

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. 12,890  
 )  
 APPLICATION OF PERMIAN RESOURCES, INC., )  
 FOR COMPULSORY POOLING AND UNORTHODOX )  
 WELL LOCATION, LEA COUNTY, NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Hearing Examiner

August 22nd, 2002

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Hearing Examiner, on Thursday, August 22nd, 2002, 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

## I N D E X

August 22nd, 2002  
Examiner Hearing  
CASE NO. 12,890

PAGE

REPORTER'S CERTIFICATE

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## A P P E A R A N C E S

FOR THE APPLICANT:

MILLER, STRATVERT and TORGERSON, P.A.  
150 Washington  
Suite 300  
Santa Fe, New Mexico 87501  
By: J. SCOTT HALL

\* \* \*

ALSO PRESENT:

MICHAEL E. STOGNER  
Hearing Examiner  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, NM 87501

WILL JONES  
Engineer  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, NM 87501

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   8:20 a.m.:

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5           EXAMINER STOGNER: This hearing will come to  
6   order. Please note today's date, August 22nd, Docket  
7   Number 24-02. You'll call the first one.

8           EXAMINER BROOKS: Okay, yes, the first one is  
9   Case Number 12,890, it's the Application of Permian  
10   Resources for compulsory pooling and unorthodox well  
11   location, Lea County, New Mexico.

12           We do have a motion for continuance that has been  
13   filed in that case.

14           We'll call for appearances at this time.

15           MR. HALL: Mr. Examiner, Mr. Brooks, Scott Hall,  
16   Miller Stratvert and Torgerson, Santa Fe, on behalf of the  
17   Applicant Permian Resources, Inc.

18           EXAMINER BROOKS: Okay, and are there any other  
19   appearances?

20           Very good. Mr. Hall?

21           MR. HALL: Mr. Brooks, we filed a motion to  
22   continue this case until the September 5th docket due to  
23   the unavailability of our geologic witness.

24           Grounds for the motion are that, the  
25   unavailability, and also for the fact that rather than

1 dismissal under the Division's new policy, we ask for a  
2 continuance because of the significant number of individual  
3 unleased mineral interest owners that we had to notify for  
4 the unorthodox-well-location aspect of the case.

5 In addition, I would point out that this case was  
6 first set up for the July 11th Examiner Docket, which as  
7 you know was in Aztec.

8 EXAMINER BROOKS: Right.

9 MR. HALL: Seems to me we ought to get a free  
10 pass on that one. It was a hardship for the witnesses to  
11 come up from Midland to that one.

12 But otherwise, if the motion is not granted, that  
13 would cause us to have to refile and renotify for the  
14 September 19th docket. I'd simply like to avoid the time  
15 and trouble doing that, filing the Application and  
16 reissuing notice.

17 EXAMINER BROOKS: Okay, what is the occasion for  
18 the witness's unavailability?

19 MR. HALL: All I know is that there was a  
20 business schedule conflict that arose while I was out of  
21 town Monday and Tuesday, and I didn't find out until  
22 yesterday.

23 EXAMINER BROOKS: Well, I don't know if that is  
24 exactly in accordance with the spirit of the new policy.

25 But at the same time, I was on the bench for

1 twelve years, and I never learned how to be tough on  
2 motions for continuance, so I'll grant the motion for  
3 continuance.

4 MR. HALL: Thank you.

5 (Thereupon, these proceedings were concluded at  
6 8:23 a.m.)

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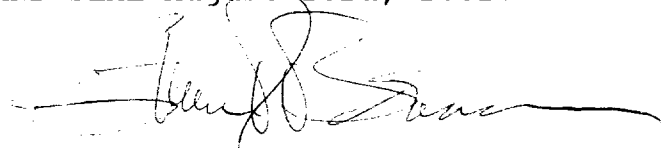
## CERTIFICATE OF REPORTER

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 August 23rd, 2002.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 2002

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