

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 CORKRAN ENERGY, LP, )  
FOR COMPULSORY POOLING, EDDY COUNTY, )  
NEW MEXICO )

CASE NO. 13,836

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

December 13th, 2006

Santa Fe, New Mexico

2006 DEC 27 PM 2:54

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Wednesday, December 13th, 2006, 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.

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WVJ 12/27/07

## I N D E X

December 13th, 2006  
 Examiner Hearing  
 CASE NO. 13,836

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REPORTER'S CERTIFICATE

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## E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	3	4
Attachment A	3	4
Attachment B	3	4
Attachment C	4	4
Exhibit 2	4	4
Exhibit 2 (Corrected)	-	-

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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

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2 8:51 a.m.:

3           EXAMINER JONES: Okay, let's call Case 13,836,  
4 Application of Corkran Energy, LP, for compulsory pooling,  
5 Eddy County, New Mexico.

6           Call for appearances.

7           MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe  
8 representing the Applicant. I'm submitting this case by  
9 affidavit.

10          EXAMINER JONES: Okay, any other appearances?

11          MR. BRUCE: Mr. Examiner, I've submitted to you  
12 as Exhibit 1 the affidavit of the landman for Corkran  
13 Energy regarding this matter. The Applicant seeks to force  
14 pool the east half of Section 16, 23 South, 24 East.

15          Attached to that affidavit as Exhibit A is a  
16 listing of interest owners. The only company being pooled  
17 in this matter is OXY USA at this time. The other parties  
18 have come to terms with Corkran.

19          Under the southeast quarter you'll see on Exhibit  
20 A it says WJP Exploration, LLC, and its partners. Those  
21 interest owners are all in the Corkran group, so they have  
22 reached agreement.

23          Attached as Exhibit B is a letter to OXY dated  
24 October 25, 2006, making the well proposal. This same land  
25 was the subject of Division Order R-12,577, in which

1 pooling was granted. In that case WJP Exploration was the  
2 Applicant, and that order expired and the operator changed,  
3 so we re-filed the pooling. And if you go back to that  
4 case file you will see that there have been contacts for  
5 about, oh, a year on this matter. So this October 25th  
6 letter was simply meant to re-propose the well to OXY under  
7 the name of Corkran Energy. It's on a Capstone Oil and Gas  
8 Company, LP, letterhead, because that is the company that  
9 originally put the prospect together.

10 And then the AFE is also attached. I apologize  
11 for the poor copy. This was just faxed to me late  
12 yesterday. I will submit an original of everything to you  
13 when I receive it in the mail, so that is -- if you could  
14 hold the record open for a few days.

15 And the same thing with the notice affidavit.  
16 Notice was given to OXY, and I just noticed that I omitted  
17 the notice letter that I sent out. I did have the green  
18 card, but I will submit the original of that later today.

19 EXAMINER JONES: Okay.

20 MR. BRUCE: And with that, I'd ask that Exhibits  
21 1 and 2 be admitted and this matter be taken under  
22 advisement.

23 EXAMINER JONES: Exhibits 1 and 2 will be  
24 admitted, and pending the receipt of the certified receipt  
25 and the well AFE -- and that's it, right?

1 MR. BRUCE: Yeah.

2 MR. BROOKS: Are you drilling this well to the  
3 Morrow?

4 MR. BRUCE: It is going to the Morrow.

5 MR. BROOKS: Okay, that's one of the blanks you  
6 haven't filled in.

7 MR. BRUCE: Okay.

8 EXAMINER JONES: Pending the receipt of those  
9 items, this case will be taken under advisement. This is  
10 Case Number 13,836. It looks like you're going to the  
11 upper Penn, Strawn, Atoka and Morrow --

12 MR. BRUCE: Uh-huh.

13 EXAMINER JONES: -- all four. Okay.

14 (Thereupon, these proceedings were concluded at  
15 8:55 a.m.)

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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 \_\_\_\_\_

\_\_\_\_\_, 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 December 16th, 2006.



STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 16th, 2010