

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. 13,864

APPLICATION OF PARALLEL PETROLEUM)
 CORPORATION FOR COMPULSORY POOLING,)
 CHAVES COUNTY, NEW MEXICO)

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

March 15th, 2007

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 15th, 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.

* * *

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I N D E X

March 15th, 2007
Examiner Hearing
CASE NO. 13,864

PAGE

APPEARANCES

3

REPORTER'S CERTIFICATE

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E X H I B I T

Applicant's

Identified

Admitted

Exhibit A

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5

* * *

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:

KELLAHIN & KELLAHIN
117 N. Guadalupe
P.O. Box 2265
Santa Fe, New Mexico 87504-2265
By: W. THOMAS KELLAHIN

FOR SPIRAL, INC.:

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

* * *

1 WHEREUPON, the following proceedings were had at
2 8:56 a.m.:

3 EXAMINER JONES: And let's call Case 13,864.
4 This was continued from February 15th, but it's the
5 Application of Parallel Petroleum Corporation for
6 compulsory pooling, Chaves County, New Mexico.

7 Call for appearances.

8 MR. KELLAHIN: Mr. Examiner, I'm Tom Kellahin of
9 the Santa Fe law firm of Kellahin and Kellahin. I'm
10 appearing on behalf of the Applicant.

11 At the hearing before Mr. Catanach on February
12 15th, he required some additional notifications be made,
13 and we've accomplished that and we're ready to submit a
14 supplemental --

15 EXAMINER JONES: Other appearances?

16 MR. BRUCE: Mr. Examiner, Jim Bruce representing
17 Spiral, Inc. I have no witnesses or anything else.

18 EXAMINER JONES: Okay.

19 MR. KELLAHIN: If I may approach, Mr. --

20 EXAMINER JONES: Yes.

21 MR. KELLAHIN: -- Examiner?

22 EXAMINER JONES: I think he has the well file,
23 Mr. --

24 MR. KELLAHIN: Mr. Examiner, there was two
25 interests. One was held in a combination trust. It was

1 for .025 percent interest, and we've obtained the return
2 receipt cards for that service and the affidavit.

3 There was another interest that we renotified,
4 and it was a .0052, and we've accomplished what Mr.
5 Catanach required us to do.

6 EXAMINER JONES: How much was that interest?

7 MR. KELLAHIN: .0052.

8 EXAMINER JONES: Percent?

9 MR. KELLAHIN: Yes, sir, of the 320 acres.

10 EXAMINER JONES: Okay. We'll take -- we'll admit
11 Exhibit Number A in Case 13,864.

12 MR. KELLAHIN: And we're ready to have that case
13 taken under advisement.

14 EXAMINER JONES: Thank you, Mr. Kellahin.

15 Let's take Case 13,864 under advisement.

16 (Thereupon, these proceedings were concluded at
17 8:58 a.m.)

18 * * *

19 I do hereby certify that the foregoing is
20 a complete record of the proceedings in
21 the Examiner hearing of Case No. _____,
22 heard by me on _____.

23 _____, Examiner
24 Civil 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 March 18th, 2007.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2010