

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF HARVEY E. YATES)
COMPANY FOR COMPULSORY POOLING,)
LEA COUNTY, NEW MEXICO) CASE NO. 10365
-----)

REPORTER'S TRANSCRIPT OF PROCEEDINGS
EXAMINER HEARING

BEFORE: Michael E. Stogner, Hearing Examiner
September 5, 1991
9:05 a.m.
Santa Fe, New Mexico

This matter came for hearing before the Oil
Conservation Division on September 5, 1991, at 9:05 a.m.
at the State Land Office Building, 310 Old Santa Fe
Trail, Santa Fe, New Mexico, before Linda Bumkens, CCR,
Certified Court Reporter No. 3008, in and for the County
of Bernalillo, State of New Mexico.

FOR: OIL CONSERVATION
DIVISION

BY: LINDA BUMKENS CCR
Certified Court Reporter
CCR NO. 3008

COPY

I N D E X

September 5, 1991
Examiner Hearing
CASE NO. 10365

APPEARANCES 2

WITNESS (NONE)

RECESS 7

REPORTERS CERTIFICATE 8

E X H I B I T S

HARVEY E. YATES
Exhibit A 6

A P P E A R A N C E S

FOR THE DIVISION: ROBERT G. STOVALL, ESQ.
General counsel
Oil Conservation Commission
310 Old Santa Fe Trail
Santa Fe, New Mexico
87501

FOR HARVEY E.
YATES COMPANY: CAMPBELL, CARR, BERG &
SHERIDAN P.A.
BY: MR. WILLIAM F. CARR, ESQ.
110 North Guadalupe
Santa Fe, New Mexico

1 MR. STOGNER: We'll call next case, Number
2 10365.

3 MR. STOVALL: Application of Harvey E. Yates
4 Company for compulsory pooling, Lea County, New
5 Mexico.

6 MR. STOGNER: To my understanding, this case
7 was heard on August 8, 1990 before Examiner David R.
8 Catanach. At this time I'll call for any additional
9 appearances and testimony or statements.

10 MR. CARR: May it please the Examiner, my name
11 is William F. Carr with the Law Firm Campbell Carr,
12 Berge & Sheridan of Santa Fe. We represent Harvey
13 E. Yates company in this matter. As you know, the
14 case was heard on August 8, 1991. There was two
15 cases at that time, both of them involving the
16 pooling of a 40-acre tract in the northwest quarter
17 of Section 32, Township 18 South, Range 33 East.
18 One interest owner was being pooled, a
19 Mr. Edgar Braun.

20 He has been pooled in a number of cases
21 brought to the commission, and he owns in this
22 tract, less than 100th of the working interest.
23 99.9987 percent of the working interest is
24 voluntarily in.

25 As you may recall, this is the case in

1 which prior testimony has indicated that when
2 Mr. Bell, the landman for Yates, contracted
3 Mr. Braun, he was advised by Mr. Braun that Braun
4 was smarter than the cowboys he was dealing with in
5 Roswell, and he would not join.

6 When we brought the matter to hearing on
7 the 8th, notice letters and all were provided, and
8 we had grouped both cases into one.

9 The Number 4 well, the well in the
10 southeast of the northwest was specifically
11 addressed. There was no specific reference to the
12 Number 3 well, the one in this case. The Number 3
13 well is in the southeast of the northwest, the
14 previous well, the Number 4, was in the northwest of
15 the northwest.

16 A discussion was held on the record, and it
17 was agreed at that time that we would give -- make
18 another offer to Mr. Braun giving him the
19 opportunity to specifically participate in the
20 Number 3 well. That was done on the 9th of August,
21 and I again gave him notice of the hearing in this
22 matter, and the case was continued to today.

23 I have one exhibit. It is marked Heyco
24 Exhibit A, and all it consists of is an August 9,
25 1991, letter and AFE to Mr. Braun. Behind that is a

1 letter dated August 27 simply advising Braun, and
2 other working interest owners in the tract, that
3 they are revising the AFE, and that they're moving
4 forward their hoped spud date, and then an affidavit
5 from me with an attached letter giving Mr. Braun
6 notice of today's continued hearing as it relates to
7 the Number 3 well.

8 That concludes the presentation that we
9 have to make, and I have three copies of the
10 exhibits for you, the first copy containing the
11 original return receipt, and with that I would
12 request that Exhibit A be included in the record of
13 the case, and that the case be taken under
14 advisement.

15 MR. STOVALL: Do you think we should have
16 sworn Mr. Carr in?

17 MR. CARR: I have a sworn affidavit,
18 Mr. Stovall, in the file.

19 MR. CARR: I would note that Mr. Braun had not
20 talked to me at the time he made this reference to
21 the cowboys in New Mexico.

22 MR. STOVALL: I think the comment was actually
23 made in a prior forced pooling case by Mr. Braun.

24 MR. CARR: It may have been. I think you asked
25 him about it during the last hearing.

1 MR. STOVALL: I think that's right. It will
2 probably go down in the annals of OCD history.

3 MR. STOGNER: Exhibit A would be admitted into
4 evidence at this time.

5 (Harvey E. Yates Exhibit A was
6 admitted in evidence.)

7 MR. STOGNER: And what firm are you with now?

8 MR. CARR: I'm with the law firm Campbell,
9 Carr, Berge & Sheridan.

10 MR. STOGNER: Is that a new organization in
11 town?

12 MR. CARR: It is a resurrected old
13 organization.

14 MR. STOGNER: I see.

15 MR. CARR: The name has been changed so that
16 if anyone is sued for malpractice, all of us must go
17 in the paper together.

18 MR. STOGNER: This is the first time I've seen
19 this.

20 MR. STOVALL: That's on the record, you
21 realize?

22 MR. CARR: I realize.

23 MR. STOGNER: That's the first I've seen of
24 that, Mr. Carr and congratulations. And if there's
25 nothing further --

1 MR. STOVALL: You haven't had a hearing for
2 quite a while, have you?

3 MR. KELLAHIN: Not one that he can win.

4 MR. STOGNER: And if there's nothing
5 further -- and if there's nothing further in case
6 10365, this case will be taken under advisement.

7 (The foregoing case was concluded at the
8 approximate hour of 9:10 a.m.)
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17 I do hereby certify that the foregoing is
18 a complete report of the proceedings in
the Exoner hearing of case C. 10365,
19 heard by me on 5 Sept. 1965.

20 Michael H. Stogner, Examiner
21 Oil Conservation Division
22
23
24
25

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

3 REPORTER'S CERTIFICATE

4 BE IT KNOWN that the foregoing transcript of
5 the proceedings were taken by me, that I was then
6 and there a Certified Shorthand Reporter and Notary
7 Public in and for the County of Bernalillo, State
8 of New Mexico, and by virtue thereof, authorized to
9 administer an oath; that the witness before
10 testifying was duly sworn to testify to the
11 whole truth and nothing but the truth; that the
12 questions propounded by counsel and the answers of
13 the witness thereto were taken down by me, and that
14 the foregoing pages of typewritten matter contain a
15 true and accurate transcript as requested by counsel
16 of the proceedings and testimony had and adduced
17 upon the taking of said deposition, all to the best
18 of my skill and ability.

19 I FURTHER CERTIFY that I am not related to
20 nor employed by any of the parties hereto, and have
21 no interest in the outcome hereof.

22 DATED at Bernalillo, New Mexico, this day
23 November 14, 1991.

24 My commission expires
25 April 24, 1994

LINDA BUMKENS
CCR No. 3008
Notary Public