporation.

As you know, at the end of the March hearing that you referenced, you determined and the Division determined that the case should be readvertised to provide notice of the request for a retroactive application of the proposed pool amendments back to July 1st of 1992.

An amended Application with this retroactive notice has been filed with the Division under the same case number. The matter has been readvertised, and so we ask today that the record from the previous hearing be incorporated with today's hearing and that the matter be taken under advisement.

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EXAMINER STOGNER: Does anybody else have
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      anything further in this matter?
                 With that, Case Number 13,020 will be taken under
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     advisement.
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                                   Thank you, Mr. Examiner.
                 MR. FELDEWERT:
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                 (Thereupon, these proceedings were concluded at
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     8:47 a.m.)
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                                heraby certify that the foregoing is
                                a complete record of the proceedings in
15
                               the Examiner hearing of Case No. 18020.
                               heard by me po
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                                               10 April 2003
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                                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 April 11th, 2003.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006