#### 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. 12,634

APPLICATION OF McELVAIN OIL AND GAS PROPERTIES, INC., FOR AMENDMENT OF DIVISION ORDER NO. R-11,392 FOR COMPULSORY POOLING OF ADDITIONAL FORMATIONS FOR AN INFILL WELL, RIO ARRIBA COUNTY, NEW MEXICO

ORIGINAL

## REPORTER'S TRANSCRIPT OF PROCEEDINGS

#### EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

May 3rd, 2001

Santa Fe, New Mexico

01 MAY 18 PI 1:37

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, May 5th, 2001, 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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EXHIBIT

Applicant's

Identified Admitted

Exhibit 10

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4

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APPEARANCES

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: MICHAEL H. FELDEWERT

WHEREUPON, the following proceedings were had at 9:38 a.m.:

EXAMINER CATANACH: At this time I'll call Case 12,634, the Application of McElvain Oil and Gas Properties, Inc., for amendment of Division Order Number R-11,392 for compulsory pooling of additional formations for an infill well, Rio Arriba County, New Mexico.

Call for appearances in this case.

MR. FELDEWERT: May it please the Examiner,
Michael Feldewert with the Santa Fe office of Holland and
Hart and Campbell and Carr, for the Applicant, McElvain Oil
and Gas Properties, Inc. I do not have any witnesses, just
a short statement.

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

MR. FELDEWERT: Mr. Examiner, this case was heard and evidence was presented by McElvain on April 5th of this year. At that time we asked that the case be continued to allow notice to royalty owners. We were concerned that some of the older leases that were involved did not contain a pooling clause.

We have attempted to then notify all the royalty interest owners of record, the addresses that we could locate. The affidavit showing that notice was presented has been given to you and marked as McElvain Exhibit Number

10. 1 In light of this recent notification effort, we 2 3 now think that the case is ready for a decision. EXAMINER CATANACH: Okay, Mr. Feldewert, is 4 this -- This is Exhibit Number 10? 5 MR. FELDEWERT: Yes, so I'd ask for the admission 6 7 of McElvain Exhibit Number 10 to be incorporated into the 8 record that was made at the April 5th hearing. 9 EXAMINER CATANACH: Okay, Exhibit Number 10 will be admitted in Case 12,634. 10 11 Anything further? 12 MR. FELDEWERT: That's all. EXAMINER CATANACH: Okay, there being nothing 13 14 further, Case 12,634 will be taken under advisement. 15 (Thereupon, these proceedings were concluded at 16 9:40 a.m.) 17 18 19 I am heraby certify that the foregoing is 20 complete record of the proceedit 21 the Exominer hearing S 22 23 Oil Conservation Divis 24 25

#### 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 May 4th, 2001.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 14, 2002