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:

IN THE MATTER OF CASE 12,956 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NUMBER R-8089-A, WHICH ORDER AMENDED THE TEMPORARY SPECIAL RULES FOR THE FEATHER-MORROW POOL IN LEA COUNTY, NEW MEXICO, INCLUDING PROVISIONS FOR 160-ACRE SPACING UNITS AND DESIGNATED WELL LOCATIONS

CASE NO. 12,596

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Oil Conservation Division

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

February 20th, 2003

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, February 20th, 2003, 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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February 20th, 2003 Examiner Hearing CASE NO. 12,596

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REPORTER'S CERTIFICATE

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APPEARANCES

FOR THE DIVISION:

DAVID K. BROOKS, JR.
Attorney at Law
Energy, Minerals and Natural Resources Department
Assistant General Counsel
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

FOR THE APPLICANT:

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

FOR POGO PRODUCING COMPANY:

JAMES G. BRUCE
Attorney at Law
P.O. Box 1056
Santa Fe, New Mexico 87504
369 Montezuma, No. 213
Santa Fe, New Mexico 87501

* * *

ALSO PRESENT:

WILLIAM V. JONES, JR.
Petroleum Engineer
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87505

* * *

WHEREUPON, the following proceedings were had at 8:45 a.m.:

EXAMINER CATANACH: Okay, at this time call Case 12,596, in the matter of Case 12,956 being reopened pursuant to the provisions of Division Order Number R-8089-A, which order amended the temporary special rules for the special rules for the Feather-Morrow Pool in Lea County, New Mexico, including provisions for 160-acre spacing units and designated well locations.

Call for appearances in this case.

MR. CARR: May it please the Examiner, my name is William F. Carr with the Santa Fe office of Holland and Hart, L.L.P. We represent Yates Petroleum Corporation in this matter. I have no witness.

EXAMINER CATANACH: Additional appearances?

MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe, representing Pogo Producing Company. I have no witness

either.

EXAMINER CATANACH: Any additional appearances?
Okay, Mr. Carr?

MR. CARR: Mr. Catanach, the data that Yates has obtained since the entry of this order amending the temporary pool rules for the Feather-Morrow Pool show that the pool can be effectively developed under statewide rules, and we therefore are not presenting additional

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1
     testimony and recommend that the temporary rules be
 2
     rescinded.
                EXAMINER CATANACH:
                                      This is an oil pool, as I
 3
     recall; is that correct?
 4
 5
                MR. CARR: That's correct.
 6
                EXAMINER CATANACH: So you're suggesting that it
 7
     go back to 40-acre spacing?
 8
                MR. CARR: Correct.
 9
                EXAMINER CATANACH: Mr. Bruce, do you have
     anything to add?
10
                MR. BRUCE: Nothing to add to that, Mr. Examiner.
11
12
                EXAMINER CATANACH: Okay. Anything further, Mr.
     Carr?
13
14
                MR. CARR: Nothing further.
                EXAMINER CATANACH: There being nothing further,
15
     Case 12,596 will be taken under advisement.
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                (Thereupon, these proceedings were concluded at
     8:47 a.m.)
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                                        a construction the proceedings in
                                       the control rearing of Case No. 1959
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                                          例 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 20th, 2003.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 16th, 2006