

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: )  
 )  
 APPLICATION OF CONCHO RESOURCES, INC., )  
 FOR COMPULSORY POOLING, LEA COUNTY, )  
 NEW MEXICO )

CASE NO. 13,217

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

RECEIVED

BEFORE: WILLIAM V. JONES, JR., Hearing Examiner MAY 13 2004

April 29th, 2004

Santa Fe, New Mexico

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, April 29th, 2004, 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.

\* \* \*

## I N D E X

April 29th, 2004  
Examiner Hearing  
CASE NO. 13,217

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|------------------------|------|
| REPORTER'S CERTIFICATE | 5    |

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## A P P E A R A N C E S

## FOR THE DIVISION:

DAVID K. BROOKS, JR.  
Assistant General Counsel  
Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

## FOR THE APPLICANT:

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

## FOR DERREL C. MELTON:

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

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2 9:40 a.m.:

3           EXAMINER JONES: Okay, let's go back on the  
4 record and call Case 13,217, which is continued from April  
5 15th, Application of Concho Resources, Incorporated, for  
6 compulsory pooling, Lea County, New Mexico.

7           Call for appearances?

8           MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,  
9 representing the Applicant.

10          MR. CARR: May it please the Examiner, my name is  
11 William F. Carr with Holland and Hart, L.L.P. We represent  
12 a working interest owner in the acreage that is subject to  
13 the pooling in this case, Mr. Derrel Melton.

14          The case was presented two months ago. The  
15 parties at that time were discussing, had reached a verbal  
16 agreement. We asked the case be continued until the  
17 documents were, in fact, signed, and I can advise the  
18 Division that those documents have been signed, that Mr.  
19 Melton is now voluntarily committed to the well, and we --  
20 therefore there's no reason to delay entering the pooling  
21 order requested by Concho.

22          MR. BRUCE: Mr. Examiner, the case was heard by  
23 Examiner Catanach, and if you could refer back to him,  
24 there are several additional parties who still need to be  
25 pooled, who did not show up at the hearing.

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EXAMINER JONES: Okay, without more discussion on that case we will thank you very much, both, both of you very much, and we'll take Case 13,217 under advisement, Mr. Catanach will.

(Thereupon, these proceedings were concluded at 9:42 a.m.)

\* \* \*

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. \_\_\_\_\_ heard by me on W.D. 5/13/04 \_\_\_\_\_, Examiner  
Oil Conservation Division