

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 EDGE PETROLEUM)
EXPLORATION COMPANY FOR COMPULSORY)
POOLING, LEA COUNTY, NEW MEXICO)

CASE NO. 13,924

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Jr., Legal Examiner
RICHARD EZEANYIM, Technical Examiner

June 21st, 2007

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Jr., Legal Examiner, and RICHARD EZEANYIM, Technical Examiner, on Thursday, June 21st, 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.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

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I N D E X

June 21st, 2007
Examiner Hearing
CASE NO. 13,924

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E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 6A	5	-
Exhibit 7	4	-

* * *

A P P E A R A N C E S

FOR THE DIVISION:

MIKAL ALTOMARE
Deputy General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

SONNY SWAZO
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

FOR YATES PETROLEUM CORPORATION:

HOLLAND & HART, L.L.P., and CAMPBELL & CARR
110 N. Guadalupe, Suite 1
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
By: OCEAN MUNDS-DRY

* * *

1 WHEREUPON, the following proceedings were had at
2 11:36 a.m.:

3 EXAMINER BROOKS: We're passing over Case Number
4 13,918 till after lunch, so at this time we'll call Case
5 Number 13,924, the Application of Edge Petroleum Company
6 for compulsory pooling, Lea 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 documents to submit.

11 EXAMINER BROOKS: Okay.

12 MS. MUNDS-DRY: Mr. Examiner, Ocean Munds-Dry
13 with Holland and Hart, representing Yates Petroleum
14 Corporation. It's our understanding that Edge and Yates
15 are talking and reaching agreement, and we're just entering
16 our appearance in this case.

17 EXAMINER BROOKS: Okay.

18 MR. BRUCE: Mr. Examiner, this case was
19 presented, but it was continued in order to get the
20 affidavit of publication, which is submitted as Exhibit 7.

21 And two other matters.

22 Exhibit 6 is the affidavit of notice which was
23 submitted at the last go-around. There was one interest
24 owner who had not yet returned or -- signed or returned his
25 green card. And I'm not numbering this, but Kenneth Cone

1 did sign the agreement as part of Exhibit 6, so I'd ask
2 that that be made part of Exhibit 6.

3 EXAMINER BROOKS: Okay, well I'll designate it
4 Exhibit 6A.

5 MR. BRUCE: Two final matters, although this may
6 be moot. You had asked at the hearing -- Coates Energy
7 Trust and some related trusts were being force pooled, and
8 you asked the name of the current trust --

9 EXAMINER BROOKS: Right.

10 MR. BRUCE: -- which did not appear of record.
11 Those trustees are Barry Coates, which is C-o-a-t-e-s,
12 Roberts and George L. Stieren, S-t-i-e-r-e-n. They are the
13 trustees of all of the trusts who were force pooled -- who
14 are being force pooled.

15 However -- and I will let the Division know when
16 it was received. Those parties have agreed to lease, the
17 Coates trusts have agreed to lease.

18 EXAMINER BROOKS: Okay.

19 MR. BRUCE: As Ms. Munds-Dry has said, Yates
20 Petroleum and Edge are also negotiating, and if an
21 agreement is reached I will notify the Division regarding
22 the same.

23 EXAMINER BROOKS: Okay. Anything further?

24 MR. BRUCE: No, sir.

25 EXAMINER BROOKS: Then Case Number 13,932 [sic]

1 will be taken under advisement.

2 Okay, at this time we'll call Case Number 1- --
3 I'm sorry.

4 MS. MUNDS-DRY: That was 13,924.

5 EXAMINER BROOKS: 13,924, I'm sorry. I
6 mislabeled these exhibits. These were for Case Number
7 13,924.

8 EXAMINER EZEANYIM: Yeah.

9 (Thereupon, these proceedings were concluded at
10 11:39 a.m.)

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

_____, Examiner
Oil Conservation Division

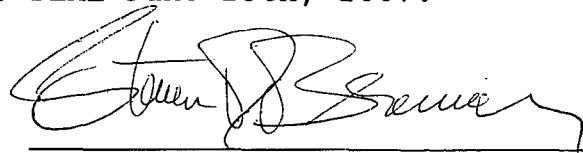
CERTIFICATE OF REPORTER

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 June 25th, 2007.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2010