

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:

ORIGINAL

CASE NO. 14259

APPLICATION OF EDGE PETROLEUM
OPERATING COMPANY, INC. TO EXPAND
THE HORIZONTAL LIMITS OF THE
LOVINGTON-UPPER PENNSYLVANIAN
POOL, OR IN THE ALTERNATIVE FOR
APPROVAL OF A NON-STANDARD OIL
SPACING AND PRORATION UNIT AND
AN UNORTHODOX OIL WELL LOCATION
IN THE NORTHEAST LOVINGTON-UPPER
PENNSYLVANIAN POOL, LEA COUNTY,
NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING

January 8, 2009
Santa Fe, New Mexico

BEFORE: TERRY WARNELL: Hearing Examiner
DAVID BROOKS: Technical Advisor

This matter came for hearing before the New Mexico
Oil Conservation Division, Terry Warnell, Hearing
Examiner, on January 8, 2009, at the New Mexico Energy,
Minerals and Natural Resources Department, 1220 South
St. Francis Drive, Room 102, Santa Fe, New Mexico.

REPORTED BY: PEGGY A. SEDILLO, NM CCR NO. 88
Paul Baca Court Reporters
500 Fourth Street, NW, Suite 105
Albuquerque, New Mexico 87102

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1 Examiner's Hearing
2 Case No. 14259

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8 APPLICANT'S EXHIBITS

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Exhibits 6A and 7

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11 COURT REPORTER'S CERTIFICATE

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A P P E A R A N C E S

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FOR THE APPLICANT:

JAMES BRUCE, ESQ.
Attorney at Law
P. O. Box 1056
Santa Fe, NM 87504

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1 HEARING EXAMINER: We'll call Case No. 14259,
2 also continued from December 18th, Application of Edge
3 Petroleum Operating Company, Inc. to expand the horizontal
4 limits of the Lovington-Upper Pennsylvania Pool, or in the
5 alternative, approval of non-standard spacing and
6 proration units on an unorthodox well location in the
7 Northeast Lovington-Upper Pennsylvanian Pool, Lea County,
8 New Mexico. Call for appearances.

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

11 HEARING EXAMINER: No other appearances? You
12 may proceed.

13 MR. BRUCE: Mr. Examiner, again, this case was
14 heard three weeks ago and it was continued to make sure
15 that the publication -- that the notice had been published
16 in the newspaper. And I had to resubmit -- Actually, the
17 Hobbs newspaper managed to ignore my first e-mail and I
18 finally got notice published as against the unlocatable
19 parties. And that affidavit is marked as Exhibit 7.

20 Also submitted as Exhibit 6A, again, I received
21 a couple of additional green cards back, so I have
22 resubmitted Exhibit 6 with all of the letters received to
23 date.

24 The only one I have received nothing back from
25 is the Mercantile Trading Corporation. And I think the

1 evidence presented last time shows that they are
2 unlocatable with a front company and nobody knows where
3 they are.

4 But as to the people that did not sign for a
5 green card, notice was published as against all of them.

6 HEARING EXAMINER: Okay. Mr. Brooks?

7 MR. BROOKS: The company that you mentioned
8 there on the published notice --

9 MR. BRUCE: Yes, Mercantile Trading Corporation?

10 MR. BROOKS: Yeah.

11 MR. BRUCE: I published notice as against quite
12 a few people to --

13 MR. BROOKS: Yes, I see. That's a large list.

14 MR. BRUCE: These days, you never know if you're
15 going to get a green card back.

16 MR. BROOKS: Oh, yeah, they're the first one.

17 MR. BRUCE: But I move for the admission of
18 Exhibits 6A and 7.

19 HEARING EXAMINER: Exhibits 6A and 7 are so
20 admitted.

21 HEARING EXAMINER: Any questions? Okay, no
22 other questions, Case No. 14259 will be taken under
23 advisement.

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

Paul Conservation Division

PAUL BACA PROFESSIONAL COURT REPORTERS

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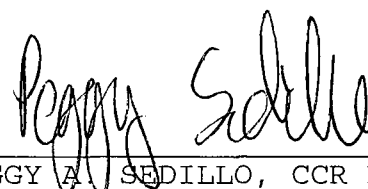
1 STATE OF NEW MEXICO)
) ss.
 2 COUNTY OF BERNALILLO)

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REPORTER'S CERTIFICATE

I, PEGGY A. SEDILLO, Certified Court
 Reporter of the firm Paul Baca Professional
 Court Reporters do hereby certify that the
 foregoing transcript is a complete and accurate
 record of said proceedings as the same were
 recorded by me or under my supervision.

Dated at Albuquerque, New Mexico this
 12th day of January, 2009.



PEGGY A. SEDILLO, CCR NO. 88
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