

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

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

CASE NO. 12,828

APPLICATION OF DAVID H. ARRINGTON OIL)
AND GAS, INC., FOR COMPULSORY POOLING,)
LEA COUNTY, NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

BEFORE: LORI WROTENBERY, CHAIRMAN
JAMI BAILEY, COMMISSIONER
ROBERT LEE, COMMISSIONER

RECEIVED
JUN . 3 2003
Oil Conservation Division

May 15th, 2003

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Commission, LORI WROTENBERY, Chairman, on Thursday, May 15th, 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.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

I N D E X

May 15th, 2003
Commission Hearing
CASE NO. 12,828

PAGE

REPORTER'S CERTIFICATE

5

* * *

A P P E A R A N C E S

FOR THE COMMISSION:

STEPHEN C. ROSS
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

FOR YATES PETROLEUM CORPORATION:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR
110 N. Guadalupe, Suite 1
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
By: WILLIAM F. CARR

FOR DAVID H. ARRINGTON OIL & GAS, INC.:

JAMES G. BRUCE
Attorney at Law
P.O. Box 1056
Santa Fe, New Mexico 87504

* * *

1 WHEREUPON, the following proceedings were had at
2 9:10 a.m.:

3 CHAIRMAN WROTENBERY: Okay, at this point I think
4 we're ready to call Case 12,828. This is the Application
5 of David H. Arrington Oil and Gas, Inc., for compulsory
6 pooling, Lea County, New Mexico, being heard *de novo* upon
7 the Application of Yates Petroleum Corporation.

8 And I understand that you have a status report,
9 Mr. Carr?

10 MR. CARR: May it please the Commission,
11 yesterday afternoon I filed a motion on behalf of Yates
12 seeking an order rescinding Pooling Order R-11,751 and
13 dismissing our appeal.

14 The case was heard over a year ago by a Division
15 Examiner, and at that time the parties were in negotiations
16 concerning the development of this acreage.

17 I can advise the Commission that they have
18 reached an agreement that Yates will be the operator of the
19 well, not Mr. Arrington, that the well will be at a
20 different location and that there are parties still who
21 need to be subject to pooling for a well at a different
22 location.

23 For that reason, we're asking that the original
24 Order be rescinded. We will be back to you with a pooling
25 order that addresses and covers the matters to which Mr.

1 Arrington and Yates have agreed. And so for that reason we
2 request that the order be rescinded and our appeal
3 dismissed.

4 I've reviewed this with Mr. Bruce. It is my
5 understanding he does not object to the motion.

6 MR. BRUCE: That is correct, madame Chair.

7 CHAIRMAN WROTENBERY: Thank you, Mr. Bruce and
8 Mr. Carr.

9 Mr. Carr, will you be bringing the new
10 application in before the Division? Is that --

11 MR. CARR: Yes, we will, we'll fill a new
12 application.

13 I also believe there's another well in the area
14 that is drilling, and there may be a short time to wait
15 till they get the results from that well, but sometime in
16 the next few months we'll bring a new application to the
17 Division.

18 CHAIRMAN WROTENBERY: Okay, thank you.

19 In that case, Mr. Ross, would you please prepare
20 an appropriate order for the Commission to sign at its next
21 meeting on June 12th?

22 Any questions? Thank you very much.

23 (Thereupon, these proceedings were concluded at
24 9:13 a.m.)

25 * * *

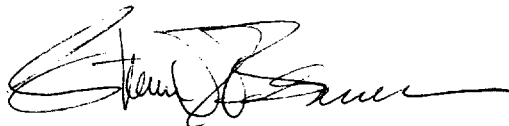
CERTIFICATE OF REPORTER

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 Commission 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 May 15th, 2003.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006