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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. 14317

APPLICATION OF ENERVEST OPERATING LLC  
TO AMEND THE UNIT AGREEMENT FOR THE  
WEST LOCO HILLS GRAYBURG NO. 4 SAND  
UNIT, AND FOR STATUTORY UNITIZATION,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

June 2, 2009  
Santa Fe, New Mexico

BEFORE: WILLIAM JONES: Hearing Examiner  
TERRY WARNELL: Technical Advisor  
DAVID BROOKS: Technical Advisor

This matter came for hearing before the New Mexico  
Oil Conservation Division, David Brooks Hearing Examiner,  
on June 2, 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

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6/10/09 JPM

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APPLICANT'S EXHIBITS:

Exhibit B-1	3
Exhibit C-1	3
Exhibit D-1	3

COURT REPORTER'S CERTIFICATE	5
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A P P E A R A N C E S

FOR THE APPLICANT:	JAMES BRUCE, ESQ.
	Attorney at Law
	P. O. Box 1056
	Santa Fe, NM 87501

1 HEARING EXAMINER: Call Case 14317, application  
2 of Enervest Operating, LLC to Amend the Unit Agreement for  
3 the West Loco Hills Grayburg No. 4 Sand Unit and for  
4 Statutory Unitization, Eddy County, New Mexico. Call for  
5 appearances.

6 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe  
7 representing the applicant. I just have a short  
8 statement.

9 Mr. Examiner, as part of the Enervest water plug  
10 that you heard originally several months ago, this  
11 particular case was simply to force some record title  
12 owners of federal and state leases into the unit.

13 Exhibit B is the notice of affidavit, and  
14 Exhibit B-1 shows one of the people who did not have the  
15 envelope back showing that Mr. Cone did not claim his  
16 letter.

17 Because of certain interest owners not receiving  
18 notice, an affidavit of publication was submitted as  
19 Exhibit C-1. That was amended. That originally was  
20 Exhibit C. I amended that to include Mr. Cone. And that  
21 affidavit of publication is submitted as Exhibit C-1.

22 And finally, we did submit at the prior hearing  
23 as Exhibit D, ratifications from various record title  
24 owners, and submitted as Exhibit D-1 is a ratification  
25 from about nine or ten Yates entities who are record title

1 owners of various of leases.

2 So I'd move the admission of Exhibits B-1, C-1,  
3 and D-1 and ask that this matter be taken under  
4 advisement.

5 HEARING EXAMINER: Okay, we'll admit Exhibits  
6 B-1, C-1, and D-1. And Case 14317 will be taken under  
7 advisement.

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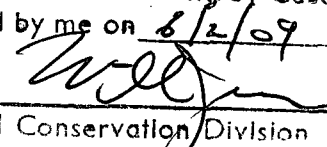
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I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_  
heard by me on 8/2/09 \_\_\_\_\_  
 , Examiner  
Oil Conservation Division

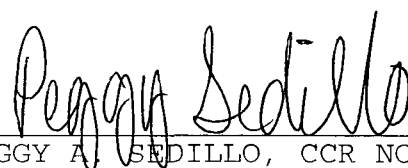
1 STATE OF NEW MEXICO )  
 2 COUNTY OF BERNALILLO ) ss.

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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  
 10th day of June, 2009.

  
 PEGGY A. SEDILLO, CCR NO. 88  
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