#### 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:

IN THE MATTER OF CASE 12,916 BEING

REOPENED PURSUANT TO THE PROVISIONS OF

DIVISION ORDER NO. R-11,885, WHICH ORDER)

PROMULGATED SPECIAL POOL RULES FOR THE

ALACRAN HILLS-LOWER BONE SPRING POOL IN

EDDY COUNTY, NEW MEXICO, INCLUDING

PROVISIONS FOR 160-ACRE SPACING UNITS

AND DESIGNATED WELL LOCATIONS

CASE NO. 12,916

# RECEIVED

APR 1 2004

Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

## ORIGINAL

#### REPORTER'S TRANSCRIPT OF PROCEEDINGS

#### **EXAMINER HEARING**

BEFORE: WILLIAM V. JONES, JR., Hearing Examiner

March 18th, 2004

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, March 18th, 2004, 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.

\* \* \*

#### INDEX

March 18th, 2004 Examiner Hearing CASE NO. 12,916

PAGE

REPORTER'S CERTIFICATE

4

### APPEARANCES

#### 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:

JAMES G. BRUCE Attorney at Law P.O. Box 1056 Santa Fe, New Mexico 87504

\* \* \*

WHEREUPON, the following proceedings were had at 1 2 9:25 a.m.: EXAMINER JONES: At this time let's call Case 3 12,916, which was continued from February 19th Examiner 4 5 Hearing. 6 Call for appearances. MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe. 7 8 I represent Devon Louisiana Corporation, which is the 9 successor to Ocean Energy, Inc., which was the original Applicant in this case. Special pool rules were instituted 10 under the original order. At this time Devon has decided 11 not to present any further evidence, so the case can be 12 13 taken under advisement and the pool rules can lapse back to statewide rules. 14 15 EXAMINER JONES: Okay, thank you, Mr. Bruce. With that, we'll take Case 12,916 under advisement. 16 (Thereupon, these proceedings were concluded at 17 9:26 a.m.) 18 19 20 I so hereby certify that the foregoing is a complete record of the proceedings in 21 We Examiner hearing of Case No. beard by me on 22 \_\_\_. Exeminer Of Conservation Division 23 24 25

#### 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 March 19th, 2004.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006