

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 NADEL AND GUSSMAN)
PERMIAN, L.L.C., FOR COMPULSORY)
POOLING, EDDY COUNTY, NEW MEXICO)

CASE NO. 13,851

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

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

February 1st, 2007

Santa Fe, New Mexico

2007 FEB 15 8:44

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, Jr., Hearing Examiner, on Thursday, February 1st, 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

February 1st, 2007
 Examiner Hearing
 CASE NO. 13,851

PAGE

REPORTER'S CERTIFICATE

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E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 6	3	4
Exhibit 7	4	4

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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:

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

* * *

1 WHEREUPON, the following proceedings were had at
2 10:23 a.m.:

3 EXAMINER JONES: Okay, let's go back on the
4 record and call Case Number 13,851, Application of Nadel
5 and Gussman Permian, L.L.C., for compulsory pooling, Eddy
6 County, New Mexico.

7 Call for appearances.

8 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
9 representing the Applicant. I just have a couple of
10 supplemental exhibits to --

11 EXAMINER JONES: Okay.

12 MR. BRUCE: -- submit.

13 Mr. Examiner, this case was heard January 4th,
14 and there were two issues that came up at the hearing.

15 Although basically all the parties had received
16 notice, because the people receiving notice were all kind
17 of interrelated -- I mean, there were several companies
18 with the same addresses, et cetera -- not all of the
19 specific companies have been given notice of the hearing.

20 And secondly, right before the hearing the BLM
21 changed the location so it was an unorthodox location
22 rather than an orthodox location, so the Application was
23 amended and notice was re-sent to everybody, and they were
24 all given notice of the revised location. And so submitted
25 to you as Exhibit 6 is the affidavit of notice of the

1 amended Application, sent to all the parties.

2 Everyone received actual notice. If you look at
3 the very last page of Exhibit 6, there is one -- Rio Pecos
4 Corporation and Mark Wilson who had the same address. They
5 did not claim the certified mail.

6 The witness who was present at the January 4th
7 hearing testified -- who was from Midland, testified that
8 he knew for a fact that this was the correct address for
9 Mark Wilson, who is the owner of Rio Pecos Corporation.

10 And also submitted as Exhibit 7 is a page from
11 the current Midland phone book which shows that Mark Wilson
12 does indeed reside at this address.

13 EXAMINER JONES: Right there at Green Tree.

14 MR. BRUCE: Yeah. And so all of the people did
15 receive notice of the amended Application, and I'd move the
16 admission of Exhibits 6 and 7.

17 EXAMINER JONES: Exhibits 6 and 7 will be
18 admitted.

19 Did you go into the reasons for the nonstandard
20 location in the last hearing?

21 MR. BRUCE: We went into the reasons. It was
22 kind of a -- before I get there, an administrative
23 application has been filed for the unorthodox location --

24 EXAMINER JONES: Okay.

25 MR. BRUCE: -- but we did go into the reasons.

1 It was partly geological. They wanted to be in the
2 southwest quarter, but then the BLM started moving them
3 around, and --

4 EXAMINER JONES: Okay.

5 MR. BRUCE: -- so it was topographic/BLM
6 requirement for the unorthodox location.

7 EXAMINER JONES: Okay, with that we'll take Case
8 Number 13,851 under advisement.

9 (Thereupon, these proceedings were concluded at
10 10:27 a.m.)

11 * * *

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I am hereby certifying that foregoing is
a complete and true record of the proceedings in
the Examiners' hearing of Case No. _____,
heard by me on _____.

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_____, Examiner
Oil Conservation Division

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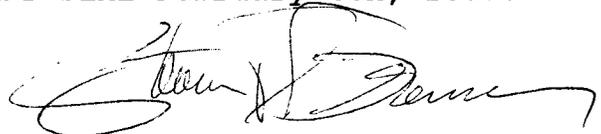
CERTIFICATE OF REPORTER

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 February 4th, 2007.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 16th, 2010