STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 1 OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. 2 Santa Fe, New Mexico 3 18 June 1987 COMMISSION HEARING 5 6 7 IN THE MATTER OF: 8 Application of Harvey E. Yates Com-CASE pany for compulsory pooling, Eddy 9086 9 County, New Mexico. 10 11 12 13 BEFORE: William J. Lemay, Chairman Erling A. Brostuen, Commissioner 14 William R. Humphries, Commissioner 15 16 TRANSCRIPT OF HEARING 17 18 APPEARANCES 19 20 For the Division: Charles E. Roybal Counsel to the Commission 21 Energy and Minerals Dept. 525 Camino de Los Marquez 22 Santa Fe, New Mexico 87501 23 24 For the Applicant: 25

MR. LEMAY: We'll call now Case

3 9086.

MR. ROYBAL: Case 9086, application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico.

Applicant in the above styled cause seeks an order pooling all mineral interests from a depth of 3595 feet to 9500 feet underlying the northeast quarter of the southwest quarter and the southeast quarter of the northwest quarter of Section 12, Township 18 South, Range 31 East, forming two standard 40-acre oil spacing and production units -- proration units to be dedicated to wells to be drilled at standard oil well locations thereon.

Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling that well.

This is upon the application of Chevron USA. This case will be heard de novo pursuant to the provision of Rule 1220.

MR. LEMAY: With the correspondence we've received, this case will be dismissed unless

there is objection from counsel.

Case 9086 will be dismissed.

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CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO

HEREBY CERTIFY the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sassey W. Boyd CSR