

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. 13,828

APPLICATION OF ENERGEN RESOURCES)
CORPORATION FOR AN AMENDMENT TO)
ADMINISTRATIVE ORDER NSL-3572-NSP)
AND FOR AN EXCEPTION TO RULE 4 OF)
THE SPECIAL POOL RULES FOR THE BASIN-)
FRUITLAND COAL GAS POOL FOR THE)
DESIGNATION OF A NONSTANDARD GAS)
SPACING UNIT, SAN JUAN COUNTY,)
NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

January 4th, 2007

Santa Fe, New Mexico

2007 JUN 18 AM 9 10

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, January 4th, 2007, 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.

* * *

I N D E X

January 4th, 2007
Examiner Hearing
CASE NO. 13,828

PAGE

REPORTER'S CERTIFICATE

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E X H I B I T

Applicant's	Identified	Admitted
Exhibit 13	4	4

* * *

A P P E A R A N C E S

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:

MILLER STRATVERT, P.A.
150 Washington
Suite 300
Santa Fe, New Mexico 87501
By: J. SCOTT HALL

* * *

1 WHEREUPON, the following proceedings were had at
2 8:22 a.m.:

3 EXAMINER CATANACH: Starting off, I'm going to
4 call -- on page 6, I'm going to call Case Number 13,828,
5 which is the Application of Energen Resources Corporation
6 for an amendment to Administrative Order NSL-3572-NSP and
7 for an exception to Rule 4 of the special pool rules for
8 the Basin-Fruitland Coal Gas Pool for the designation of a
9 nonstandard gas spacing unit, San Juan County, New Mexico.

10 Call for appearances.

11 MR. HALL: Mr. Examiner, Scott Hall, Miller
12 Stratvert law firm, Santa Fe, appearing on behalf of the
13 Applicant, Energen Resources Corporation. No witnesses
14 this morning, and appear only for the purpose of
15 introducing an additional exhibit.

16 EXAMINER CATANACH: Okay, let me call for any
17 additional appearances in this case at this time.

18 Let the record show there are none.

19 And you may proceed, Mr. Hall.

20 MR. HALL: Mr. Examiner, this case was heard
21 initially on December 16th, 2006, by Examiner Ezeanyim. In
22 the case the Applicant seeks a reconfiguration of a Basin-
23 Fruitland Coal Gas Pool unit to conform with a pre-existing
24 coal gas communitization agreement and a similarly
25 configured Mesaverde communitization agreement.

1 At the hearing it was determined that BP, as the
2 owner of interest in acreage that would be excluded from
3 the reconfigured unit, ought to be notified. We didn't do
4 that. We've since done that, and they have provided us
5 with their waiver of objection to the Energen Application.
6 It's a letter by me to Michael Rogers, their chief landman
7 in Houston. He signed a waiver, and I would offer that
8 into evidence as Exhibit 13.

9 EXAMINER CATANACH: Exhibit 13 will be admitted
10 as evidence in this case.

11 And is there anything further, Mr. Hall?

12 MR. HALL: That's all we have, Mr. Examiner. I
13 believe the case can be taken under advisement now.

14 EXAMINER CATANACH: Okay, there being nothing
15 further, Case 13,828 will be taken under advisement.

16 (Thereupon, these proceedings were concluded at
17 8:25 a.m.)

18 * * *

19
20
21 I do hereby certify that the foregoing is
22 a complete record of the proceedings in
the Examiner hearing of Case No. 13828,
23 heard by me on January 4, 2007.
24 David R. Catnach, Examiner
Oil Conservation Division
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 January 7th, 2007.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2010