

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:) CASE NO. 13,074
)
APPLICATION OF NM&O OPERATING COMPANY)
FOR COMPULSORY POOLING, RIO ARRIBA)
COUNTY, NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, JR., Hearing Examiner

May 22nd, 2003

Santa Fe, New Mexico

RECEIVED
JUN . 5 2003
Oil Conservation Division

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, JR., Hearing Examiner, on Thursday, May 22nd, 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.

* * *

I N D E X

May 22nd, 2003
Examiner Hearing
CASE NO. 13,074

PAGE

REPORTER'S CERTIFICATE

6

* * *

E X H I B I T

Applicant's

Identified

Admitted

Exhibit 1

3

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* * *

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:

DAVID R. CATANACH
Hearing Examiner
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 10:42 a.m.:

3 EXAMINER BROOKS: At this time we'll call Case
4 Number 13,074, the Application of NM&O Operating Company
5 for compulsory pooling, Rio Arriba County, New Mexico.

6 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
7 representing the Applicant.

8 I do not have any witnesses, I just have a short
9 statement.

10 Mr. Examiner, this Application was filed under
11 Division Rule such that in the absence of objection it
12 would be taken under advisement. I've provided you with
13 Exhibit 1, which is my notice affidavit.

14 There are two parties being pooled. One is Van
15 K. Bullock, and notice has been given to him. I have heard
16 nothing from him.

17 The second one is IAT Resources of Houston. I
18 sent notice to them. That was returned.

19 I would note that the address I have for IAT
20 Resources is the current address in the BLM's files. It is
21 also the last address in the office of the Secretary of
22 State for IAT Resources. We've tried to track them down
23 and cannot do so. So we gave notice as best we could.

24 This is a recompletion. I would only note -- I
25 know what the Division policy has been on recompletions

1 regarding penalties in the Application. I do reference an
2 order on a nearby recompletion where a 200-percent penalty
3 was granted. I would just note that for the record.

4 And with that, I would ask the case be taken
5 under advisement.

6 EXAMINER BROOKS: Now, this -- I don't see there
7 being a Rule 1207.B affidavit in here. Why is this then
8 being -- Why is this styled in the absence of objection?

9 MR. BRUCE: Well, it was filed under Rule 1207.B.

10 EXAMINER BROOKS: Yeah, I'm seeing the affidavit.
11 Have you -- Did you tender an affidavit?

12 MR. BRUCE: I -- What I did was, I had the
13 Application verified, Mr. Examiner.

14 If you would like an affidavit, I can submit one
15 after the fact.

16 EXAMINER BROOKS: Well, yeah, it's -- Let me see
17 the Application here. So you swore to the Application?

18 MR. BRUCE: No, I did not, the president --

19 EXAMINER BROOKS: Oh, oh, Larry Sweet swore to
20 the Application.

21 MR. BRUCE: -- the president of the Applicant,
22 who is an engineer, swore --

23 EXAMINER BROOKS: Okay, that should be
24 satisfactory. I just wanted to make sure all the i's were
25 dotted and the t's crossed.

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Thank you very much, Mr. Bruce.

Nothing further, then Case Number 13,074 will be taken under advisement.

(Thereupon, these proceedings were concluded at 10:45 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 _____, 19____.
_____, Examiner
Oil Conservation Division

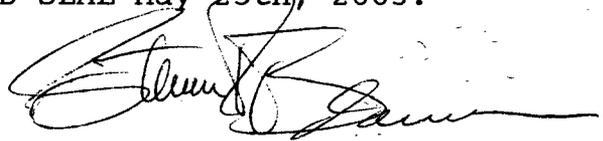
CERTIFICATE OF REPORTER

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 May 25th, 2003.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF NM&O OPERATING
COMPANY FOR COMPULSORY POOLING,
RIO ARRIBA COUNTY, NEW MEXICO.

Case No. 13,074

AFFIDAVIT REGARDING NOTICE

STATE OF NEW MEXICO)
) ss.
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 owner at its correct address by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Exhibit A.
5. Applicant has complied with the notice provisions of Division Rule 1207.



James Bruce

SUBSCRIBED AND SWORN TO before me this 21st day of May, 2003, by James Bruce.



Notary Public

My Commission Expires:
3/14/05

OIL CONSERVATION DIVISION
CASE NUMBER _____
EXHIBIT 1

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) 982-2151 (FAX)

jamesbruc@aol.com

April 29, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Van K. Bullock
Suite 381
4530 South Verbena
Denver, Colorado 80237

IAT Resources, Inc.
11281 Richmond Avenue
Houston, Texas 77082

Ladies and Gentlemen:

Enclosed is a copy of an application for compulsory pooling, filed by NM&O Operating Company with the New Mexico Oil Conservation Division, regarding the S½ of Section 35, Township 25 North, Range 2 West, N.M.P.M., Rio Arriba County, New Mexico. This application is scheduled to be heard at 8:15 a.m. on Thursday, May 22, 2003 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well unit, you have the right to appear at the hearing and participate in the case. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

You are requested to notify the Division and the undersigned by Friday, May 16, 2003, if you intend to enter an appearance and participate in the case.

Very truly yours,


James Bruce

Attorney for NM&O Operating Company



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:

Van K. Bullock
Suite 381
4530 South Verbena
Denver, Colorado 80237

2. Article Number

(Transfer from service label)

7002 2030 0004 5186 4581

PS Form 3811, August 2001

Domestic Return Receipt

102888-02-16/1200

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Agent
 B. Received by (Printed Name) Addressee
 C. Date of Delivery 5/1/03
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

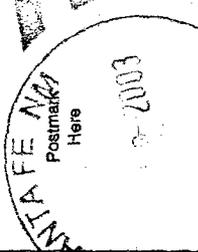
3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes No

**U.S. Postal Service™
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 (Domestic Mail Only; No Insurance Coverage Provided)**

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OFFICIAL USE

Postage	\$ 1.06
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	5.11
Total Postage & Fees	\$ 10.22



Sent To
 Van K. Bullock
 Suite 381
 4530 South Verbena
 Denver, Colorado 80237

PS Form 3800, June 2002 See Reverse for Instructions

7002 2030 0004 5186 4581



U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$ 1.06	
Certified Fee	2.75	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 5.51	

Sent To IAT Resources, Inc.
 11281 Richmond Avenue
 Houston, Texas 77082

Street, Apt. No., or PO Box No. 11281 Richmond Avenue
City, State, ZIP+4 Houston, Texas 77082

PS Form 3800, June 2002 See Reverse for Instructions

7002 2530 0004 5186 4550

7002 2530 0004 5186 4550

APR 29 2003 A-BUQUERQUE NM 87101 PM



From [Redacted]

To IAT Resources, Inc.
 11281 Richmond Avenue
 Houston, Texas 77082

UNDELIVERABLE AS ADDRESSED
 FORWARDING ORDER EXPIRED

UNDELIVERABLE AS ADDRESSED
 FORWARDING ORDER EXPIRED

First-Class Mail
 Postage & Fees Paid
 USPS
 Permit No. G-10

UNITED STATES POSTAL SERVICE

• Sender: Please print your name, address, and ZIP+4 in this box.

JAMES BRUCE
 P. O. BOX 1056
 SANTA FE, NM 87504