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. 13,974

APPLICATION OF CORKRAN ENERGY, LP, TO AMEND DIVISION ORDER NUMBER R-12,702 FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Jr., Hearing Examiner

August 23rd, 2007

Santa Fe, New Mexico

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This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Jr., Hearing Examiner, on Thursday, August 23rd, 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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REPORTER'S CERTIFICATE

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EXHIBITS

Applicant's Identified Admitted

Exhibit 1 4 Exhibit 2 - -

APPEARANCES

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 9:34 a.m.:

EXAMINER BROOKS: At this time we call Case

Number 13,974, the Application of Corkran Energy, LP, to

amend Division Order Number R-12,702 for compulsory

pooling, Eddy County, New Mexico.

Call for appearances.

2.2

MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe, representing the Applicant. I have no witnesses.

EXAMINER BROOKS: You may proceed.

MR. BRUCE: Mr. Examiner, in Case Number 13,836 the Division entered a compulsory pooling order, Order R-12,702, for the Renata 16 Well Number 1. The well is a Morrow test. Covering the well unit is the east half of Section 16, Township 23 South, Range 24 East in Eddy County.

In the application filed in that case the applicant requested that -- or stated that it requested approval of the well to be drilled at an orthodox location in the northeast quarter, northeast quarter of Section 16.

When the order came out, it specified a location of 660 from the north line and 660 feet from the east line, which is where the well was originally located. Although we requested that the order just state the northeast quarter, northeast quarter, it did specify a location.

Submitted as Exhibit 1 is a landman from -- Van Rodgers, the landman for Corkran Energy. And attached to that -- and these matters are in the Division's files -- is the APD which does show the original well location.

But subsequently the well was moved due to surface matters from 660-660 to a final location of 660 feet from the north line and 910 feet from the east line. Corkran requests that the Order Number R-12,702 be amended that new location, the actual location of the well. The well is drilling at that location, so there will be no further changes.

This often happens, which is why I think myself and the other attorneys practicing before the Division have stopped specifying well locations on many of the applications, because in today's world oftentimes the wells are moved somewhat at the request of the BLM, et cetera, or the surface owner. And so we would request that the order be amended to specify the new location.

Notice was given to the only party force pooled in this matter, OXY USA WTP Limited Partnership. They have not objected to this Application.

One further matter, I would ask that the order simply be amended to state the location, and that a new election period not be ordered in the --

EXAMINER BROOKS: You request that a new election

1	period not be ordered?
2	MR. BRUCE: Yes.
3	EXAMINER BROOKS: Okay.
4	MR. BRUCE: And I would move the admission of
5	Exhibits 1 and 2.
6	EXAMINER BROOKS: And that request that a new
7	election period not be ordered, is that stated in the
8	Application? I haven't looked at the Application.
9	MR. BRUCE: It doesn't specifically state that,
10	although I don't if it didn't, I don't think the new
11	election period is all that critical, so But I would ask
12	that the order be issued fairly promptly, if that is the
13	case.
14	EXAMINER BROOKS: Well, I suspect OXY would have
15	let us know if they would have
16	Thank you. Case Number 13,974 will be taken
17	under advisement.
18	(Thereupon, these proceedings were concluded at
19	9:39 a.m.)
20	* * *
21	
22	I do heraby certify that the foregoing is
23	the Examiner hearing of Case No. 13974.
24	Dand W B. 1
25	Oll Conservation Division Examiner

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 August 26th, 2007.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2010