

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 YATES PETROLEUM)
CORPORATION FOR APPROVAL OF A PILOT)
PROJECT IN THE NORTH DAGGER DRAW-UPPER)
PENNSYLVANIAN UNIT FOR PURPOSES OF)
ESTABLISHING PROPER WATERFLOOD INJECTION)
PATTERNS AND FOR A TEMPORARY EXEMPTION)
FROM THE PROVISIONS OF DIVISION RULE 203)
CONCERNING APPROVED TEMPORARY)
ABANDONMENT OF WELLS, EDDY COUNTY,)
NEW MEXICO)

CASE NO. 13,893

2007 APR 10 AM 9:11

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: RICHARD EZEANYIM, Hearing Examiner

April 26th, 2007

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, RICHARD EZEANYIM, Hearing Examiner, on Thursday, April 26th, 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

April 26th, 2007
 Examiner Hearing
 CASE NO. 13,893

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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 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:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR
 110 N. Guadalupe, Suite 1
 P.O. Box 2208
 Santa Fe, New Mexico 87504-2208
 By: OCEAN MUNDS-DRY

* * *

1 WHEREUPON, the following proceedings were had at
2 8:17 a.m.:

3 EXAMINER EZEANYIM: That leaves us with, on page
4 2, Case Number 13,893. This case was continued from the
5 Examiner Hearing on March 29th, and this is the Application
6 of Yates Petroleum Corporation for approval of a pilot
7 project in the North Dagger Draw-Upper Pennsylvanian Unit
8 for purposes of establishing a waterflood project.

9 Call for appearances. And I understand this case
10 has been heard, and I'm here to collect some information.

11 MS. MUNDS-DRY: Yes. Good morning, Mr. Examiner.
12 Ocean Munds-Dry with the law firm of Holland and Hart, here
13 representing Yates Petroleum Corporation this morning.

14 EXAMINER EZEANYIM: Okay. I guess there's no
15 other appearance.

16 MS. MUNDS-DRY: Since I'm the only one here.

17 EXAMINER EZEANYIM: Yeah.

18 MS. MUNDS-DRY: Mr. Examiner, as you noted, this
19 case was heard a couple of weeks ago, and I think right
20 after or during -- when this case was heard, Yates was
21 updating their list of interest owners in the waterflood
22 area and discovered that there had been some changes in
23 this ownership. So we noticed those interest owners, and
24 we just had to let the time run in order to make sure they
25 had sufficient notice under the Rules.

1 What I've submitted to you is Exhibit A, which is
 2 Mr. Carr's supplemental affidavit, showing that notice was
 3 given in accordance with Oil Conservation Division Rules,
 4 and we should have copies of all the green cards that went
 5 to those interest owners, and I believe they're all there.
 6 Yeah, all the green cards, you have copies of all the green
 7 cards there.

8 As I said, this matter was already heard, so we'd
 9 ask that this be included with the record and this matter
 10 be taken under advisement.

11 EXAMINER EZEANYIM: Good. Do you have any
 12 questions?

13 MR. BROOKS: (Shakes head)

14 EXAMINER EZEANYIM: Well, without further ado,
 15 Case Number 13,893 will be taken under advisement.

16 Thank you, Ms. Ocean.

17 MS. MUNDS-DRY: Thanks for showing up for me
 18 today.

19 EXAMINER EZEANYIM: And that concludes the
 20 hearing today.

21 (Thereupon, these proceedings were concluded at
 22 8:20 a.m.)

23 * * *
 24 I do hereby certify that the foregoing is
 25 a complete record of the proceedings in
 the Examiner hearing of Case No. 13893
 heard by me on 4/12/07

STEVEN T. BRENNER, CCR, Examiner
 (505) 989-9317
 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 April 27th, 2007.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2010