

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. 11,660

APPLICATION OF SANTA FE ENERGY)
RESOURCES, INC., FOR COMPULSORY)
POOLING, EDDY COUNTY, NEW MEXICO)

ORIGINAL

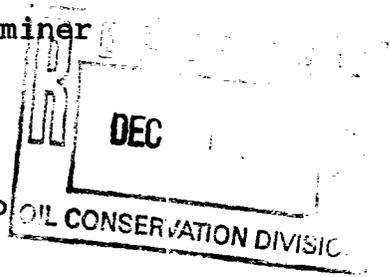
REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

December 19th, 1996

Santa Fe, New Mexico



This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, December 19th, 1996, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

I N D E X

December 19th, 1996
 Examiner Hearing
 CASE NO. 11,660

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E X H I B I T

Applicant's	Identified	Admitted
Exhibit 13	3	3

* * *

A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
 Attorney at Law
 Legal Counsel to the Division
 2040 South Pacheco
 Santa Fe, New Mexico 87505

FOR THE APPLICANT:

HINKLE, COX, EATON, COFFIELD & HENSLEY
 218 Montezuma
 P.O. Box 2068
 Santa Fe, New Mexico 87504-2068
 By: JAMES G. BRUCE

* * *

1 WHEREUPON, the following proceedings were had at

2 8:25 a.m.:

3 EXAMINER CATANACH: At this time we'll call Case
4 11,660.

5 MR. CARROLL: Application of Santa Fe Energy
6 Resources, Inc., for compulsory pooling, Eddy County, New
7 Mexico.

8 EXAMINER CATANACH: Are there appearances in this
9 case?

10 MR. BRUCE: Mr. Examiner, Jim Bruce from the
11 Hinkle law firm in Santa Fe. I'm representing the
12 Applicant.

13 Mr. Examiner, this case was heard a month ago,
14 four weeks ago, and Santa Fe was required to renotify one
15 party or send out an AFE to S&P Company and conduct
16 negotiations.

17 I have an affidavit from Santa Fe's landman,
18 marked Santa Fe Exhibit 13, regarding the results of that
19 contact.

20 Basically, Santa Fe wrote to them, and S&P
21 Company wrote back and said that they had agreed to
22 Penwell's location.

23 I move the admission of that affidavit.

24 EXAMINER CATANACH: Okay, Exhibit Number 13 will
25 be admitted as evidence in this case.

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.

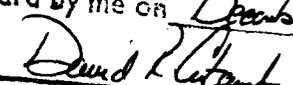
I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL December 22nd, 1996.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 11660 heard by me on December 19 1996

 Oil Conservation Division, Examiner