Page 1 1 STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT 2 OIL CONSERVATION DIVISION 3 IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR 4 THE PURPOSE OF CONSIDERING: 5 Case No.: 14642 6 7 APPLICATION OF BLACK HILLS GAS ORIGINAL RESOURCES INC. FOR THE CREATION OF 8 THE JICARILLA (MANCOS FORMATION) PROJECT AREA, AN EXCEPTION TO THE 9 SPECIAL RULES AND REGULATIONS FOR THE BASIN-MANCOS GAS POOL AND TO 10 RULE 19.15.16 NMAC, RIO ARRIBA COUNTY, NEW MEXICO. 11 12 REPORTER'S TRANSCRIPT OF PROCEEDINGS 13 EXAMINER'S HEARING Π 14 ليب BEFORE: DAVID K. BROOKS, Legal Examiner 15 TERRY WARNELL, Technical Examiner 16 June 9, 2011 DATE: 17 Santa Fe, New Mexico 18 19 This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Legal Examiner, and TERRY WARNELL, Technical Examiner, 20 on Thursday, June 9, 2011, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South 21 St. Francis Drive, Room 102, Santa Fe, New Mexico. 22 23 REPORTED BY: Irene Delgado 24 Paul Baca Professional Court Reporters 500 Fourth Street, NW, Suite 105 25 Albuquerque, NM 87103 26

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1	APPEARANCES	
2	FOR THE APPLICANT:	
3	HOLLAND & HART, LLP MICHAEL FELDEWERT, ESQ.	
4	110 N. Guadalupe, Suite 1 Santa Fe, NM 87501	
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Page 3 EXAMINER BROOKS: At this time I will call 1 2 Case Number 1462 -- no, wait. I'm sorry, I failed to note, Case Number 14629 is continued. It's on Page 6. 3 Case Number 14629 is continued to June 23. 4 At this time I will call Case Number 14642, 5 6 the Application of Black Hills Gas Resources Inc. for 7 creation of the Jicarilla Mancos Formation Project Area, an exception to the special rules and regulations 8 9 for the Basin-Mancos Gas Pool and to Rule 19.15.16 NMAC, Rio Arriba County, New Mexico. I understand 10 there is a motion for a continuance in this case? 11 12 MR. FELDEWERT: Yes, Mr. Examiner. We ask 13 that the matter be continued for two weeks. EXAMINER BROOKS: Which would be June 23? 14 15 MR. FELDEWERT: Yes, I'm going to move --16 EXAMINER BROOKS: I believe there is no other counsel involved in this case. Is that correct? 17 18 MR. FELDEWERT: That's correct. 19 EXAMINER BROOKS: This is unopposed. 20 MR. FELDEWERT: Mr. Examiner, if I may, I'm 21 going to move very slowly on my request for a continuance here because I didn't let Mr. Bruce know 22 23 that we were going to continue, so he called his 24 witnesses. They are on their way. I told him I would 25 stall as long as I could, but it is my fault, but I did

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Page 4 let him know, and I apologize. 1 2 EXAMINER BROOKS: That is very courteous of you, Mr. Feldewert. Very well. Case Number 14642 is 3 continued until June 23. Are there any other 4 continuances or dismissals that I haven't recorded? 5 6 (No response.) EXAMINER BROOKS: Very well, we will take a 7 8 recess while Mr. Bruce gets organized. 9 MR. BRUCE: I think I'm organized. 10 MR. WARNELL: How long of a recess do you think that will be? 11 12 MR. BRUCE: About six days. 13 14 15 16 17 I do heropy contraint the foregoing a 18 a complete re ara at the proceedings in 47 the Examiner hearing R? Case No.] 19 20 neard by me on Exemines 21 Conservation Division OIL 22 23 24 25

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	Page 5	
1	REPORTER'S CERTIFICATE	
2		
3	I, IRENE DELGADO, New Mexico CCR 253, DO	
4	HEREBY CERTIFY that on June 9, 2011, proceedings in the	
5	above-captioned case were taken before me and that I	
6	did report in stenographic shorthand the proceedings	
7	set forth herein, and the foregoing pages are a true	
8	and correct transcription to the best of my ability.	
9	I FURTHER CERTIFY that I am neither employed	
10	by nor related to nor contracted with any of the	
11	parties or attorneys in this case and that I have no	
12	interest whatsoever in the final disposition of this	
13	case in any court.	
14	WITNESS MY HAND this day of	
15	·	
16		
17	Arnal Dela anto	
18	Irene Delgado CCR 253	
19	Expires: 12-31-11	
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