STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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CONTINUED AND DISMISSED CASES Oil Conservation Division

Case Do. 13156

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

October 23rd, 2003

Santa Fe, New Mexico

ORIGINAL

These matters came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, October 23rd, 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.

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INDEX

October 23rd, 2003 Continued and Dismissed Cases

PAGE

REPORTER'S CERTIFICATE

8

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APPEARANCES

FOR THE DIVISION:

GAIL MacQUESTEN
Deputy General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

* * *

WHEREUPON, the following proceedings were had at 8:15 a.m.:

EXAMINER STOGNER: This hearing will come to order. Please note it's Docket Number 35-03. Today's date is October 23rd, 2003. I'm Michael Stogner, appointed Hearing Officer for today's dates.

At this time we'll go over the continuances and dismissals that we have at this time.

First page, Case 12,776, this is a reopened matter to consider the provisions of Order Number R-11,723 for the East Penasco Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico. This case will be continued to November the 7th, 2003.

Next case, Case 13,170, the Application of
Energen Resources Corporation to expand the Langlie-Lynn
Queen Unit Waterflood Project in Lea County, New Mexico.
This case will be continued to December the 4th.

Next case, 13,144, is the Application of Permian Resources, Inc., for special pool rules or, in the alternative, for an unorthodox well location, Lea County, New Mexico. This case will be continued to December the 4th.

Next case, 13,171, this is the Application of Leede Operating Company, L.L.C., for compulsory pooling, Lea County, New Mexico. This case will be continued to

November the 20th.

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I need to bring this up too, and I'm sorry I didn't do that. Due to a change in the schedule, the November -- or what we would have normally scheduled for November 6th, would have been a Thursday, the hearing has been moved to November 7th. That would be the Friday.

That was called by the Director. So if you see November the 6th anywhere on the docket today, please change that to November 7th.

Okay, let's see. Second page, Application of Mewbourne Oil Company for an unorthodox oil well location, Lea County, that's Case 13,172, this case will be continued to the November 7th docket.

Okay, let's go to page 3. Case 13,156, this is Chi Energy, Inc., for compulsory pooling, Eddy County, New Mexico. This case will be dismissed.

Case 13,173, Application of Merrion Oil and Gas
Corporation for an unorthodox infill coal gas well
location, San Juan County, New Mexico. This case will be
dismissed. This case should never have showed up on
today's docket. It was withdrawn prior to it getting on
the docket due to lack of communication on my part with the
appropriate people. It got on the docket and I apologize
for that. It was an administrative application that was
going to be set for hearing but was withdrawn prior to

that. Again, I apologize. 13,173 will be dismissed.

Let's see, down to 13,175, this is the

Application of Permian Resources, Inc., for a nonstandard

spacing and proration unit and an unorthodox well location,

Lea County. This case will be continued to December the

18th, 2003.

Page 4, first one on the top, 13,146, this is the Application of EOG Resources, Inc., for compulsory pooling and a nonstandard gas spacing unit, Lea County, New Mexico. This case will be continued to November 20th.

Case 13,040, this is the Application of David H.

Arrington Oil and Gas, Inc., for a waterflood project and
an enhanced oil recovery, Lea County, New Mexico. This
case is dismissed.

Down at the bottom of the page, 13,142, this is the Application of the OCD for an order requiring Maralo, L.L.C., to remediate hydrocarbon contamination and an abandoned well and battery site, Lea County, New Mexico. This case is continued to November the 20th.

Are there any other continuances or dismissals at this time?

MR. BRUCE: Mr. Examiner, on the first page -EXAMINER STOGNER: Okay.

MR. BRUCE: -- at the bottom, 13,139, the Gruy

Petroleum Management Company case, I would ask that that be

continued to November 20th. 1 Continued to November 20th. 2 EXAMINER STOGNER: Just as a reminder, before I do, we're having a 3 lot of continuances and dismissals, and it has appeared 4 over the last few months that the dockets in some cases are 5 small and then they turn large some other times, so we may 6 ms. 7 need to adjust at a later date. 13134 At this time, though, Case 13,129, will be 8 9 continued to the November 20th docket. MR. BRUCE: On page 2, Mr. Examiner --10 EXAMINER STOGNER: Page 2. 11 MR. BRUCE: -- the second Mewbourne Oil case, 12 12,940, Mr. Feldewert is here for several of his clients. 13 The clients are going -- or the parties are going to meet 14 and Mr. Feldewert has asked that this matter be continued 15 to November 20th, and Mewbourne Oil Company agrees with 16 that. 17 EXAMINER STOGNER: Okay, that's continued to when 18 again? 19 20 MR. BRUCE: November 20th. 21 EXAMINER STOGNER: Just for the record, who are Mr. Feldewert's clients? 22 23 MR. BRUCE: Harvey E. Yates Company, Pecos 24 Production Company and Gruy Petroleum Management. 25 MR. FELDEWERT: You got it.

EXAMINER STOGNER: Okay.

MR. BRUCE: And finally, Mr. Examiner, on the bottom of that page, the Devon Energy case, that Application has been amended and readvertised. That was filed yesterday. It's for the November 20th hearing.

EXAMINER STOGNER: Okay, let's see. Case 12,940 will be continued to the November 20th docket. Devon Case 13,132 will be continued to and readvertised for the November 20th docket also.

Any other continuances or dismissals at this time?

We're going to go through the docket, or the remainder of the docket as it is. Before we call the Pride case, which will be the last one, Dave Catanach has been involved in that matter, and he will be today's Hearing Officer in that case, so we'll take a break and I'll go upstairs and get him and allow him time to change clothes and put on a jacket and improve his appearance accordingly.

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

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a complete record of the proceedings in the Examiner hearing of Case No. 13156. heard by me on 23 October 2003.

-, Examiner

Oll 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 October 23rd, 2003.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006