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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:

AMENDED APPLICATION OF CHISHOLM ENERGY CASE NO. 16262 OPERATING, LLC FOR AN UNORTHODOX WELL LOCATION AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

November 1, 2018

Santa Fe, New Mexico

BEFORE: WILLIAM V. JONES, CHIEF EXAMINER PHILLIP GOETZE, TECHNICAL EXAMINER DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, William V. Jones, Chief Examiner, Phillip Goetze, Technical Examiner, and David K. Brooks, Legal Examiner, on Thursday, November 1, 2018, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

REPORTED BY: Mary C. Hankins, CCR, RPR New Mexico CCR #20 Paul Baca Professional Court Reporters 500 4th Street, Northwest, Suite 105 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 1 APPEARANCES 2 FOR APPLICANT CHISHOLM ENERGY OPERATING, LLC: 3 JORDAN L. KESSLER, ESQ. HOLLAND & HART, LLP 110 North Guadalupe, Suite 1 4 Santa Fe, New Mexico 87501 5 (505) 988-4421 jlkessler@hollandhart.com б 7 8 INDEX 9 PAGE Case Number 16262 Called 3 10 11 Chisholm Energy Operating, LLC's Case-in-Chief: 12 Witnesses: 13 Davis Armour: Direct Examination by Ms. Kessler 14 3 Cross-Examination by Examiner Jones 10, 11 Cross-Examination by Examiner Goetze 10, 12 15 16 Joshua Kuhn: 17 Direct Examination by Ms. Kessler 14 Cross-Examination by Examiner Goetze 19 18 Cross-Examination by Examiner Jones 20 19 Proceedings Conclude 25 20 Certificate of Court Reporter 26 21 22 EXHIBITS OFFERED AND ADMITTED 23 Chisholm Energy Operating, LLC Exhibit Numbers 1 through 3 10 24 Chisholm Energy Operating, LLC Exhibit Numbers 4 and 5 25 19

Page 3 (8:36 a.m.) 1 2 EXAMINER JONES: Okay. On page 14, case 3 number 51, which is Case 16262, amended application -this is the third time amended, I think, or the second 4 time amended. But it's application of Chisholm Energy 5 Operating, LLC for an unorthodox well location and 6 7 compulsory pooling in Lea County, New Mexico. 8 Call for appearances. 9 MS. KESSLER: Mr. Examiners, Jordan Kessler from the Santa Fe office of Holland & Hart. 10 11 EXAMINER JONES: Any other appearances? 12 MS. KESSLER: Two witnesses today, Mr. Examiner. 13 EXAMINER JONES: Okay. Will the witnesses 14 stand and the court reporter swear in the witnesses? 15 16 (Mr. Armour and Mr. Kuhn sworn.) 17 DAVIS ARMOUR, 18 after having been first duly sworn under oath, was 19 questioned and testified as follows: 20 DIRECT EXAMINATION BY MS. KESSLER: 21 22 0. Please state your name for the record and tell 23 the examiners by whom you're employed and in what 24 capacity. 25 My name is Davis Armour. I'm a senior landman Α.

Page 4 for Chisholm Energy. 1 2 Have you previously testified before the 0. Division? 3 Yes, I have. 4 Α. 5 Were your credentials as an expert in petroleum Q. 6 land matters accepted and made a matter of record? 7 Α. Yes, they were. 8 Q. Are you familiar with the application filed in 9 this case? 10 Α. Yes. 11 0. And did you testify in the original hearing on 12 this matter? Yes, I did. 13 Α. 14 Are you also familiar with the status of the 0. lands in the area? 15 16 Α. Yes. 17 MS. KESSLER: Mr. Examiners, I tender Mr. Armour as an expert in petroleum land matters. 18 19 EXAMINER JONES: Okay. I don't have my 20 prehearing statement here in front of me. Could you 21 please spell your name? 22 THE WITNESS: It's Davis, D-A-V-I-S, 23 Armour, A-R-M-O-U-R. 24 And I believe, actually, the initial 25 hearing was via affidavit. I don't think that I --

Page 5 MS. KESSLER: You testified via affidavit 1 2 about that. 3 THE WITNESS: Yeah, affidavit. EXAMINER JONES: Thanks for coming today. 4 5 He is so qualified as an expert in б petroleum land matters. 7 And I don't think we've issued an order in 8 the original one yet. 9 MS. KESSLER: We have not, Mr. Examiner. The Wolfcamp corollary well has an order issued, and the 10 11 Bone Spring one, I understand, was held off because of 12 this hearing. 13 EXAMINER JONES: And this is the Bone Spring one? 14 MS. KESSLER: This is the Bone Spring one, 15 16 right. 17 EXAMINER JONES: Okay. Do you remember the examiner that heard the case? Was it Mike McMillan? 18 19 MS. KESSLER: I'll verify that for you. I 20 think that it was Mike McMillan, but I'll find out for 21 sure. 22 EXAMINER JONES: I think I have Mike down 23 as hearing the case. 24 MS. KESSLER: Okay. And I think that's 25 right because I think he issued the Wolfcamp order.

Page 6 EXAMINER JONES: And that was on July the 1 2 12th? MS. KESSLER: Correct. 3 4 Q. (BY MS. KESSLER) Mr. Armour, please turn to 5 Exhibit 1. What did Chisholm originally seek under this 6 application? 7 Α. Chisholm originally sought to pool an 8 approximately 324-acre, all depths of the Bone Spring in 9 Sections 1 and 12, Township 19 South, Range 33 East. 10 And that would have been for a spacing unit 0. comprised of the east half-west half of Sections 1 and 11 12 12; is that correct? 13 Α. That's correct. 14 Q. Did you also seek an unorthodox well location? 15 Α. Yes, we did. 16 As you mentioned, you sought to compulsory pool Q. 17 committed interest owners in the entire Bone Spring 18 Formation? 19 Α. That's correct. 20 And this case was originally heard in July of Q. 21 2018? 22 That's correct. Α. 23 And an order has not been issued; is that 0. 24 correct? 25 Α. That is correct.

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1	Q. Since this case was heard, did Chisholm
2	discover an ownership depth severance within the pool?
3	A. Yes, we did.
4	Q. Can you please describe that depth severance?
5	A. The depth severance occurs 200 feet below the
6	base of the Delaware Formation, which sits at the top
7	of the Bone Spring at the top Bone Spring Formation.
8	Q. So does OXY own an interest in a different
9	percentage above this depth-severance line than below
10	the depth-severance line?
11	A. Yes, that's correct.
12	Q. Is OXY the only affected interest owner?
13	A. Yes.
14	Q. So there is a single depth severance, and that
15	is OXY?
16	A. That is correct.
17	Q. Accordingly, is Chisholm seeking to pool only
18	from 200 feet below the base of the Delaware Formation
19	to the base of the Bone Spring Formation?
20	A. That's correct.
21	Q. This effectively cuts out 200 feet of the Bone
22	Spring; is that correct?
23	A. That's correct.
24	Q. Have OXY and Chisholm come to an understanding
25	on how this depth severance should be described?

Page 8 1 Α. Yes, that's correct. We have. 2 If I turn to Exhibit 2, have Chisholm and OXY 0. 3 mutually agreed that this should be the description of 4 the depth severance? 5 Α. Yes. 6 And this is the language used in Chisholm's Q. 7 amended application, right? 8 Α. That's correct. 9 Which is a second amended application, correct? Q. 10 Correct. Α. 11 Is OXY aware of Chisholm's plan to pool only a Q. 12 portion of the pool? 13 Α. Yes. 14 Q. And has there been any objection from OXY? 15 Α. No objections. 16 Have all of the parties to be pooled been Q. 17 provided notice of the amended application? 18 Yes. Α. 19 And that would be to pool only a portion of the Q. 20 pool? 21 Α. That's correct. 22 Q. Was there any objection from any of those 23 parties? 24 Α. No objections. 25 Has Chisholm brought a geologist who will Q.

Page 9 describe in greater detail the depth-severance relation 1 2 to the proposed well? 3 Α. Yes, we have. 4 And all other testimony and exhibits from the Q. 5 original hearing remain the same; is that correct? That is correct. 6 Α. 7 And at this time, are you asking to continue Q. 8 this case for two weeks for notice purposes? 9 Α. Yes. 10 MS. KESSLER: Mr. Examiners, I move 11 admission of the Chisholm -- I'm sorry. 12 0. (BY MS. KESSLER) If I turn to Exhibit 3, is 13 this an affidavit with attached letters providing notice 14 to this hearing to the parties you seek to pool? 15 Α. Yes, that's correct. 16 And it looks like the letter to Tim McDonald is Q. 17 marked "In Transit." Did you publish notice directly to 18 Tim McDonald? 19 Α. Yes. 20 And is that the last page of Exhibit 3? Q. 21 Α. Yes. 22 MS. KESSLER: Mr. Examiners, I move 23 admission of Exhibits 1 through 3, which include my 24 hearing affidavit. 25 EXAMINER JONES: Exhibits 1, 2 and 3 are

Page 10 admitted. 1 2 (Chisholm Energy Operating, LLC Exhibits 3 Number 1 through 3 are offered and admitted into evidence.) 4 5 CROSS-EXAMINATION BY EXAMINER JONES: 6 7 ο. Is OXY on this list of notices? 8 MS. KESSLER: They are. 9 THE WITNESS: Yes. 10 EXAMINER JONES: Okay. Mr. Brooks? 11 EXAMINER BROOKS: I don't believe I have 12 any questions. 13 EXAMINER JONES: Mr. Goetze? 14 CROSS-EXAMINATION BY EXAMINER GOETZE: 15 16 Just one question. We have a description on Q. 17 our C-102 of a landing point. Is that the first take 18 point, or is that just where we end up getting out of 19 our curve? 20 I believe so, but I can't -- I can't confirm. Α. 21 Well, let's go ahead and just clarify that by Q. 22 some means of communication. 23 Sure. I'll talk to our engineer. Α. 24 25

Page 11 1 CONTINUED CROSS-EXAMINATION 2 BY EXAMINER JONES: 3 Q. This depth severance is for a specific tract 4 inside this spacing unit, so can you describe the tract? Sure. It's the -- it's all of the lands in 5 Α. Section 12 that are inside the unit, so the east 6 7 half-west half of Section 12. 8 Okay. And how did that depth severance come to Q. 9 be? 10 Chisholm acquired the assets of Nearburg Α. Exploration as a successor. Nearburg had drilled 11 12 some -- drilled a well to earn acreage, and the acreage 13 that they earned was depth limited. 14 Okay. So they drilled a Delaware well then, 0. 15 and it was 200 or so feet below that perforation or 16 something? 17 They actually drilled the Bison 12 well, and Α. 18 for some reason -- so it wasn't even OXY. It was OXY's 19 predecessor, Pogo, who had farmed out to Nearburg. So 20 it's two people that have inherited this the way that it 21 is today. 22 0. Okay. And what conversations with OXY did you 23 have? 24 Α. We just talked about how we would describe 25 the -- the -- the depth -- the depth severance. Our

Page 12 initial conversations kind of circulated how we were 1 2 going to get a communitization agreement approved because it didn't line up with the whole Bone Spring, 3 and then we said, "Oh, we need to re-open the docket." 4 5 They were -- they were okay with that. They understood the ownership and said, "Yeah. We think that the top 6 7 200 feet needs to come out." 8 Q. Okay. So is OXY going to end up signing your 9 com agreement? 10 Α. Yes. 11 Okay. I don't have any more questions. 0. Thanks. 12 13 CONTINUED CROSS-EXAMINATION BY EXAMINER GOETZE: 14 15 I would make one comment, though, and this may ο. 16 be a discussion with your geologist. In your 17 description of the depth severance, you're saying the 18 Delaware Formation, which is an arcane term that really 19 doesn't exist anymore. And I think you ought to think 20 about keeping the description based upon the Bone 21 Spring, which is a recognized stratigraphic formation --22 Α. Okay. 23 -- unless you folks want to get into a 0. 24 discussion about the Brushy Canyon or the Delaware 25 Mountain Group.

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1	A. We certainly don't.
2	Q. So yeah. Go back and maybe change that
3	terminology around so that it can be universally
4	accepted not only by OXY but by everyone else in the
5	profession. Okay?
6	A. Okay.
7	EXAMINER BROOKS: I wasn't aware that the
8	Delaware didn't exist anymore.
9	EXAMINER GOETZE: The Delaware Formation
10	was described by King in 1951, and it was subdivided
11	into three formations and is part of a group. And the
12	Delaware Formation, like many things, comes from
13	terminology like "red beds" that were brought from the
14	1800s and 1900s. But since we all supposedly play by
15	the same rules and since I'm sure the geologist is a
16	member of the American Association of Petroleum
17	Geologists, we have a nomenclature committee and it kind
18	of likes to keep the names straight even though they do
19	change with more and more information that comes in.
20	I'm just saying it will be easier down the road if we
21	get the terminology
22	MS. KESSLER: I think, Mr. Examiner, the
23	only potential concern with that and I'll let the
24	geologist address this is the instrument creating the
25	depth-severance references, the Delaware, I know that we

Page 14 want to be consistent with the --1 2 EXAMINER GOETZE: Yeah. And then you can cross-reference in there what your description is. So 3 you can take the old into the new and make sure that 4 correlation is carried through. 5 MS. KESSLER: So we'll submit our fourth 6 7 amended application. 8 EXAMINER GOETZE: No. No. I mean you 9 can do it -- it's just a little footnote for later on down the road. 10 11 MS. KESSLER: Thank you. 12 We'll call our next witnesses. 13 JOSHUA KUHN, after having been previously sworn under oath, was 14 guestioned and testified as follows: 15 16 DIRECT EXAMINATION 17 BY MS. KESSLER: 18 Q. Can you please state your name for the record? 19 Joshua Kuhn. Α. 20 Who do you work for and in what capacity? Q. I work for Chisholm Energy as a geologist. 21 Α. 22 0. Have you previously testified before the Division? 23 24 Α. Yes, I have. 25 Were your credentials as an expert in petroleum Q.

Page 15 geology accepted and made a matter of record? 1 2 Α. Yes. 3 Q. Are you familiar by the applications filed by Chisholm in this case? 4 5 Α. Yes. 6 And did you provide testimony via affidavit for Q. 7 the original hearing? 8 Α. Yes, I did. 9 Have you conducted a geologic study of the Bone Q. Spring in the subject area? 10 11 Α. Yes. MS. KESSLER: Mr. Examiners, I would tender 12 13 Mr. Kuhn as an expert in petroleum geology. 14 EXAMINER JONES: He is so qualified. 15 (BY MS. KESSLER) Mr. Kuhn, please turn to ο. 16 Exhibit 4. Is this a structure map of the Bone Spring 17 in the subject area? 18 Yes, it is. Α. 19 And this shows Chisholm's leasehold and the Q. 20 subject well; is that correct? Yes, it does. 21 Α. 22 Q. Have you also -- is there a line of A to A 23 prime on this exhibit? 24 Α. Yes. 25 And what is that line? Is that for the 0.

Page 16 1 corresponding cross section? 2 Α. Yes. The line from A to A prime is for the 3 corresponding cross section. 4 ο. So if I turn to Exhibit 5, this is your 5 cross-section exhibit, correct? 6 Α. Yes. 7 ο. Can you please walk us through this exhibit? 8 Α. Yes. This cross section from A to A prime is running from southwest to northeast. 9 Tt is a stratigraphic cross section, the datum of which is the 10 11 top of the Bone Spring annotated in the brown line. The 12 red polygon at the very top beneath the datum is the depth severance, the top 200 feet, which we're not 13 pooling. 14 Moving down the cross section, the orange 15 16 line is the top of the 1st Bone Spring Sandstone. The next line down is the base of the 1st Bone Spring 17 18 Sandstone. 19 The brown line is the top of the 2nd Bone 20 Spring Sandstone. The green polygon is our effective target interval for this well, the Buffalo 12 1 Fed Com 21 2BS 1H. And at the very base of this cross section is 22 23 the base of the 2nd Bone Spring Sandstone. Also 24 annotated on here are various distances from this top 25 200 feet, which we are not pooling.

If you look on the left side of the cross 1 2 section, where we're targeting is at least the top of the 2nd Bone Spring Sandstone. Throughout this cross 3 section is at least 1,500 feet to greater than 1,600 4 5 feet away from where we're targeting horizontally. At this point we don't have any plans to target the 1st 6 Bone Spring Sandstone. If we were in the future, you're 7 8 looking at roughly 1,000 feet or greater from the base 9 of that 200-foot interval at the top of the Bone Spring, 10 which we're not pooling.

11 I also want to point out what I'll consider 12 a fracture barrier being mainly in the Bone Spring Lime Formation. On all four of these wells, the first track 13 shows gamma ray with a caliper log. The second track is 14 resistivity, and the third track is porosity. By and 15 16 large, this is mostly clean carbonate, clean limestone. The resistivity is very high, a lot of it being over 17 2,000 ohms. And you can actually see the resistivity 18 19 wrapping around on the left side of the resistivity 20 track.

21 On the third track, you see porosity, and 22 over a large part of this entire interval, it's very 23 low, 1 to 2 percent porosity. So it's very tight, as 24 indicated by the resistivity logs and the porosity logs, 25 very, very low porosity. There are some shale packages

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Page 18 in here. However, they are relatively thin, and, you 1 2 know -- they're relatively thin. Another frac barrier -- fracture barrier 3 which I will consider and not annotated on here because 4 5 there is not enough room, but between the base of the 1st Bone Spring Sandstone and the top of the 2nd Bone 6 7 Spring Sandstone lies the 2nd Bone Spring carbonates, 8 which are also very tight, have low porosity and would also act as a fracture barrier. 9 10 In your opinion, will these barriers prevent 0. 11 hydrocarbons from above the depth-severance line 12 contributing hydrocarbons to the well? 13 Α. Yes. 14 And in your opinion, is it necessary to pool 0. 15 only the interest owners in the interval described to 16 protect the correlative rights of these owners? 17 Α. Yes. 18 In your opinion, will OXY's interest above the Q. 19 depth-severance line be contributing hydrocarbons to the 20 well? 21 Α. No. 22 And if you infill above the current proposed 0. 23 well, will you return to the Division to address whether 24 any infill well will be developing above the 25 depth-severance line?

Page 19 1 Α. Yes. 2 Were Exhibits 4 and 5 prepared by you or Q. 3 compiled under your direction and supervision? Yes, they were. 4 Α. 5 MS. KESSLER: Mr. Examiners, I move admission of Exhibits 4 and 5. 6 7 EXAMINER JONES: Exhibits 4 and 5 are admitted. 8 9 (Chisholm Energy Operating, LLC Exhibit Numbers 4 and 5 are offered and admitted 10 11 into evidence.) 12 EXAMINER GOETZE: No questions about any geologic impediments? 13 14 MS. KESSLER: We already established that at the first hearing. 15 EXAMINER GOETZE: Okay. Sorry. I wasn't 16 17 there. 18 CROSS-EXAMINATION 19 BY EXAMINER GOETZE: 20 Just for clarity, the fracture barrier, the 0. 21 upper portion, we denote -- or state that there are 22 shale packages. So it's your opinion that this would not have a potential for development as an 23 24 unconventional source based on total organic carbon 25 content?

Page 20 At this time, by us, no. 1 Α. 2 Okay. So you're going to stay away from --0. 3 Α. Correct. 4 -- doing anything out of the ordinary? Q. 5 Thank you. That's all I have. 6 CROSS-EXAMINATION 7 BY EXAMINER JONES: 8 So there is no Avalon or Leonard or whatever --Q. I've been lectured not just by Phil here but by Paul 9 10 Kautz not to mention the Leonard, as it's supposed to be 11 called the Avalon for us. 12 MS. KESSLER: Right. 13 (BY EXAMINER JONES) But where is the Leonard or 0. 14 Avalon at? Well, you know, I would call -- some of these 15 Α. 16 higher gamma ray streaks in this Bone Spring section, that's going to be some of your Avalon that people have 17 targeted in Lea County. Not this far north. The shale 18 19 packages and the pressure gradient seems to be greater 20 to the south, at least from the production from what I 21 have seen. 22 Q. Okay. What about shows on mud logs going 23 through this package? Do you see -- can you talk about 24 shows like from the base of the -- of the generic name 25 Delaware all the way down through --

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1	(Laughter.)
2	Q the down to your target? What would they
3	look like?
4	A. Well, the mud logs that I've seen in this area,
5	yeah, they are shows. You know, there are you know,
6	I can't give an exact range, but there is oil
7	fluorescence described on mud logs. You know, I think
8	with and, you know, there are some gas shows, what I
9	would consider a gas show, something greater than four
10	times background gas. However, you know, for us right
11	now, those aren't horizontal targets.
12	Q. Okay. So that sounds okay. These cross
13	sections are nice, but they are really, really hard to
14	read. When you mentioned the resistivity wrapping, you
15	said the left. You meant the right, didn't you? It's
16	real high resistivity and it wraps
17	A. So on the left side of the track, you can see
18	where the resistivity wraps around. If you look in
19	track two, the third well from the left is a good
20	example. You see on track number two how that wrapped
21	resistivity looks white?
22	Q. Okay. I see it. Yeah.
23	A. So that's the wraparound resistivity I was
24	referring to.
25	Q. Okay. So it's really high resistivity?

Page 22 1 Α. Yes, sir. 2 Which means that it really is very tight rock. 0. 3 Α. Very tight. 4 Very tight. Q. 5 Okay. What about production in the 6 Brushy -- or the lower part of the Delaware? 7 (Laughter.) 8 EXAMINER JONES: What can we call it here? 9 EXAMINER GOETZE: You can call it anything you want. 10 11 (Laughter.) 12 EXAMINER JONES: Okay. 13 EXAMINER GOETZE: It's just that if you're going to have a legal document, having that little 14 footnote in there is going to make everybody happy down 15 16 the road. 17 MS. KESSLER: And it should reference? 18 EXAMINER GOETZE: Well, when you've got a Delaware Formation or equivalent top, the Bone Spring. 19 20 That way you have clarity and everybody has the same 21 word. 22 MS. KESSLER: So just marking a certain 23 bench in the Bone Spring? 24 EXAMINER GOETZE: You've got a log. You 25 just tie it into that log. And that way, as attorneys

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Page 23 like to do, there is no wiggle room so you've got a 1 definition that's clear. That's all. But Brushy 2 Canyon, Delaware Mountain. 3 4 ο. (BY EXAMINER JONES) Yeah. You see anything in 5 the lower part of that? 6 Α. Yeah. 7 Is there production? ο. 8 Α. Yes. And there are wells in the area. I don't have them annotated on here, but by and large in this 9 area, yes, the Brushy Canyon is productive in this area. 10 11 Is it productive through horizontal drilling or 0. 12 just through vertical drilling? To my knowledge, I haven't seen any horizontal 13 Α. Brushy Canyon wells drilled in this specific area, but 14 they have been drilled in Lea County. Yes, sir. 15 16 Okay. What about injection or disposal into Q. 17 that interval above where you're at? Is there any concern or presence of disposal wells in that? 18 19 To my knowledge, I don't know of any wells Α. 20 around this area particularly that are disposing into 21 the Brushy Canyon. I do not. 22 So no disposal into the Brushy? 0. 23 Not to my knowledge, no, sir. Α. 24 So your water is going to go -- do you know 0. 25 where your engineers are going to send this water from

Page 24 1 these wells? 2 Α. To be honest, I don't know exactly where 3 they're going to send it. 4 Q. They haven't come to you to say, "Where is the 5 target for injection for disposal"? No. Chisholm actually has several disposal 6 Α. wells that, you know, we dispose our water to, so I'm 7 8 not sure where they're planning on sending the water to. 9 Q. Okay. 10 EXAMINER JONES: Mr. Brooks? 11 EXAMINER BROOKS: No questions. 12 EXAMINER JONES: Okay. So thank you very 13 much for coming. 14 So why are you continuing it for two weeks? MS. KESSLER: We're continuing it for two 15 16 weeks to correct a current description in the application. So we filed an amended application to 17 correct the description of the depth severance. 18 19 EXAMINER JONES: October 26th? Or was this 20 a different one? 21 MS. KESSLER: I'm sorry. What's today? 22 EXAMINER GOETZE: Today is the 1st of November. 23 24 EXAMINER JONES: So this would kick it forward. 25

Page 25 MS. KESSLER: That one is correct and would 1 kick it forward to November 15th --2 3 EXAMINER JONES: Okay. MS. KESSLER: -- and then we'll ask that it 4 5 be taken under advisement. б EXAMINER JONES: Thank you very much. 7 MS. KESSLER: Thank you. 8 EXAMINER JONES: So we're going to continue Case Number 16262 to --9 10 Is that okay, Mr. Brooks, to November 15th? 11 EXAMINER BROOKS: That's okay with me. 12 EXAMINER JONES: Okay. Sounds good. 13 (Case Number 16262 concludes, 9:01 a.m.) 14 15 16 17 18 19 20 21 22 23 24 25

Page 26 1 STATE OF NEW MEXICO 2 COUNTY OF BERNALILLO 3 CERTIFICATE OF COURT REPORTER 4 5 I, MARY C. HANKINS, Certified Court Reporter, New Mexico Certified Court Reporter No. 20, 6 7 and Registered Professional Reporter, do hereby certify 8 that I reported the foregoing proceedings in 9 stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings that 10 were reduced to printed form by me to the best of my 11 12 ability. 13 I FURTHER CERTIFY that the Reporter's Record of the proceedings truly and accurately reflects 14 the exhibits, if any, offered by the respective parties. 15 16 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or 17 18 attorneys in this case and that I have no interest in 19 the final disposition of this case. 20 DATED THIS 11th day of November 2018. 21 22 MARY C. HANKINS, CCR, RPR 23 Certified Court Reporter New Mexico CCR No. 20 Date of CCR Expiration: 12/31/2018 24 Paul Baca Professional Court Reporters 25