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:

APPLICATION OF APPLICATION OF XTO

THE OIL CONSERVATION OF XTO

CASE N

CASE NO. 13,544

APPLICATION OF APPLICATION OF XTO ENERGY, INC., TO AMEND THE SPECIAL RULES AND REGULATIONS OF THE UTE DOME-PARADOX GAS POOL AND TO EXPAND THE HORIZONTAL LIMITS OF THE POOL, SAN JUAN COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

September 22nd, 2005

Santa Fe, New Mexico

12 47

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, September 22nd, 2005, 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.

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REPORTER'S CERTIFICATE

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EXHIBIT

Applicant's

Identified Admitted

Exhibit A

3

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 8:25 a.m.:

EXAMINER JONES: Let's call Case 13,544, which is continued and readvertised, Application of XTO Energy, Inc., to amend the special rules and regulations of the Ute Dome-Paradox Gas Pool and to expand the horizontal limits of the pool in San Juan County, New Mexico.

Call for appearances.

MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe, representing the Applicant. I just have a brief statement.

Mr. Examiner, as you said, this is a case to amend the special rules and regulations for the Ute Dome-Paradox Gas Pool and to expand the pool. This matter was previously heard by Examiner Ezeanyim.

The original Application asked to add Section 4 of Township 31 North, Range 14 West, to the pool, when in fact we meant to ask that the pool be expanded to include Sections 4 and 12. So after the hearing an amended Application was filed and additional notice was given.

And I have submitted to you -- I forgot to mark the exhibit number, if you could mark that Exhibit A.

EXAMINER JONES: Okay.

MR. BRUCE: It's simply the notice that was given pursuant to Division Rules to the offset oper- -- the only operators in the pool, other than XTO Energy. Notice was

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also -- this was also primarily Ute Mountain Ute Indian
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     land, so notice was given to the Tribe and its
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     representatives. And you should have, if not received,
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     another letter from the Tribe stating that they support the
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     Application.
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                 Thank you.
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                 EXAMINER JONES: Okay, thank you, Mr. Bruce.
     With that, we'll take Case 13,557 under advisement.
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                 (Thereupon, these proceedings were concluded at
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10
     8:27 a.m.)
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13
                          I do hereby certify that the foregoing is
14
                          e complete record of the proceedings in
                          the Examiner hearing of Case No.
15
                         heard by me on___
16
                                               ___, Examiner
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                           Oil Conservation Division
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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 September 22nd, 2005.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006