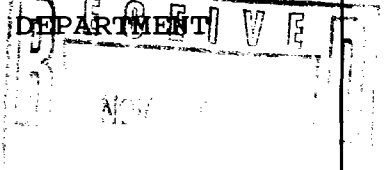


STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES



OIL CONSERVATION DIVISION

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

CASE NO. 11,641

APPLICATION OF ARCO PERMIAN, A DIVISION)
 OF ATLANTIC RICHFIELD COMPANY, FOR)
 COMPULSORY POOLING AND UNORTHODOX WELL)
 LOCATION, EDDY COUNTY, NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGSEXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

November 7th, 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, November 7th, 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

November 7th, 1996
Examiner Hearing
CASE NO. 11,641

PAGE

REPORTER'S CERTIFICATE

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* * *

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

FOR THE APPLICANT:

CAMPBELL, CARR, BERGE and SHERIDAN, P.A.
Suite 1 - 110 N. Guadalupe
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
By: WILLIAM F. CARR

* * *

1 WHEREUPON, the following proceedings were had at
2 11:06 a.m.:

3 EXAMINER STOGNER: Need to call at this time Case
4 Number 11,641.

5 MR. CARROLL: Application of ARCO Permian, a
6 Division of Atlantic Richfield Company, for compulsory
7 pooling and unorthodox well location, Eddy County, New
8 Mexico.

9 MR. CARR: May it please the Examiner, my name is
10 William F. Carr with the Santa Fe law firm Campbell, Carr,
11 Berge and Sheridan.

12 We represent ARCO Permian in this matter and have
13 requested that it be continued to the Examiner hearing
14 scheduled for November 21st.

15 EXAMINER STOGNER: Mr. Carr, I understand that's
16 going to be readvertised at that time also?

17 MR. CARR: There was also -- There was an error
18 in the ad, Mr. Stogner, and we caught it in time to
19 readvertise it for that date. The ad originally provided
20 that we were going to be pooling all interests developed on
21 320 acres under the west half of the section. In fact, it
22 should be the south half. It has been corrected. And so
23 by presenting it on the 21st, all notice requirements will
24 be met.

25 EXAMINER STOGNER: With that, Case Number 11,641

1 will be continued at this time to the November 21st, 1996,
2 Examiner's hearing, and -- which has been readvertised to
3 show the south half being the 320-acre designation for this
4 particular well.

5 (Thereupon, these proceedings were concluded at
6 11:08 p.m.)

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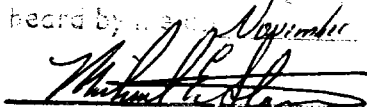
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I do hereby certify that the foregoing is
a complete record of the proceedings in
the case of 11641,
heard by me on November 7, 1996.
 , Examiner
Oil Conservation Division

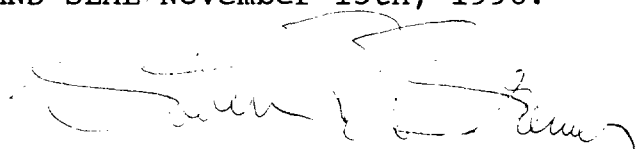
CERTIFICATE OF REPORTER

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 November 15th, 1996.


 STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998