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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

ORIGINAL

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 14304

APPLICATION OF BURLINGTON RESOURCES
OIL AND GAS COMPANY TO REINSTATE
DIVISION ORDER R-13057 FOR COMPULSORY
POOLING, SAN JUAN COUNTY,
NEW MEXICO

RECEIVED
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REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING

April 16, 2009
Santa Fe, New Mexico

BEFORE: DAVID BROOKS: Hearing Examiner
TERRY WARNELL: Technical Advisor
RICHARD EZEANYIM: Technical Advisor

This matter came for hearing before the New Mexico
Oil Conservation Division, David Brooks Hearing Examiner,
on April 16, 2009 at the New Mexico Energy, Minerals and
Natural Resources Department, 1220 South St. Francis
Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: Peggy A. Sedillo, NM CCR NO. 88
Paul Baca Court Reporters
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102

1 Examiner's Hearing
Case No. 14304

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I N D E X

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5 APPLICANT'S EXHIBITS

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Exhibit 1

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Exhibit 2

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Exhibit 3

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Exhibit 4

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COURT REPORTER'S CERTIFICATE

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A P P E A R A N C E S

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FOR THE APPLICANT:

W. THOMAS KELLAHIN, ESQ.

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Kellahin and Kellahin

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706 Gonzales Road

Santa Fe, NM 87501

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1 HEARING EXAMINER: In accordance with the
2 announced plan of disposition, at this time we will call
3 Case No. 14304. This is the Application of Burlington
4 Resources Oil and Gas Company to Reinstate Division
5 Order R-13057 for Compulsory Pooling, San Juan County, New
6 Mexico.

7 Call for appearances.

8 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
9 the Santa Fe Law Firm of Kellahin and Kellahin, appearing
10 this morning on behalf of the Applicant.

11 With your permission, Mr. Examiner, we'd like to
12 submit this by affidavit. We have no witnesses.

13 HEARING EXAMINER: Very good. You may proceed.

14 MR. KELLAHIN: Mr. Examiner, the reason I'm back
15 before you this morning is that Burlington inadvertently
16 allowed a pooling order to expire without having obtained
17 prior to the expiration of the date in which they were to
18 commence the well -- or pool from the director to extend
19 that order.

20 As part of this presentation, I have four
21 exhibits for your consideration.

22 The first one is Exhibit 1, simply a locator map
23 that was used in the original hearing that shows that this
24 is a pooling of a spacing unit associated with the east
25 half of Section 15, Township 31 North, Range 10 West.

1 Exhibit No. 2 is a copy of the order of the case
2 that was presented to Mr. Warnell back on October 30th.
3 The order was dated October 20th of last year.

4 And when you turn to the order, you'll find that
5 Burlington should have commenced the drilling of the well
6 by February 28th of this year. As a result of a clerical
7 oversight, they failed to do that.

8 The affidavit is the next document before you.
9 It's Exhibit No. 3. Mr. Terry Simcoe was the landman that
10 testified before Mr. Warnell.

11 Mr. Simcoe is back to certify in his affidavit
12 that none of the circumstances have changed from the
13 technical case that Mr. Warnell heard with the exception
14 of the request for the reinstatement and the extension of
15 the commencement date.

16 Mr. Simcoe's difficulty in this case is the
17 tracts associated with a big game hunting area and their
18 restrictions on when you build your surface location and
19 otherwise.

20 And in addition, he's not yet obtained his
21 federal APD. He now tells me that it takes maybe 220 days
22 to go through that process for this type of well.

23 So rather than have another extension of this
24 order, we're requesting that you re-instate it and give us
25 until October 30th of this year as the commencement date.

1 HEARING EXAMINER: Okay. Well, since this order
2 was issued, the Division has adopted a policy of allowing
3 one year from the date of insurance of an order for
4 commencement.

5 MR. KELLAHIN: Okay. Well, that would satisfy
6 our concerns, Mr. Examiner.

7 HEARING EXAMINER: Okay.

8 MR. KELLAHIN: The final exhibit is my
9 Certificate of Notification, Exhibit 4. The original
10 hearing involved the pooling of three trust interests that
11 are identified in the pre-hearing statement. Those
12 parties have chosen not to appear in this proceeding.

13 And so to the best of my knowledge, there is no
14 opposition to the reinstatement of this order.

15 HEARING EXAMINER: Okay then. Are there any
16 parties that were not located?

17 MR. KELLAHIN: No, sir, not in this case.

18 HEARING EXAMINER: Very good.

19 MR. KELLAHIN: With your permission, we'd
20 request the admission of Exhibits 1, 2, 3, and 4.

21 HEARING EXAMINER: Exhibits 1 through 4 are
22 admitted.

23 MR. KELLAHIN: Thank you.

24 HEARING EXAMINER: There being nothing further,
25 I do hereby certify that the foregoing is
Case No. 14304 will be taken under advisement the proceedings in
the Examiner hearing of Case No. 14304
heard by me on 4-16 2009.

1 STATE OF NEW MEXICO)
2 COUNTY OF BERNALILLO) ss.

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REPORTER'S CERTIFICATE

I, PEGGY A. SEDILLO, Certified Court Reporter of the firm Paul Baca Professional Court Reporters do hereby certify that the foregoing transcript is a complete and accurate record of said proceedings as the same were recorded by me or under my supervision.

Dated at Albuquerque, New Mexico this 25th day of April, 2009.


PEGGY A. SEDILLO, CCR NO. 88
License Expires 12/31/09