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:

CASE NO. 13,379

APPLICATION OF CHI ENERGY, INC., FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

January 6th, 2005

JH.

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Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Conservation Division, David Resources 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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REPORTER'S CERTIFICATE

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EXHIBITS

Applicant's Identified Admitted

Exhibit 3 5 3, 4

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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

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 9:52 a.m.: EXAMINER CATANACH: Call Case 13,379, Application 3 of Chi Energy, Inc., for compulsory pooling, Eddy County, 4 5 New Mexico. 6 Call for appearances. 7 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe, 8 representing the Applicant. EXAMINER CATANACH: Additional appearances? 9 10 You may proceed, Mr. Bruce. MR. BRUCE: Again, Mr. Examiner, you heard this 11 12 case and evidence was presented. 13 One of the parties being pooled, the notice came back in the mail, and therefore publication notice was 14 15 required. So I'm just submitting -- the case was continued, publication notice has been given to the one 16 interest owner, Mr. Harry N. White. I would just ask that 17 Exhibit 5 be admitted into the record and that the case be 18 taken under advisement. 19 20 EXAMINER CATANACH: Okay, Mr. Bruce, Exhibit 5 will be admitted. 21 22 As I recall, this was an interest owner that you 23 could not find, right? 24 MR. BRUCE: We could not find, and -- I didn't 25 know that until the day before the hearing.

1	EXAMINER CATANACH: There's little chance that
2	either him or his successors will respond to this?
3	MR. BRUCE: Very slim to none chance.
4	EXAMINER CATANACH: Okay.
5	MR. BRUCE: I think the last address for him was
6	30 or 35 years ago, and they had conducted the county-
7	record search and I believe an Internet search and were not
8	able to locate him.
9	EXAMINER CATANACH: Okay. Exhibit 5 will be
10	entered.
11	And there being nothing further, Case Number
12	13,379 will be taken under advisement.
13	(Thereupon, these proceedings were concluded at
14	9:55 a.m.)
15	* * *
16	ve. that the foregoing is
17	hereby certify that the foregoing is a complete record of the proceedings in
18	the Examiner hearing of Case No. 1337, heard by me on 100 as 6 9005.
19	Local K Catal. Exercise
20	Oil Conservation Division
21	
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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 January 8th, 2005.

STEVEN T. BRÈNNER

CCR No. 7

My commission expires: October 16th, 2006