

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, L.P., FOR AN UNORTHODOX GAS)
WELL LOCATION, SAN JUAN COUNTY,)
NEW MEXICO)

CASE NO. 13,800

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

January 18th, 2007

Santa Fe, New Mexico

2007 FEB 1 PM 9 26

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Jr., Hearing Examiner, on Thursday, January 18th, 2007, 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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I N D E X

January 18th, 2007
 Examiner Hearing
 CASE NO. 13,800

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E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 13	4	5
Exhibit 14	-	5

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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

* * *

1 WHEREUPON, the following proceedings were had at
2 2:38 p.m.:

3 EXAMINER BROOKS: Okay, call Case Number 13,800,
4 Application of Devon Energy Production Company, L.P., for
5 an unorthodox gas well location, San Juan County, New
6 Mexico.

7 I do not have a file on this case. I think David
8 Catanach probably still has that file.

9 MR. BRUCE: Mr. Examiner, I think Mr. Ezeanyim
10 has it.

11 EXAMINER BROOKS: Oh, okay.

12 MR. BRUCE: Mr. Examiner, Jim Bruce representing
13 the Applicant.

14 This was heard at the December 13th hearing, I
15 believe, by Mr. Ezeanyim. I believe you were present at
16 the time.

17 EXAMINER BROOKS: I do recall something about the
18 case, and I believe that it was continued to supplement the
19 record, but I didn't remember the details.

20 MR. BRUCE: Mr. Examiner, it's an unorthodox
21 location case, extremely unorthodox. Notice was given to
22 the only affected offset overriding royalty owner. The
23 Division requested that we give notice -- The working
24 interest owners are the same in the well unit and in the
25 offset lease, but because of potential participating areas,

1 et cetera, you asked that we give notice to the offset
2 working interest owners.

3 EXAMINER BROOKS: Right.

4 MR. BRUCE: So submitted to you as a continuation
5 of exhibit numbers are Exhibit 13 and 14.

6 Exhibit 13 is just an affidavit by Janet
7 Wooldridge who testified at the hearing -- she is a landman
8 for Devon -- testifying, number one, as to the working
9 interest owners, the offset working interest owners, but
10 also -- The working interest owners are BP America,
11 ConocoPhillips and Burlington, as well as Devon Energy, and
12 then two other entities, B&N Company and BN Non-Coal,
13 L.L.C.

14 The main purpose for this affidavit is that Devon
15 Energy -- that used to be Blackwood and Nichols Company,
16 which Devon Energy acquired for the most part, and they
17 managed that. As a result of -- if I had sent notice, I
18 would have sent it to Devon Energy, and as a result I did
19 not notify the BN Companies of this hearing.

20 I did notify BP America, ConocoPhillips and
21 Burlington Resources, and they did receive notice. I
22 haven't gotten a green card back from BP America, however
23 the people from BP who were just here are aware of this
24 matter, and as a matter of fact the landman asked me about
25 this case and did not object.

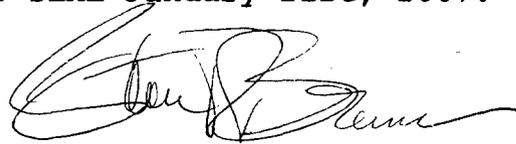
CERTIFICATE OF REPORTER

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 January 21st, 2007.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2010