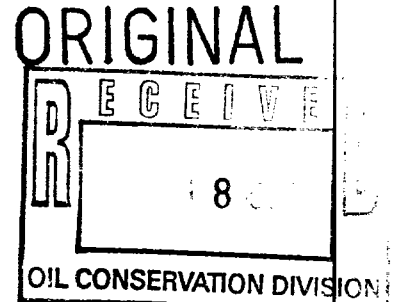


STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY)
THE OIL CONSERVATION DIVISION FOR THE)
PURPOSE OF CONSIDERING:)

CASE NO. 11,041

IN THE MATTER OF CASE 11,041 BEING)
REOPENED PURSUANT TO THE PROVISIONS OF)
DIVISION ORDER NO. R-10,183, WHICH ORDER)
CREATED THE DIAMOND-STRAWN POOL IN LEA)
COUNTY, NEW MEXICO, AND PROMULGATED)
TEMPORARY SPECIAL POOL RULES FOR SAID)
POOL INCLUDING A PROVISION FOR 80-ACRE)
SPACING)



REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

September 5th, 1996

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, September 5th, 1996, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

I N D E X

September 5th, 1996
Examiner Hearing
CASE NO. 11,041

PAGE

REPORTER'S CERTIFICATE

4

* * *

A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
Attorney at Law
Legal Counsel to the Division
2040 South Pacheco
Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 8:31 a.m.:

3 EXAMINER STOGNER: Okay, at this time I'll call
4 Case Number 11,041, which is a reopened case.

5 MR. CARROLL: In the matter of Case 11,041 being
6 reopened pursuant to the provisions of Division Order
7 Number R-10,183, which order created the Diamond-Strawn
8 Pool in Lea County, New Mexico.

9 EXAMINER STOGNER: At this time I'll call for
10 appearances.

11 This case was originally heard on July 21st,
12 1994, before Examiner Jim Morrow. Pursuant to that case,
13 special rules and regulations were promulgated that
14 provided for 80-acre spacing.

15 And if there are no appearances, I will at this
16 time take this case under advisement and rule accordingly.

17 (Thereupon, these proceedings were concluded at
18 8:32 a.m.)

19 * * *

20
21 I do hereby certify that the foregoing is
22 a complete record of the proceedings in
the Examining of Case No. 11041,
heard by me on September 5, 19 96.

23  , Examiner
24 Oil Conservation Division
25

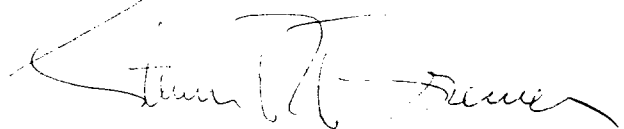
CERTIFICATE OF REPORTER

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 7th, 1996.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998