

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:

ORIGINAL

AMENDED APPLICATION OF CHEVRON U.S.A., CASE NO. 15692
INC. FOR A NONSTANDARD SPACING AND
PRORATION UNIT, COMPULSORY POOLING,
AND APPROVAL OF AN UNORTHODOX LOCATION,
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

May 25, 2017

Santa Fe, New Mexico

BEFORE: SCOTT DAWSON, CHIEF EXAMINER
PHILLIP GOETZE, TECHNICAL EXAMINER
DAVID K. BROOKS, LEGAL EXAMINER

2017
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RECORDED

This matter came on for hearing before the
New Mexico Oil Conservation Division, Scott Dawson,
Chief Examiner, Phillip Goetze, Technical Examiner, and
David K. Brooks, Legal Examiner, on Thursday, May 25,
2017, 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
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APPEARANCES

FOR APPLICANT CHEVRON U.S.A., INC.:

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1 (9:28 a.m.)

2 EXAMINER DAWSON: With that, we'll go to
3 number four, on page 2 of 7, Case Number 15692. It's
4 the amended application of Chevron U.S.A., Incorporated
5 for a nonstandard spacing and proration unit, compulsory
6 pooling and approval of an unorthodox location, in Lea
7 County, New Mexico.

8 Call for appearances, please.

9 MS. KESSLER: Mr. Examiners, Jordan
10 Kessler, again, from the Santa Fe office of Holland &
11 Hart, on behalf of the Applicant.

12 EXAMINER DAWSON: Okay. Do you have
13 witnesses?

14 MS. KESSLER: Two.

15 EXAMINER DAWSON: Okay. Can your witnesses
16 please stand and state their names and be sworn in by
17 the court reporter, please?

18 MR. VERNER: My name is Fred Verner,
19 V-E-R-N-E-R.

20 MS. DELACH: Amber Delach, D-E-L-A-C-H.
21 (Mr. Verner and Ms. Delach sworn.)

22 EXAMINER DAWSON: When you're ready.

23 MS. KESSLER: Thank you.
24
25

1 AMBER TARR DELACH,
2 after having been previously sworn under oath, was
3 questioned and testified as follows:

4 DIRECT EXAMINATION

5 BY MS. KESSLER:

6 Q. Will you please state your name for the record
7 and tell the Examiner by whom you're employed and in
8 what capacity?

9 A. Amber Delach, Chevron U.S.A., Inc., and a land
10 rep.

11 Q. Have you previously testified before the
12 Division?

13 A. No.

14 Q. Can you please outline your educational
15 background?

16 A. Yes. A BBA in finance from Texas Tech
17 University in 2002, and an MBA from Texas Tech
18 University as well in 2003.

19 Q. What has been your work history?

20 A. I've been with Chevron for ten years, working
21 in land ownership for eight years and the land division
22 for three years, handling properties in the Permian
23 Basin.

24 Q. For the past ten years, your responsibilities
25 have included the Permian Basin?

1 A. Yes.

2 Q. Are you a member of any professional
3 associations?

4 A. AAPL, PBLA.

5 Q. And are you familiar with the application
6 that's been filed in this case?

7 A. Yes.

8 Q. Are you familiar with the status of the lands
9 in the subject area?

10 A. Yes.

11 MS. KESSLER: Mr. Examiners, I would tender
12 Ms. Tarr as an expert in petroleum land matters.

13 EXAMINER DAWSON: She is so admitted.

14 MS. KESSLER: Thank you.

15 Q. (BY MS. KESSLER) Would you please turn to
16 Exhibit 1? Does Chevron request formation of a
17 nonstandard spacing unit?

18 A. Yes.

19 Q. Do you also seek to pool uncommitted interest
20 owners in the Bone Spring Formation?

21 A. Yes.

22 Q. And do you seek to dedicate the nonstandard
23 spacing units to two initial wells?

24 A. We do, yes.

25 Q. And finally, do you seek approval of a

1 nonstandard location for the 6H well?

2 A. Yes, we do.

3 Q. Is Exhibit 1 the C-102 for the 6H well?

4 A. Yes, it is.

5 Q. Well, actually, the SD WE 24 Fed P24 #6H well;
6 is that correct?

7 A. Correct.

8 Q. Is there an API number for this well?

9 A. Yes, there is, 30-025-43673.

10 Q. And has the Division designated a pool for the
11 area?

12 A. Yes, as noted on the pool name on the C-102.

13 Q. Pool Code 97955?

14 A. Yes.

15 Q. Undesignated Bone Spring pool?

16 A. Correct.

17 Q. What is the character of these lands?

18 A. Federal.

19 Q. And are there any depth severances in this
20 pool?

21 A. No.

22 Q. And is the pool governed by Division statewide
23 rules?

24 A. It is, 330-foot setbacks.

25 Q. Does this C-102 reflect that the well location

1 for the 6H well is unorthodox?

2 A. It does. We are 55 feet from the adjacent
3 proration unit.

4 Q. Is Chevron the 100 percent interest owner in
5 the spacing and proration units to the west?

6 A. We are.

7 Q. And if I turn to Exhibit 2, is this a map
8 showing the affected tracts by the nonstandard location?

9 A. Yes, it is. It shows our tract to the west and
10 then the quarter-quarter sections affected to the north
11 and south.

12 Q. Why is Chevron seeking a nonstandard location
13 for this well?

14 A. So we are developing six wells in a section,
15 and because of the oil spacing unit, it requires one
16 well -- well, actually two wells in a section to be
17 nonstandard.

18 Q. And that has been the spacing pattern that
19 Chevron has identified to most effectively develop the
20 section?

21 A. Correct.

22 Q. And preventing waste, correct?

23 A. Yes.

24 Q. You mentioned that Chevron is the 100 percent
25 interest owner in the tracts to the west. Was notice

1 provided in any spacing units to the northwest and the
2 southwest?

3 A. Yes, it was.

4 Q. And did any of those interest owners object to
5 Chevron's application for an unorthodox location?

6 A. No, they did not.

7 Q. Is Exhibit 3 the C-102 for the 7H well?

8 A. Yes, it is.

9 Q. Is there an API number for this well?

10 A. There is, 30-025-43675.

11 Q. And this has been designated in the same Bone
12 Spring undesignated pool; is that correct?

13 A. It has, 97955.

14 Q. Thank you.

15 And is this well at an orthodox location?

16 A. It is at an orthodox location.

17 Q. Why does Chevron seek to dedicate the spacing
18 unit to the two initial wells?

19 A. For operating efficiencies and economic
20 efficiencies, we will drill and complete them back to
21 back.

22 Q. Does Chevron also expect better production with
23 simultaneous drilling and completing?

24 A. We do.

25 Q. Were all interest owners notified of Chevron's

1 plan to drill and complete the two initial wells at the
2 same time?

3 A. Yes.

4 Q. Did any of those interest owners object?

5 A. No.

6 Q. Is Exhibit 4 an ownership outline showing
7 ownership in the spacing unit by tract?

8 A. Yes, it is.

9 Q. If I look at the second page of this exhibit,
10 are the interest owners that you seek to pool
11 highlighted in yellow?

12 A. Yes, they are.

13 Q. Are these working interest owners?

14 A. They are working interest owners. Yes.

15 Q. And I see that they comprise a fairly small
16 percentage; is that correct?

17 A. Yes.

18 Q. Approximately, 1 percent?

19 A. Yes, approximately, 1 percent.

20 Q. Does Exhibit 5 a copy of the well-proposal
21 letter for the 6H and the 7H wells that were sent to the
22 parties that you seek to pool?

23 A. Yes.

24 Q. On what date was this letter sent?

25 A. March 2nd, 2017.

1 Q. Did each of the well-proposal letters include
2 an AFE?

3 A. Sorry. The -- so the one to Royalty
4 Clearinghouse is March 2nd, 2017, and the one to Atlas
5 was April 25th, 2017.

6 Q. Let me take a step back. This is a copy of
7 each of the letters that were provided to the working
8 interest owners. So a similar letter was sent to Atlas
9 on the 6H well, correct?

10 A. Correct.

11 Q. And a similar letter was sent to Royalty
12 Clearinghouse?

13 A. Correct. Uh-huh.

14 Q. And the well-proposal letters each included an
15 AFE when they were sent?

16 A. Yes.

17 Q. Are the costs reflected on the AFEs consistent
18 with what Chevron has incurred for drilling similar
19 horizontal wells in the area?

20 A. Yes, they are.

21 Q. What is the status of Chevron's negotiations
22 with Atlas?

23 A. Atlas, we have reached out to on three separate
24 occasions and have not received a response back, so we
25 just -- they have been unresponsive.

1 Q. So you sent them well-proposal letters and had
2 several attempted follow-up communications?

3 A. Correct.

4 Q. What is the status of Chevron's negotiations
5 with Royalty Clearinghouse?

6 A. Royalty Clearinghouse, we actually are in
7 negotiations to work on a joint operating agreement, but
8 have yet to come to a complete agreement as of this
9 date, so we've left them on the order.

10 Q. In the event you do reach an agreement with
11 them, will that agreement supersede the terms of the
12 pooling order?

13 A. It will.

14 Q. And you will notify the Division of that
15 agreement?

16 A. Yes.

17 Q. In your opinion, have you made a good-faith
18 effort to reach each of the parties you seek to pool?

19 A. Yes.

20 Q. Have you estimated overhead and administrative
21 costs for drilling and completing each of the wells?

22 A. Yes, 7,000 during drilling and 700 after.

23 Q. And was that also included in your
24 well-proposal letters?

25 A. Correct.

1 Q. Are those costs in line with what Chevron and
2 other operators in the area charge for similar wells?

3 A. It is.

4 Q. Do you ask that those costs be incorporated
5 into any order resulting from this hearing?

6 A. We do.

7 Q. Do you ask that the cost be adjusted in
8 accordance with COPAS accounting procedures?

9 A. Yes.

10 Q. And for the uncommitted interest owners, do you
11 request the Division impose a 200 percent risk penalty?

12 A. Yes, we do.

13 Q. Finally, did Chevron identify and provide
14 notice of the hearing to the offset operators or lessees
15 of record in the 40-acre tract surrounding the proposed
16 nonstandard unit?

17 A. Yes.

18 Q. Is Exhibit 6 an affidavit prepared by my office
19 with attached letters providing notice to the parties
20 that you seek to pool, the offset operators or lessees
21 of record and also the affected parties for the
22 nonstandard location?

23 A. Yes, it is.

24 Q. And is Exhibit 7 an Affidavit of Publication in
25 the newspaper in the county providing notice of this

1 hearing?

2 A. Yes, it is.

3 Q. Were Exhibits 1 through 5 prepared by you or
4 compiled under your direction and supervision?

5 A. Yes, they were.

6 MS. KESSLER: Mr. Examiners, I move
7 admission of Exhibits 1 through 7, which include my two
8 notice affidavits.

9 EXAMINER DAWSON: Okay. What about Exhibit
10 8?

11 MS. KESSLER: Exhibits 8 and 9 will be
12 addressed by a subsequent witness.

13 EXAMINER DAWSON: Okay. So Exhibits 1
14 through 7 will be admitted into the record.

15 MS. KESSLER: Thank you.

16 (Chevron U.S.A., Inc. Exhibit Numbers 1
17 through 7 are offered and admitted into
18 evidence.)

19 MS. KESSLER: Thank you.

20 EXAMINER DAWSON: Do you have any
21 questions, Mr. Goetze?

22 EXAMINER GOETZE: Yes.

23 CROSS-EXAMINATION

24 BY EXAMINER GOETZE:

25 Q. Good morning.

1 A. Good morning.

2 Q. Looking at the wildcat pool, I'm assuming that
3 the standard spacing unit is a 40-acre?

4 A. Uh-huh.

5 Q. Okay. So you notified the 40-acre to the
6 northwest and then the southwest?

7 A. Correct.

8 Q. I notice in your letters, we have one to
9 Royalty, and it refers to the 6H, and then your other
10 one refers to the 7H.

11 A. Uh-huh.

12 Q. Evidently, the AFEs for both of these have
13 turned up similar estimates; is that correct?

14 A. Yes. Yes. Uh-huh. The APs were the exact
15 same.

16 Q. And then with regards to -- the tendency in
17 these orders is to have one well given the priority.
18 Has Chevron had any discussion as to which well will be
19 drilled first?

20 A. The --

21 Q. I mean, simultaneously -- but, I mean --

22 A. Yeah. It's pad drilling, so --

23 Q. There's not going to be that much difference --

24 A. No, sir.

25 Q. -- as far as initiation --

1 A. (Indicating.)

2 Q. Just be forewarned, sometimes the numbers do
3 get lost, and so we do dedicate and put a time space
4 based on which well appears first. So if you have a
5 preference, please speak up now.

6 MS. KESSLER: Mr. Examiner, I think this is
7 something that the geologist can address, but I believe
8 that the order is -- let's see. The pad wells are 5, 6
9 and 7, drilled in that order, 5, 6 and 7.

10 EXAMINER GOETZE: Just to help us by so we
11 don't have to call you later.

12 MS. KESSLER: Okay.

13 EXAMINER GOETZE: I have no further
14 questions. Thank you.

15 EXAMINER DAWSON: Mr. Brooks?

16 CROSS-EXAMINATION

17 BY EXAMINER BROOKS:

18 Q. Following up on what he said, we've done
19 several of these, and I'm not sure if we've done them
20 consistently. So do you -- is what you want to be able
21 to propose them all at the same time and give a -- what
22 you want is to get a simultaneous election from any
23 pooled parties? Is that what you're --

24 A. I'm not sure I understand the question.

25 Q. Well, our typical form of pooling order

1 requires -- you know, you're required to do a
2 proposal -- under our orders, you're required to do a
3 proposal before the hearing.

4 A. Uh-huh.

5 Q. But then under our hearing orders, you're
6 required to do another proposal after the hearing, if
7 there are any pooled parties.

8 A. Correct.

9 Q. Now, do you contemplate that those proposals
10 will be -- for these wells will all be sent out to the
11 pooled parties at the same time?

12 A. Yes. Individual well proposals, but they'll be
13 sent at the same time.

14 Q. Yeah.

15 A. Uh-huh.

16 Q. And so our order needs to provide for all three
17 wells and provide for a separate election, but -- I
18 mean, they can elect to participate in one and not in
19 another, if that's what they choose to do.

20 A. Correct. And for the -- there's, actually,
21 only the two wells that will affect the pooled parties.
22 The 5H well is, actually, in the adjacent proration
23 unit, which Chevron owns 100 percent.

24 Q. Okay. So it's going to be entirely within the
25 Chevron -- it's not part of the pooling?

1 A. Correct. Only the 6H and 7H.

2 Q. Yeah. So -- and let me go back to the --
3 Chevron owns the west half of the west half?

4 A. It's the west half of the east half.

5 Q. West half of the east half.

6 A. Uh-huh.

7 Q. And then the pooled acreage is the east half of
8 the west half?

9 A. The east half of the east half.

10 Q. East half of the east half.

11 A. Yes.

12 Q. It's the other west.

13 Okay. Well, I think that tells us how we
14 want to write the order. So thank you for that
15 explanation.

16 A. Uh-huh.

17 Q. You need nothing about the 5H in the order?

18 A. Correct.

19 Q. It's not on the unit?

20 A. Correct.

21 Q. The notice affidavit is Exhibit Number 6, and
22 you've only identified two pooled parties there -- two
23 parties to be pooled here --

24 A. Correct.

25 Q. -- Atlas OBO Energy and Royalty Clearinghouse,

1 correct?

2 A. Correct.

3 Q. And are those all of the persons that you have
4 identified that are named in instruments of record or
5 which you have knowledge that have an interest in
6 this -- have an interest in this unit that has not been
7 committed to your proposed drilling program?

8 A. Yes, sir.

9 Q. Okay. So they were all -- now, did they
10 receive actual notice?

11 A. Yes.

12 Q. Okay. And those return receipts are attached
13 to Exhibit Number 6, right?

14 A. Correct.

15 Q. So there actually isn't anybody that needed to
16 be served by publication, as it turned out, then?

17 MS. KESSLER: Mr. Examiner, we actually did
18 not get a green card returned for Royalty Clearinghouse
19 2003.

20 EXAMINER BROOKS: Okay. You did not get a
21 green card from Royalty Clearinghouse?

22 MS. KESSLER: Correct.

23 EXAMINER BROOKS: Okay. Have you
24 ascertained that they did receive actual notice, because
25 you answered "yes" to the questions: Did all those

1 parties receive actual notice?

2 THE WITNESS: So --

3 MS. KESSLER: That's the green card that
4 was sent out that we did not get the returned green
5 card.

6 THE WITNESS: Oh, okay. Okay.

7 MS. KESSLER: But it's my understanding
8 that there have been multiple communications with
9 Royalty.

10 THE WITNESS: Correct. Yes.

11 Q. (BY EXAMINER BROOKS) So they actually did
12 receive actual notice even though you do not have the
13 return receipt?

14 A. Correct, and we have email correspondence.

15 Q. Very good. Thank you.

16 CROSS-EXAMINATION

17 BY EXAMINER DAWSON:

18 Q. Is there some kind of a surface, like, a draw
19 or something, like, why you're moving those wells over
20 to those surface locations? Do you know?

21 A. When you say "moving them over" --

22 Q. Well, I mean, they're, like, 200 feet from the
23 line. So that's why I was asking the surface location.

24 A. Oh, for the surface-hole location --

25 Q. Yes.

1 A. -- on those?

2 Q. Yes.

3 There is some topographical problem
4 putting --

5 A. Not that I'm aware of. That's just the
6 surface-hole location that allows us to have our first
7 take point with the 330.

8 Q. In order to be able to recover for the well --

9 A. Correct.

10 Q. -- to get to the first take point?

11 A. Yes, sir.

12 Q. That's all the questions I have. Thank you.

13 MS. KESSLER: Thank you.

14 I'll call my next witness, please.

15 EXAMINER DAWSON: Okay. Thank you.

16 Go ahead, Ms. Kessler, when you're ready.

17 MS. KESSLER: Thank you.

18 FRED VERNER,

19 after having been previously sworn under oath, was
20 questioned and testified as follows:

21 DIRECT EXAMINATION

22 BY MS. KESSLER:

23 Q. Please state your name for the record and tell
24 the Examiners by whom you're employed and in what
25 capacity.

1 A. My name is Fred Verner. I work for Chevron
2 U.S.A. in Houston, Texas. I am currently -- and this is
3 very recent -- been employed in our Permian Basin as the
4 regulatory manager. But before that, I spent roughly 12
5 years doing various earth science services, both
6 geologic and geophysical, across the Permian Basin in a
7 variety of places.

8 Q. Have you previously testified before the
9 Division?

10 A. Yes, I have.

11 Q. Were your credentials as a petroleum geologist
12 accepted and made a matter of record?

13 A. Yes.

14 Q. Are you familiar with the application that's
15 been filed in this case?

16 A. Yes.

17 Q. And have you conducted a geologic study of the
18 lands that are the subject of this location?

19 A. I did the original work on the unconventional
20 plays here a few years ago, and more recently, I've been
21 advising earth science activities on these specific
22 projects.

23 MS. KESSLER: Mr. Examiners, I would tender
24 Mr. Verner as an expert in petroleum geology.

25 EXAMINER DAWSON: Mr. Verner is admitted as

1 an expert in petroleum geology.

2 Q. (BY MS. KESSLER) Mr. Verner, please turn to
3 Exhibit 8 and identify this exhibit and walk us through
4 it.

5 A. Just to be sure I'm on the right page of these,
6 it should be the structure map of the top of the Bone
7 Spring and top of the Wolfcamp. The reason we're
8 presenting these is simply -- oh, and the red rectangle
9 represents the proration unit project area in question.

10 What we're showing here is the top of the
11 Bone Spring and the top of Wolfcamp, which, basically,
12 bound the top and the bottom of the Bone Spring. And
13 what we're seeing is a very consistent 1 degree dip to
14 the east with no interruptions in the way of faults or
15 significant folds.

16 Q. Did you mention what you observed with respect
17 to dip?

18 A. Yes. It's a very consistent regional dip down
19 to the east.

20 Q. Thank you.

21 What is Exhibit 9?

22 A. Exhibit 9 is a cross section across the area.
23 If you look at the reference map in the lower,
24 right-hand corner, the three wells are identified that
25 are shown over on the left. They cross the proration

1 unit in question and extend a little further into the
2 Basin. What those wells are indicating -- it's a bit
3 hard to see. What you have on the left of each log is
4 the gamma ray. On the right-hand side of each log is a
5 neutron density. The red arrows on the left indicate
6 areas with a more prospective log. However, the wells
7 being applied for at this time, the 5, 6 and 7H, all
8 target the Upper Avalon, which is the top arrow.

9 What the wells are really indicating is
10 that it's very consistent lithologies across the area,
11 thin-bedded silts and shales, for the most part, down --
12 area of interior carbonates coming into play. We plan
13 to avoid those. They're typical of what we find
14 throughout the Bone Spring and, in fact, most of the
15 Wolfcamp.

16 Q. Have you identified any geologic impediments
17 in the area of the two-mile horizontal wells?

18 A. Not at all.

19 Q. Do you believe the area can be efficiently and
20 economically developed by horizontal wells?

21 A. Yes.

22 Q. Do you believe that each tract in the proposed
23 nonstandard unit will contribute, more or less, equally
24 to production from each of the wells?

25 A. Yes.

1 Q. In your opinion, will the granting of Chevron's
2 application be in the best interest of conservation, the
3 prevention of waste and the protection of correlative
4 rights?

5 A. Yes.

6 Q. Mr. Verner, were Exhibits 8 and 9 prepared by
7 you or compiled under your direction?

8 A. Under my direction, yes.

9 MS. KESSLER: Mr. Examiners, I move
10 admission of Exhibits 8 and 9.

11 EXAMINER DAWSON: Exhibits 8 and 9 will so
12 be admitted.

13 (Chevron U.S.A., Inc. Exhibit Numbers 8 and
14 9 are offered and admitted into evidence.)

15 MS. KESSLER: Thank you. That completes my
16 direct.

17 EXAMINER DAWSON: Mr. Goetze, do you have
18 any questions?

19 CROSS-EXAMINATION

20 BY EXAMINER GOETZE:

21 Q. Good morning. Just a couple of questions.

22 First of all, in this area, has there been
23 development of the Avalon, and so are we following a
24 north-south trend? There seems to be a preferable
25 orientation for that in this area.

1 A. Definitely north-south is the trend in this
2 area. And yes, we -- we and others have been developing
3 this area for a few years. In fact, Sections 13 and 24
4 are already developed on the west half.

5 Q. And also in the Avalon, or are you expanding?

6 A. Also, the Upper Avalon has been developed.
7 We're starting to explore the Wolfcamp as well.

8 Q. Would these wells -- are we just drilling in
9 the Avalon, or are we going to have a pilot deeper in
10 one of them, or is that still up for debate?

11 A. On these three wells, I'm not certain, but I do
12 not recall hearing about a pilot on these wells. We do
13 have -- as you can see, the one on the left of the cross
14 section is a saltwater disposal well we had drilled
15 there recently, and that is serving as our deep pilot in
16 this area.

17 Q. With a few benefits?

18 A. Yes.

19 Q. Thank you. I have no further questions.

20 EXAMINER DAWSON: Mr. Brooks?

21 EXAMINER BROOKS: I have no questions.

22 CROSS-EXAMINATION

23 BY EXAMINER DAWSON:

24 Q. I have one question, Mr. Verner. So you're
25 targeting the Avalon A?

1 A. Yes.

2 Q. And it's more than likely the blue areas
3 depicted on the logs that you're targeting?

4 A. No. It's just above the blue areas.

5 Q. Above the blue area. Okay. Some of those
6 small sand stringers within that zone?

7 A. Yes. That's right.

8 So we've -- we've identified the Avalon as
9 upper and lower, and the difference being that the blue
10 area in there carbonates that we tend to want to avoid.

11 Q. Okay. So those are pretty thin sandstones up
12 there in the very top of that Avalon A?

13 A. Yes, very thin.

14 Q. Those are all the questions I have.

15 EXAMINER DAWSON: Thank you very much.

16 That concludes Case Number 15692. It will
17 be taken under advisement.

18 So we'll move on to the next case.

19 Thank you.

20 (Case Number 15692 concludes, 9:52 a.m.)

21

22 I hereby certify that the foregoing is
23 a correct and true report of the proceedings in
24 the examining hearing of Case No. _____,
25 heard by me on _____.

_____, Examiner
Oil Conservation Division

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

3

4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court
6 Reporter, New Mexico Certified Court Reporter No. 20,
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
10 a true and correct transcript of those proceedings that
11 were reduced to printed form by me to the best of my
12 ability.

13 I FURTHER CERTIFY that the Reporter's
14 Record of the proceedings truly and accurately reflects
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither
17 employed by nor related to any of the parties or
18 attorneys in this case and that I have no interest in
19 the final disposition of this case.

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MARY C. HANKINS, CCR, RPR
Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2017
Paul Baca Professional Court Reporters