

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. 12,350

APPLICATION OF McELVAIN OIL AND GAS )  
PROPERTIES, INC., FOR COMPULSORY )  
POOLING, RIO ARRIBA COUNTY, NEW MEXICO )

**ORIGINAL**

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MARK ASHLEY, Hearing Examiner

March 2nd, 2000

Santa Fe, New Mexico

OIL CONSERVATION DIV.  
00 MAR 16 AM 8:55

This matter came on for hearing before the New Mexico Oil Conservation Division, MARK ASHLEY, Hearing Examiner, on Thursday, March 2nd, 2000, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

## I N D E X

March 2nd, 2000  
 Examiner Hearing  
 CASE NO. 12,350

	PAGE
APPEARANCES	3
APPLICANT'S WITNESSES:	
<u>STEVEN R. JORDAN</u> (Landman)	
Direct Examination by Mr. Carr	4
Examination by Mr. Bruce	12
Examination by Examiner Ashley	12
<u>JOHN STEUBLE</u> (Engineer)	
Direct Examination by Mr. Carr	14
Examination by Examiner Ashley	20
Examination by Mr. Bruce	22
Further Examination by Examiner Ashley	24
REPORTER'S CERTIFICATE	26

\* \* \*

## E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	6	11
Exhibit 2	7	11
Exhibit 3	9	11
Exhibit 4	10	11
Exhibit 5	11	11
Exhibit 6	15	20
Exhibit 7	15	20
Exhibit 8	18	20

\* \* \*

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

## FOR THE DIVISION:

LYN S. HEBERT  
Deputy General Counsel  
Energy, Minerals and Natural Resources Department  
2040 South Pacheco  
Santa Fe, New Mexico 87505

## FOR THE APPLICANT:

CAMPBELL, CARR, BERGE and SHERIDAN, P.A.  
Suite 1 - 110 N. Guadalupe  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208  
By: WILLIAM F. CARR

## FOR NM&amp;O OPERATING COMPANY:

JAMES G. BRUCE, Attorney at Law  
3304 Camino Lisa  
Santa Fe, New Mexico 87501  
P.O. Box 1056  
Santa Fe, New Mexico 87504

\* \* \*

1 WHEREUPON, the following proceedings were had at  
2 10:10 a.m.:

3 EXAMINER ASHLEY: This hearing will now come back  
4 to order, and the Division calls Case 12,350.

5 MS. HEBERT: Application of McElvain Oil and Gas  
6 Properties, Inc., for compulsory pooling, Rio Arriba  
7 County, New Mexico.

8 EXAMINER ASHLEY: Call for appearances.

9 MR. CARR: May it please the Examiner, my name is  
10 William F. Carr with the Santa Fe law firm Campbell, Carr,  
11 Berge and Sheridan. We represent McElvain Oil and Gas  
12 Properties, Inc., and I have two witnesses.

13 EXAMINER ASHLEY: Additional appearances?

14 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,  
15 representing NM&O Operating Company. I have no witnesses.

16 EXAMINER ASHLEY: Will the witnesses please stand  
17 to be sworn?

18 (Thereupon, the witnesses were sworn.)

19 EXAMINER ASHLEY: Mr. Carr?

20 STEVEN R. JORDAN,  
21 the witness herein, after having been first duly sworn upon  
22 his oath, was examined and testified as follows:

23 DIRECT EXAMINATION

24 BY MR. CARR:

25 Q. Would you state your name for the record, please?

1 A. Steve Jordan.

2 Q. Mr. Jordan, where do you reside?

3 A. Santa Fe, New Mexico.

4 Q. By whom are you employed?

5 A. McElvain Oil and Gas Properties.

6 Q. And what is your position with McElvain Oil and  
7 Gas Properties?

8 A. Land manager.

9 Q. Have you previously testified before this  
10 Division?

11 A. Yes.

12 Q. At the time of that testimony, were your  
13 credentials as an expert in petroleum land matters accepted  
14 and made a matter of record?

15 A. Yes.

16 Q. Are you familiar with the Application filed in  
17 this case?

18 A. Yes.

19 Q. And are you familiar with the status of the lands  
20 in the area which is the subject of this Application?

21 A. Yes.

22 MR. CARR: Are Mr. Jordan's qualifications  
23 acceptable?

24 EXAMINER ASHLEY: They are.

25 Q. (By Mr. Carr) Would you briefly state what it is

1 that McElvain seeks with this Application?

2 A. McElvain is seeking an order pooling the minerals  
3 in the -- in lots 3, 4, the south half of the northwest  
4 quarter, and the southwest quarter, being a west-half  
5 equivalent in Section 3, Township 25 North, Range 2 West,  
6 Rio Arriba County, comprising 320.97 acres, more or less.

7 Q. And to what well will this spacing unit -- or  
8 these spacing units, be dedicated?

9 A. They'll be dedicated to our Elk Com Number 1A  
10 well.

11 Q. Will that well be drilled at a standard location?

12 A. Yes.

13 Q. In the southwest quarter of this section?

14 A. Yes, sir.

15 Q. Let's go to what has been marked McElvain Exhibit  
16 Number 1. I'd ask you to identify it and review it for Mr.  
17 Ashley.

18 A. Exhibit Number 1 is a plat showing the location  
19 in Section 3, the spacing unit being a west-half  
20 equivalent, the approximate location of our proposed well  
21 in the southwest quarter of that section, and the leasehold  
22 ownership in the west half of Section 3.

23 Q. What is the primary objective of the proposed  
24 well?

25 A. The primary objective is the Mesaverde formation.

1 Q. Let's go to what has been marked McElvain Number  
2 2. Would you identify this, please?

3 A. Exhibit Number 2 is a list of the working  
4 interest owners in the west half of Section 3.

5 Q. And what is the status of voluntary commitment to  
6 this well of these working interest owners?

7 A. We do have voluntary commitment of some but not  
8 all of the owners. I could go down the list here.

9 T.H. McElvain Oil and Gas Limited Partnership has  
10 voluntarily committed.

11 Noseco Corporation out of Reno, Nevada, we've  
12 talked with them. They are not committed to this well and  
13 will need to be compulsorily pooled. We have visited with  
14 them, however, and they have indicated that they do not  
15 want to join in this effort.

16 Neumann Family Trust, we've spoken with Peter C.  
17 Neumann in Reno, an attorney, who also did not want to  
18 voluntarily commit his interest and does not want to  
19 participate.

20 Gavilan Dome Properties is an entity that we  
21 never have been able to find a telephone number for. We  
22 have contacted them in previous hearings. Nobody can get  
23 ahold of them; even their own partnership group in their  
24 lease doesn't know how to get ahold of the owner there. We  
25 have sent them, of course, the notice letter and received

1 our certified green card back, but haven't had actual  
2 contact with Gavilan Dome.

3 James M. Raymond has voluntarily committed his  
4 interest and will participate, as will John S. Brown, Jr.

5 Mesa Grande Resources has not voluntarily joined  
6 our proposal. We've spoken with the owner of Mesa Grande,  
7 Alex Phillips, who has undergone considerable heart  
8 operations recently and indicated that he does not have the  
9 resources to participate and has not voluntarily committed  
10 his interest otherwise.

11 NM&O Operating Company has indicated that they do  
12 not want to participate and has not voluntarily joined in  
13 any way in our proposal. We have talked with the president  
14 of NM&O, Mr. Larry Sweet, and our counsel has also spoken  
15 with Mr. Sweet's counsel.

16 George A. Lippman has voluntarily committed his  
17 interest and will participate in this proposal.

18 J. Roger Friedman, and, on the next page Patricia  
19 M. Friedman, have both voluntarily joined and will  
20 participate.

21 Joe Elledge has voluntarily joined and will  
22 participate.

23 Johansen Energy Partnership, we have spoken with  
24 them. They did not want to participate and have not  
25 voluntarily joined in our proposal.



1 Williams Production Company has an after-payout  
2 interest. We have spoken with them and, as I say, they  
3 have an after-payout interest. They have not voluntarily  
4 joined.

5 Dugan Production Corporation is listed on here as  
6 an interest owner with zero percent. They have a potential  
7 reassignment interest in one of the federal leases, and  
8 that's why we have put them on here for notification  
9 purposes. I've spoken with David Poage, their land  
10 manager, and he has indicated that they are not in a  
11 position to voluntarily commit their interest to this  
12 proposal.

13 Q. Mr. Jordan, what percentage of the working  
14 interest is voluntarily committed?

15 A. Approximately 50 percent.

16 Q. Could you summarize for Mr. Ashley McElvain's  
17 efforts to obtain voluntary joinder of these interest  
18 owners in this proposed well and spacing unit?

19 A. We sent our proposal out December of 1999 and  
20 have since been in contact with all of the parties that  
21 have not voluntarily committed their interests, and have  
22 not been able to convince anyone to voluntarily join us in  
23 this proposal.

24 Q. Is Exhibit Number 3 a copy of your December  
25 letter?

1           A.    Yes, sir.

2           Q.    And with that letter did you send an AFE and a  
3           JOA?

4           A.    Yes, we did.

5           Q.    In your opinion, have you made a good-faith  
6           effort to obtain the voluntary participation of all  
7           interest owners in this well?

8           A.    Yes, we have.

9           Q.    There are no interest owners who you've been  
10          unable to locate?

11          A.    There's one interest owner that we have been  
12          unable to locate.

13          Q.    And that was the Gavilan --

14          A.    Gavilan Dome, and we have had them in a number of  
15          other proposals within the last several years and have not  
16          been able to find a telephone number for them.

17          Q.    Let's go to Exhibit Number 4.  Would you identify  
18          that, please?

19          A.    Exhibit Number 4 is the model form operating  
20          agreement that was included in our proposal for this well.

21          Q.    And this agreement has been executed by those  
22          parties you indicated have committed their interest to the  
23          well?

24          A.    Yes, it has.

25          Q.    And this contains the COPAS accounting provisions

1 that we will be referencing later in this testimony; is  
2 that right?

3 A. Yes, it does.

4 Q. Is Exhibit Number 5 a copy of an affidavit  
5 confirming that notice of today's hearing has been provided  
6 in accordance with Oil Conservation Division rules and  
7 regulations?

8 A. Yes.

9 Q. Other than the Gavilan Dome group, have all those  
10 interest owners who are not participating in the well been  
11 notified of today's hearing?

12 A. Yes, and Gavilan Dome had been notified as well,  
13 but we just have not had telephone conversations with them.

14 Q. Were Exhibits 1 through 5 either prepared by you  
15 or prepared under your direction?

16 A. Yes.

17 Q. Will McElvain be calling an engineering witness  
18 to review the technical portions of this case?

19 A. Yes.

20 MR. CARR: At this time, Mr. Ashley, we would  
21 move the admission into evidence of McElvain Exhibits 1  
22 through 5.

23 EXAMINER ASHLEY: Exhibits 1 through 5 will be  
24 admitted as evidence.

25 MR. CARR: And that concludes my direct of Mr.

1 Jordan.

2 EXAMINER ASHLEY: Mr. Bruce?

3 EXAMINATION

4 Q. Just one question. I don't have the exhibit, Mr.  
5 Jordan, but Exhibit 3 consists of one letter; is that  
6 correct?

7 A. Yes, sir.

8 Q. And that was the only letter sent to the working  
9 interest owners?

10 A. That's correct.

11 MR. BRUCE: That's all I have.

12 EXAMINATION

13 BY MR. ASHLEY:

14 Q. Mr. Jordan, you said you have been in contact  
15 with Gavilan Dome. You've talked to them but --

16 A. No.

17 Q. You've sent them a letter, but you haven't talked  
18 to them?

19 A. We've sent them a letter, we got our green card  
20 back. In the past there have been times when we didn't  
21 even get a green card back because they were not accepting  
22 certified mail. I'm talking about past proposals, in the  
23 last several years, and this particular instance we did get  
24 our green card back. In cases where we didn't get our  
25 green card back, we have sent them by regular mail an

1 additional set of papers.

2 We have not been able to find a number for them.  
3 We've talked to their other ownership partners in the  
4 lease, and they don't know how to get ahold of them, so...

5 Q. But somebody's obviously accepting the mail?

6 A. Yes, sir.

7 Q. Okay. Does McElvain have 100 percent of the  
8 interest in that northwest quarter?

9 A. Yes. McElvain -- You say McElvain. We have a  
10 number of investment partners that have elected to  
11 participate with us in those leases in the northwest  
12 quarter. And incidentally, they will all be carrying their  
13 proportionate share of any of the force-pooled interests in  
14 the southwest quarter.

15 Q. So there are interests in the northwest quarter  
16 that also have interests in the southwest quarter too?

17 A. No, there are interests other than McElvain in  
18 the northwest quarter, parties that we have brought in with  
19 us who have been willing to put up some risk capital to  
20 drill this acreage.

21 Q. Okay. So those that have not joined are limited  
22 to the southwest quarter?

23 A. Yes.

24 EXAMINER ASHLEY: Okay. I have nothing further.  
25 Thank you.

1 MR. CARR: Mr. Examiner, at this time we would  
2 call John Steuble.

3 JOHN STEUBLE,  
4 the witness herein, after having been first duly sworn upon  
5 his oath, was examined and testified as follows:

6 DIRECT EXAMINATION

7 BY MR. CARR:

8 Q. Would you state your name for the record, please?

9 A. John Steuble.

10 Q. Mr. Steuble, where do you reside?

11 A. Denver, Colorado.

12 Q. By whom are you employed?

13 A. McElvain Oil and Gas Properties.

14 Q. And what is your position with McElvain?

15 A. I'm the engineering manager.

16 Q. Have you previously testified before this  
17 Division and had your credentials as a petroleum engineer  
18 accepted and made a matter of record?

19 A. Yes, sir.

20 Q. Are you familiar with the Application filed in  
21 this case?

22 A. Yes, I am.

23 Q. Have you made an engineering study of the area  
24 which is the subject of the Application?

25 A. Yes, I have.

1           Q.    Are you prepared to review the results of your  
2 work with Mr. Ashley?

3           A.    Yes.

4           MR. CARR:  Are Mr. Steuble's qualifications  
5 acceptable?

6           EXAMINER ASHLEY:  They are.

7           Q.    (By Mr. Carr)  Would you refer to what has been  
8 marked for identification as McElvain Exhibit Number 6,  
9 identify this and review it for the Examiner?

10          A.    Exhibit Number 6 is a nine-section area around  
11 our proposed Elk Com 1A well.  It shows the spacing unit in  
12 yellow and the other Mesaverde wells that have been drilled  
13 and/or completed in the area, in the nine-section area.

14          Q.    Let's go to Exhibit Number 7.  Again, I'd ask you  
15 to identify and then review the information on this exhibit  
16 as it relates to the risk associated with the development  
17 of this acreage.

18          A.    Exhibit Number 7 is a larger area that shows all  
19 of the Mesaverde wells with the initial potential of the  
20 well and the cumulative production as of 5-31-99.

21                What it does show is the sparseness of the  
22 drilling in the Mesaverde, and it also shows some of the  
23 differences in the completions, as far as the cumulative  
24 production, and the lack of consistent development in the  
25 area.

1           I think it's very interesting to note, to the  
2 northwest -- there's a group of wells up to the northwest  
3 in Sections 20 and 29, in that area, that have better  
4 production profiles than the wells that we're in the  
5 process of drilling right now.

6           Q.    If we look at Section 3, will this be the third  
7 Mesaverde well in this section?

8           A.    Yes, it will.

9           Q.    And are both of the wells that have been drilled  
10 reasonably good producing wells?

11          A.    The two wells in Section 3 are both reasonably  
12 good producing wells, yes.

13          Q.    When you look at the Mesaverde formation, is this  
14 a blanket deposit, or are there characteristics of the  
15 reservoir that would tend to contribute to the risk  
16 associated with developing these reserves?

17          A.    What we're finding is, as we drill them, each of  
18 these wells has a different log characteristic and  
19 different production profiles. From the Mesaverde down,  
20 you have the three formations, the Cliff House, the Menefee  
21 and the Point Lookout, and we're seeing big variations  
22 between those, specifically in the Menefee section of the  
23 wells.

24          Q.    If we look at the well in the southwest of  
25 Section 34, is that a Mesaverde well?



1           A.    That's a Mesaverde well that we drilled and  
2 completed, and we put it on line in July of 1999.

3           Q.    And is that going to be a successful Mesaverde  
4 completion?

5           A.    At this point it does not look like that well  
6 will ever reach an economic production profile. We're  
7 currently making 90 barrels of water a day and 120 of gas a  
8 day. We've had a completion rig on it a number of times  
9 trying to isolate where the water is coming from, and as of  
10 this date we haven't really solved the problem. In fact,  
11 we have installed a pumping unit on the well in order to  
12 pump the water off.

13          Q.    Are you prepared to make a recommendation to the  
14 Examiner as to the risk penalty that should be assessed  
15 against any nonparticipating interest owner in the well?

16          A.    Yes, I am.

17          Q.    And what is that?

18          A.    200 percent.

19          Q.    And upon what do you base that recommendation?

20          A.    I base it on the lack of consistent development  
21 within the area, and the uneconomical well in Section 33 --  
22 or 34, I'm sorry. There's two uneconomic wells that have  
23 been in Section 2, and also north of that in Section 5.

24                One other thing that I might mention: Up in  
25 Section 22, of 26-2, we had a Mesaverde attempt and have

1 since plugged that off because we couldn't get commercial  
2 production out of it.

3 Q. Do you believe there's a chance that you could  
4 drill a well at this proposed location that, in fact, would  
5 not be a commercial success?

6 A. Yes, I do.

7 Q. Let's go to what has been marked Exhibit Number  
8 8. Will you identify that, please?

9 A. Exhibit 8 is the AFE that I prepared.

10 Q. And would you review the totals for the completed  
11 and the dryhole costs?

12 A. The total cost, assuming stimulation, is  
13 \$635,070. The dryhole cost is \$304,020.

14 Q. Are these costs in line with what has been  
15 incurred by McElvain for drilling other Mesaverde wells in  
16 this area?

17 A. Yes, they are.

18 Q. Have you made an estimate of overhead and  
19 administrative costs to be incurred while drilling the well  
20 and also while producing it, if it is successful?

21 A. Yes, we have.

22 Q. And what are those?

23 A. The drilling rate is \$5484.67, and the overhead  
24 rate is \$548.48.

25 Q. And what is the basis for this recommendation?

1           A.    It's based on the other wells that we have in  
2 operation in the area.

3           Q.    And have these costs been approved by the  
4 Division for other wells that you have had to force pool  
5 within the last year?

6           A.    Yes, they have.

7           Q.    And you recommend these figures be incorporated  
8 into the order that results from today's hearing?

9           A.    Yes, I do.

10          Q.    Does McElvain request that these rates be  
11 increased in accordance with the 1984 COPAS accounting  
12 procedures for joint operations?

13          A.    Yes, we do.

14          Q.    And those procedures are attached to our Exhibit  
15 4, the joint operating agreement?

16          A.    That's correct.

17          Q.    Does McElvain Oil and Gas Properties, Inc.,  
18 request that it be designated operator of the proposed well  
19 in this spacing unit?

20          A.    Yes, we do.

21          Q.    In your opinion, will granting this application  
22 and drilling of the well as proposed be in the best  
23 interest of conservation, the prevention of waste and the  
24 protection of correlative rights?

25          A.    Yes.

1           Q.    Were McElvain Exhibits 6, 7 and 8 prepared by you  
2 or compiled under your direction?

3           A.    Yes, they were.

4           MR. CARR:  Mr. Ashley, at this time we would move  
5 the admission into evidence of McElvain Exhibits 6 through  
6 8.

7           EXAMINER ASHLEY:  Exhibits 6 through 8 will be  
8 admitted as evidence.

9           MR. CARR:  And that concludes my direct  
10 examination of Mr. Steuble.

11                               EXAMINATION

12       BY EXAMINER ASHLEY:

13           Q.    Mr. Steuble, is this the first well in this  
14 proration unit to be drilled?

15           A.    No, sir, we have our Elk Com 1A, which is in the  
16 northwest quarter of this section.

17           Q.    So this is the first infill well?

18           A.    Yes, sir.

19           Q.    Now, you mentioned earlier that several wells in  
20 the area were uneconomical.  One of them was the Section  
21 34?

22           A.    Yes.

23           Q.    You mentioned some other ones too?

24           A.    There's two wells.  There's -- In Section 2,  
25 which is to the east of our proposed well, the well down in

1 the southeast corner is currently producing out of the  
2 Mesaverde, but it's an uneconomic well. In August of 1999,  
3 it produced a total of 129 MCF per month.

4 The well just to the north of that Section 35 was  
5 also a Mesaverde attempt. It is currently shut in and has  
6 cum'd the 779 MCF that you see there. That's its  
7 cumulative production. It is currently shut in.

8 Q. Did I hear you say that you were going to plug  
9 one of these wells? Did I hear that earlier?

10 A. No, sir.

11 Q. Okay.

12 A. Not until we get the geology figured out. It's  
13 not a consistent formation from well to well, and it's  
14 given us problems because it does make volumes of water  
15 that we haven't quite figured out where it's all coming  
16 from.

17 Q. Were any of the other wells that you drilled  
18 within this area drilled under a compulsory pooling order?

19 A. Yes, sir.

20 Q. Can you tell me which ones those were?

21 A. I believe the well in the northwest of 3 was  
22 pooled, the well in 34 was not, but the well in 10 was.

23 MR. JORDAN: No, the well in 10 was not.

24 MR. CARR: Mr. Examiner, the well in 10 was not  
25 drilled pursuant to a pooling order.

1 EXAMINER ASHLEY: It was not?

2 MR. CARR: It was not.

3 EXAMINER ASHLEY: So only the well in the  
4 northwest quarter of Section 3?

5 Mr. Carr?

6 MR. CARR: May it please the Examiner, I would  
7 just like to point out that the well in Section 10 was the  
8 subject of a force-pooling order, but there were no working  
9 interest owners pooled in that case. They all ultimately  
10 joined in the well, and the order was only applicable to  
11 certain royalty orders that were under old leases, but  
12 didn't grant the working interests the right to pool  
13 interests.

14 Furthermore, the well in the northwest of 3 was  
15 the subject of Pooling Order Number R-11,247, which was  
16 entered in Case 12,224 on September the 9th. And that's  
17 the source of the request for the overhead and  
18 administrative costs. That's the reference to that.

19 EXAMINER ASHLEY: Mr. Bruce?

20 EXAMINATION

21 BY MR. BRUCE:

22 Q. Mr. Steuble, looking at your Exhibit 6 --

23 A. Yes, sir.

24 Q. -- the well in Section 10, what is the initial  
25 potential on that well?

1           A.    I don't have the initial potential. I have the  
2 most current production of 310 MCF a day and 30 barrels of  
3 water a day. It's only been on less than a month.

4           Q.    Now, the well in the southeast of Section 3, is  
5 that McElvain's well?

6           A.    The well in the southeast is operated by Mallon.

7           Q.    Oh, okay. And this cumulative production, what  
8 date is that through? Do you know?

9           A.    Through 5 of 1999.

10          Q.    Now, the Elk Com Number 1 in the northwest  
11 quarter of Section 3, what is that cumulative production  
12 figure through?

13          A.    All of these are through 5 of 1999.

14          Q.    What is the most recent cumulative production and  
15 current rates for that Elk Com Number 1?

16          A.    For the Elk Com 1?

17          Q.    Yes.

18          A.    The most current rate I have is 405 MCF a day and  
19 25 barrels of water. Just give me a minute on the -- On  
20 the Elk Com Number 1, the gas, cumulative of 247,000 MCF.  
21 247.

22          Q.    Through what date would that be?

23          A.    Through 12 of 1999. And we've also cum'd 12,570  
24 barrels of water.

25          Q.    One other question. There was a pooling case in

1 Section 33, I believe.

2 A. Yes, there was.

3 Q. Has that well been drilled?

4 A. That well has been drilled, but it's a Dakota  
5 well.

6 Q. Oh, okay, it's a Dakota well?

7 A. Yes, sir.

8 Q. Do you know if the Mesaverde was also pooled in  
9 that pooling hearing?

10 A. I believe it was, yes, sir.

11 Q. Okay, but it's strictly completed in the Dakota  
12 at this point?

13 A. At this point, yes.

14 Q. What are the rates on that well?

15 A. In the Dakota well, it is 360 MCF a day and 12  
16 barrels of water a day.

17 MR. BRUCE: That's all I have, Mr. Examiner.

18 EXAMINER ASHLEY: Mr. Carr?

19 MR. CARR: I have no redirect.

20 FURTHER EXAMINATION

21 BY MR. ASHLEY:

22 Q. Mr. Steuble, what was the TD of this well,  
23 proposed TD?

24 A. It's 6400 feet.

25 EXAMINER ASHLEY: I have nothing further. Thank



1 you.

2 MR. CARR: That concludes our presentation in  
3 this case.

4 EXAMINER ASHLEY: There being nothing further in  
5 this case, Case 12,350 will be taken under advisement.

6 (Thereupon, these proceedings were concluded at  
7 10:40 a.m.)

8 \* \* \*

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 12350,  
heard by me on 3-2 19 2000.

Mark H. Ashley, Examiner  
Oil Conservation Division

CERTIFICATE OF REPORTER

[illegible]

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 March 6th, 2000.

*John R. Brown*

STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 2002