

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 DEVON ENERGY PRODUCTION)
COMPANY FOR SPECIAL POOL RULES AND)
REGULATIONS FOR THE NORTHEAST RED LAKE)
GLORIETA-YESO POOL AND CANCELLATION OF)
OVERPRODUCTION, EDDY COUNTY, NEW MEXICO)

CASE NO. 13,185

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, JR., Hearing Examiner

June 10th, 2004

Santa Fe, New Mexico

2004 JUN 24 AM 10 17

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, June 10th, 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

June 10th, 2004
Examiner Hearing
CASE NO. 13,185

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* * *

E X H I B I T

Applicant's	Identified	Admitted
Exhibit A	4	-

* * *

A P P E A R A N C E S

FOR THE APPLICANT:

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

* * *

ALSO PRESENT:

MARK FESMIRE
Director, Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

RICHARD EZEANYIM
Chief Engineer
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 8:20 a.m.:

3 EXAMINER JONES: Call the first case, Case
4 13,185, it's reopened, Application of Devon Energy
5 Production Company for special pool rules and regulations
6 for the Northeast Red Lake Glorieta-Yeso Pool and
7 cancellation of overproduction, Eddy County, New Mexico.

8 Call for appearances.

9 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
10 representing the Applicant. I just have a brief statement.

11 EXAMINER JONES: Okay.

12 MR. BRUCE: Mr. Examiner, as you will recall,
13 this matter was heard a couple of months ago. You heard
14 the matter and the evidence was presented. There was one
15 issue regarding notice of some additional offset overriding
16 royalty owners. The case was reopened to allow notice to
17 be given to them.

18 Submitted as Exhibit A is an affidavit of notice.
19 I had a little map in my file. I don't know what happened
20 to it, but I will provide it to you, showing where those
21 offset overriding royalty owners are.

22 And with that, I'd ask that -- no one else has
23 appeared today. I'd ask that the case be taken under
24 advisement.

25 EXAMINER JONES: Okay, Mr. Bruce, these people

1 have gotten notice, and there has been no objection?

2 MR. BRUCE: I have not heard anything from
3 anyone.

4 EXAMINER JONES: Okay, we haven't received
5 anything either. So there being nothing further in this
6 case, we'll just take Case 13,185 under advisement.

7 MR. BRUCE: And I will submit a map to you,
8 showing where those overrides own their interest.

9 EXAMINER JONES: Okay, thank you.

10 (Thereupon, these proceedings were concluded at
11 8:22 a.m.)

12 * * *

13
14
15
16
17 I do hereby certify that the foregoing is
18 a complete record of the proceedings in
19 the Examiner's hearing of Case No. _____,
20 heard by me on _____.

21 _____, Examiner
22 Oil Conservation Division

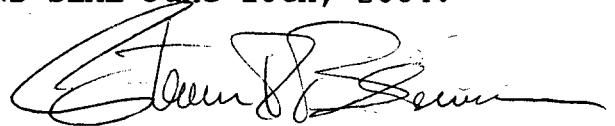
CERTIFICATE OF REPORTER

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 June 10th, 2004.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR SPECIAL RULES AND REGULATIONS FOR THE NORTHEAST RED LAKE GLORIETA-YESO POOL, AND FOR CANCELLATION OF OVERPRODUCTION, EDDY COUNTY, NEW MEXICO.

Case No. 13185

AFFIDAVIT REGARDING NOTICE

STATE OF NEW MEXICO)
) ssw.
COUNTY OF SANTA FE)

James Bruce, being duly sworn upon his oath, deposes and states:


1. I am over the age of 18, and have personal knowledge of the matters set forth herein.

2. I am an attorney for Applicant.


3. Applicant has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the Application filed herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Exhibit 1.

5. Applicant has complied with the notice provisions of Division Rule 1207.


James Bruce

SUBSCRIBED AND SWORN TO before me this 9th day of June, 2004, by James Bruce.


Notary Public

My Commission Expires:

3/14/05

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT NUMBER

A

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)
(505) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

May 20, 2004

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

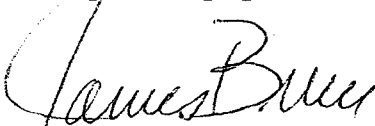
To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by Devon Energy Production Company, L.P., requesting special rules and regulations for the Northeast Red Lake Glorieta-Yeso Pool in Eddy County, New Mexico, and to cancel overproduction in one well unit. This application is scheduled to be heard at 8:15 a.m. on Thursday, June 10, 2004 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an overriding royalty owner, you have the right to appear at the hearing and present evidence. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are requested to notify in writing the Division, and the undersigned, by Friday, June 4, 2004 if you intend to enter an appearance and participate in the case.

Very truly yours,


James Bruce

Attorney for Devon Energy Production Company, L.P.



EXHIBIT A

Jane Ann Hudson Davis
6770 Wolf Creek Court
Rio Rancho, New Mexico 87124

Jonel Susan Grasso
11 Ocean Ridge
Laguna Niguel, California 92677

Joan A. Hudson
81 North Street
Naples, Florida 34108

Trigg Family Trust
c/o Wells Fargo Bank, N.A.
P.O. Box 5383
Denver, Colorado 80217

Paul Slayton
P.O. Box 2035
Roswell, New Mexico 88202

Summitt Overseas Exploration, inc.
P.O. Box 260590
Lakewood, Colorado 80226

John J. Schaller
1721 Antler Lane
Finksburg, Maryland 21048

Howard B. Wright Trust
c/o Wells Fargo Bank, NA, Trustee
P.O. Box 5383
Denver, Colorado 80217

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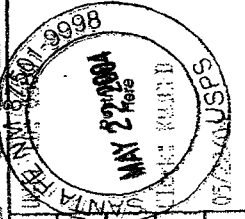
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OFFICIAL USE

Postage	\$ 0.37
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.42
Total Postage & Fees	\$ 6.84

Sent To: Jane Ann Hudson Davis
 6770 Wolf Creek Court
 Rio Rancho, New Mexico 87124
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4

PS Form 3800, June 2002 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Summitt Overseas Exploration, Inc.
 P.O. Box 260590
 Lakewood, Colorado 80226

2. Article Number (Copy from specimen label)
 7004 0750 0000 9048 6107

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature: *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: _____

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

Domestic Return Receipt *PR* 102595-00-M-0952

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Jane Ann Hudson Davis
 6770 Wolf Creek Court
 Rio Rancho, New Mexico 87124

2. Article Number (Copy from serv)
 7004 0750 0000 9048 6107

PS Form 3811, July 1999 Domestic Return Receipt *PR* 102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature: *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: _____

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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Postage	\$ 0.60
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.65
Total Postage & Fees	\$ 9.30

Sent To: Summitt Overseas Exploration, Inc.
 P.O. Box 260590
 Lakewood, Colorado 80226
 Street, Apt. No., or PO Box No.
 City, State, ZIP+4



2529 8406 0000 0520 4002

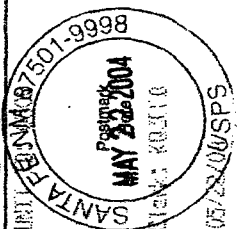
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Postage \$	0.37
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.42
Total Postage & Fees \$	

Sent To
 John J. Schaller
 1721 Antler Lane
 Pinksburg, Maryland 21043
 Street, Apt. No.;
 or PO Box No.
 City, State, ZIP+4



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Joan A. Hudson
 81 North Street
 Naples, Florida 34108

2. Article Number (Copy from serv) **7004 0750 0000 9048 6121**
 PS Form 3811, July 1999

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery **6/7**
 C. Signature **X Joan A. Hudson** Agent Addressee
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7004 0750 0000 9048 6121

Domestic Return Receipt

DAW PR

102595-00-M-0952

7004 0750 0000 9048 6121

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John J. Schaller
 1721 Antler Lane
 Pinksburg, Maryland 21043

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from serv) **7004 0750 0000 9048 6169**
 Domestic Return Receipt

PS Form 3811, July 1999

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **Sandra Schaller** B. Date of Delivery **05/24/04**
 C. Signature **X Sandra Schaller** Agent Addressee
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from serv) **7004 0750 0000 9048 6121**
 Domestic Return Receipt

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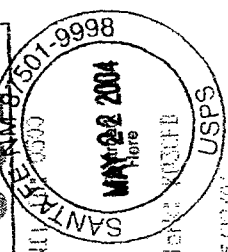
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Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.42
Total Postage & Fees \$	

Sent To
 Joan A. Hudson
 81 North Street
 Naples, Florida 34108
 Street, Apt. No.;
 or PO Box No.
 City, State, ZIP+4



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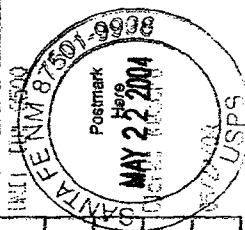
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Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.42
Total Postage & Fees \$	

Sent To
 Trigg Family Trust
 c/o Wells Fargo Bank, N.A.
 Street, Apt. No., P.O. Box 5383
 or PO Box No. Denver, Colorado 80217
 City, State, Zip+4

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Paul Slayton
 P.O. Box 2035
 Roswell, New Mexico 88202

2. Article Number (Copy from reverse)
 7004 0750 0000 9048 6138

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

- A. Received by (Please Print Clearly) B. Date of Delivery
April Denise Allison 5-27-04
- C. Signature Agent Addressee
- D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes No

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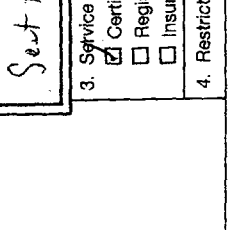
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Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	4.42
Total Postage & Fees \$	

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 Paul Slayton
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 or PO Box No. City, State, Zip+4

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 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes No

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 Paul Slayton
 P.O. Box 2035
 Roswell, New Mexico 88202
 Street, Apt. No., P.O. Box No.
 or PO Box No. City, State, Zip+4

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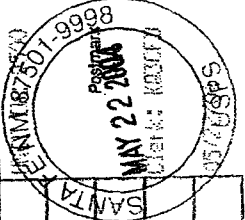
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Restricted Delivery Fee (Endorsement Required)	1.42
Total Postage & Fees	\$ 5.84

Sent To
 Street, Apt. No., or PO Box No. Jonei Susan Graaso
 Laguna Niguel, California 92677
 City, State, Zip+4

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Howard B. Wright Trust
 c/o Wells Fargo Bank, NA, Trustee
 P.O. Box 5383
 Denver, Colorado 80217

2. Article Number (Copy from)

7004 0750 0000 9048 6176

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) R. Dym B. Date of Delivery 5/26/04

C. Signature [Signature]

Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

Sent to C7300-07C

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jonei Susan Graaso
 11 Ocean Ridge
 Laguna Niguel, California 92677

2. Article Number (Copy from service sheet)

7004 0750 0000 9048 6174

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) [Signature] B. Date of Delivery 5/26/04

C. Signature [Signature]

Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

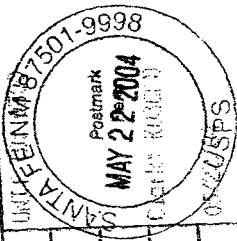
3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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Total Postage & Fees	\$ 5.84



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 c/o Wells Fargo Bank, NA, Trustee
 P.O. Box 5383
 Denver, Colorado 80217
 City, State, Zip+4

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