

1 APPEARANCES

2 FOR APPLICANT CHEVRON PRODUCTION COMPANY:

3 KAITLYN A. LUCK, ESQ.
 4 HOLLAND & HART, LLP
 5 110 North Guadalupe, Suite 1
 6 Santa Fe, New Mexico 87501
 7 (505) 988-4421
 8 kluck@hollandhart.com

7

8 INDEX

9		PAGE
10	Case Numbers 20769 and 20770 Called	3
11	Chevron Production Company's Case-in-Chief:	
12	Witnesses:	
13	Shalyce Holmes:	
14	Direct Examination by Ms. Luck	3
15	Cross-Examination by Examiner Murphy	11
16	Cross-Examination by Examiner Jones	12
17	Cross-Examination by Examiner David	15
18	Kate Schwehr:	
19	Direct Examination by Ms. Luck	17
20	Cross-Examination by Examiner Murphy	24
21	Cross-Examination by Examiner Coss	24
22	Proceedings Conclude	27/28
23	Certificate of Court Reporter	29
24	EXHIBITS OFFERED AND ADMITTED	
25	Chevron Production Company Exhibit Numbers 1 through 8	11
26	Chevron Production Company Exhibit Numbers 9 through 16	24

1 (3:10 p.m.)

2 MS. LUCK: We'd ask that these two cases,
3 Case Numbers 20679 and 20770, be consolidated for
4 purposes of the hearing.

5 EXAMINER JONES: Call Cases 20769 and
6 20770, applications of Chevron, USA for compulsory
7 pooling in Lea County, New Mexico.

8 Call for appearances.

9 MS. LUCK: Kaitlyn Luck, with the Santa Fe
10 office of Holland & Hart, on behalf of Applicant,
11 Chevron USA, Inc.

12 And I have two witnesses in this case.

13 EXAMINER JONES: Okay. Any other
14 appearances in either or both of these cases?

15 Will the witnesses please stand and the
16 court reporter swear the witnesses?

17 (Ms. Holmes and Ms. Schwehr sworn.)

18 MS. LUCK: I'd like to call my first
19 witness, Shalyce Holmes.

20 SHALYCE HOLMES,
21 after having been first duly sworn under oath, was
22 questioned and testified as follows:

23 DIRECT EXAMINATION

24 BY MS. LUCK:

25 Q. Will you state your name, by whom you're

1 **employed and in what capacity?**

2 A. Shalyce Holmes, Chevron, and a land
3 representative for Lea County, New Mexico.

4 **Q. And have you previously testified before the**
5 **Division and had your credentials as an expert petroleum**
6 **land person accepted and made a matter of record?**

7 A. Yes.

8 **Q. And are you familiar with the applications**
9 **filed in Cases 20769 and 20770?**

10 A. Yes.

11 **Q. Are you familiar with the status of the lands**
12 **in the subject area?**

13 A. Yes.

14 MS. LUCK: And with that, I tender
15 Ms. Holmes as an expert witness in petroleum land
16 matters.

17 EXAMINER JONES: She is so qualified.

18 MS. LUCK: Thank you.

19 **Q. (BY MS. LUCK) Ms. Holmes, please turn to**
20 **Exhibit Number 1 and identify what Chevron seeks in Case**
21 **Number 20769 for this Wolfcamp spacing unit.**

22 A. We seek to pool the east half of Section 15 and
23 east half of Section 22 of Township 25 South, Range 32
24 East, Lea County, New Mexico for a 640-acre horizontal
25 spacing unit in the Wolfcamp Formation.

1 Q. And what is the ownership of this acreage?

2 A. It is all federal.

3 Q. Are there any depth severances?

4 A. No, there are not.

5 Q. Please turn to Chevron Exhibit 2 and identify
6 what these are.

7 A. These are the C-102s for our Yeti Wolfcamp
8 wells, being the 52H, 54H and 56H.

9 Q. And do you these C-102s correspond with Case
10 Number 20769, just for the record?

11 A. Yes.

12 Q. And the pool that's involved in this
13 application is a wildcat Upper Wolfcamp Pool, 98270?

14 A. Yes.

15 Q. And will the completed interval for the 52H and
16 the 56H wells comply with the statewide setbacks?

17 A. They will.

18 Q. And then the 54H will be within 330 feet of the
19 west half of the east half of the sections to allow
20 inclusion of that acreage to an enlarged spacing unit?

21 A. Yes.

22 Q. And these C-102s also show the first and last
23 take points for each of the wells?

24 A. Yes, they do.

25 Q. Please turn to Chevron Exhibit Number 3 and

1 **explain what this exhibit shows.**

2 A. This is a schedule of the ownership for the
3 proposed horizontal spacing unit. It shows each party's
4 interest in each tract across the unit.

5 **Q. And so this is for Case Number 20769 where**
6 **Chevron seeks to pool working interests, overrides and**
7 **record title owners?**

8 A. Yes.

9 EXAMINER JONES: Number 3 is for 20769?

10 MS. LUCK: 20769.

11 So just to explain my exhibits layout, we
12 go through the 20769 land exhibits, and then we'll
13 switch over to the 20770.

14 EXAMINER JONES: Okay. Thanks.

15 **Q. (BY MS. LUCK) And so were all the interest**
16 **owners that you seek to pool locatable?**

17 A. Yes, they were.

18 **Q. And what efforts have you undertaken to reach**
19 **an agreement with the remaining working interest owners**
20 **to be pooled?**

21 A. We have well proposals and JOAs, and we are
22 currently in further discussions to acquire their
23 interest in this acreage.

24 **Q. And will Chevron notify the Division if it**
25 **reaches an agreement with any of the parties to be**

1 pooled?

2 A. Yes.

3 Q. So turning to Chevron Exhibit Number 4, this is
4 for Case Number 20770. Please explain what Chevron
5 seeks in this case.

6 A. This shows the acreage for a Bone Spring
7 horizontal spacing unit, same acreage, section -- for
8 the east half of Section 15 and the east half of Section
9 22, Township 25 South, Range 32 East, Lea County, New
10 Mexico.

11 Q. And in this case, you're asking for a Bone
12 Spring --

13 A. Yes.

14 Q. -- spacing unit?

15 A. Yes.

16 Q. And are there any depth severances within the
17 acreage?

18 A. There are none.

19 Q. So turning to Chevron Exhibit Number 5, are
20 these the C-102s for Case Number 20770?

21 A. Yes, they are.

22 Q. And the pool that's involved in these wells is
23 96715; is that correct?

24 A. Yes.

25 Q. And it's a wildcat Bone Spring pool?

1 A. Yes.

2 Q. And these C-102s also show the first and last
3 take points for the 51, 53 and 55H wells?

4 A. Yes, they do.

5 Q. Will the completed intervals for the 51H well
6 comply with statewide setbacks?

7 A. They will.

8 Q. And then the 53H will be the proximity tract
9 well; is that correct?

10 A. Yes.

11 Q. So turning to Chevron Exhibit Number 6, does
12 this exhibit identify each of the working interest
13 owners in the spacing unit in Case Number 20770?

14 A. Yes, it does.

15 Q. And does Chevron also seek to pool in this case
16 working interests, overrides and royal -- sorry --
17 record title owners?

18 A. Yes, we do.

19 Q. And were all the interests in this case
20 locatable?

21 A. Yes, they were.

22 Q. What efforts have you undertaken to reach an
23 agreement with the remaining working interest owner in
24 this case?

25 A. The same discussions. We've sent a Bone Spring

1 well proposal and a Bone Spring JOA and are in further
2 discussions to acquire the compulsory pooled party's
3 interest in this acreage.

4 Q. And so Chevron Exhibit Number 7 is a sample
5 well-proposal letter that you sent to the working
6 interest owners in this acreage?

7 A. Yes.

8 Q. And are the costs in the AFE consistent with
9 what Chevron and other operators have incurred for
10 drilling similar horizontal wells?

11 A. Yes.

12 Q. Has Chevron made an estimate of the overhead
13 and administrative costs while drilling and also while
14 producing these wells?

15 A. Yes.

16 Q. And what is that amount?

17 A. It's going to be 7,000 while drilling and 700
18 while producing.

19 Q. And are these costs similar to what other
20 operators are charging in the area for these types of
21 wells?

22 A. Yes.

23 Q. Does Chevron request the order include a 200
24 percent charge for any nonconsenting parties?

25 A. Yes.

1 **Q. And in this case, is Chevron requesting an**
2 **expedited order?**

3 A. Yes, we were. The east half of the east half
4 of Section 22 -- that is, I believe, Tract 3 on the
5 map -- is a federal lease that will be expiring soon.

6 MS. LUCK: And I understand that the
7 Division has distributed a form pooling exhibit, so I'd
8 be happy to complete that to ensure it can be expedited.

9 EXAMINER JONES: It's up to you. I've got
10 it marked as a rush.

11 MS. LUCK: Thank you.

12 EXAMINER JONES: You've gone to the trouble
13 of getting your federal permits already so --

14 THE WITNESS: Uh-huh.

15 EXAMINER JONES: -- you've already gotten
16 over the big hurdle there.

17 THE WITNESS: Uh-huh.

18 MS. LUCK: And it's my understanding that
19 we have an interest in every tract.

20 THE WITNESS: Every tract, uh-huh.

21 EXAMINER JONES: Oh, okay. So you can get
22 an OCD permit also.

23 THE WITNESS: Correct. Uh-huh.

24 **Q. (BY MS. LUCK) So finally, is Chevron Exhibit**
25 **Number 8 an affidavit prepared by my office with the**

1 attached letters providing notice of this hearing to the
2 parties whom you seek to pool in both cases?

3 A. Yes.

4 Q. And were Exhibits 1 through 7 prepared by you
5 or compiled under your direction and supervision?

6 A. Yes.

7 MS. LUCK: So with that, I'd move the
8 admission of Chevron Exhibits 1 through 8, which include
9 my Notice of Affidavit.

10 EXAMINER JONES: Exhibits 1 through 8 are
11 admitted.

12 (Chevron Production Company Exhibit Numbers
13 1 through 8 are offered and admitted into
14 evidence.)

15 EXAMINER JONES: Kathleen?

16 CROSS-EXAMINATION

17 BY EXAMINER MURPHY:

18 Q. So the holdout -- I'm sorry. Exhibit 6. Is
19 Tumbler the holdout?

20 A. Yes.

21 Q. And it's the working interest?

22 A. Yes.

23 Q. And then the next page, you noticed all the
24 ORs, overriding royalties?

25 A. Uh-huh.

1 Q. And those were delivered?

2 A. Yes, they were.

3 Q. So are some of those holdouts? No.

4 A. No, they're not.

5 Q. But the record title, are any of those holding
6 out?

7 A. They are not. The record title is more so from
8 the BLM process point of view. As we submit our
9 communitization agreements, they will want all of the
10 parties listed as record title owners and the LR2000 to
11 be on the com agreement. They will not approve it
12 without their signatures. So we pool them for that
13 reason.

14 Q. So it's really --

15 A. It's really just -- right. Right.

16 Q. Okay. Thank you.

17 A. Uh-huh.

18 EXAMINER COSS: I don't have any questions.

19 CROSS-EXAMINATION

20 BY EXAMINER JONES:

21 Q. But these record title owners, does Chevron
22 know who they are?

23 A. By know them, yes, we do. Uh-huh.

24 Q. Okay. It makes sense that you would. But
25 you're just not confident they're going to sign right

1 **away?**

2 A. Right. So they have an interest in the lease
3 in other parts of the lease that are not covered by this
4 particular spacing unit, which is why they're listed.
5 But the BLM will still want either their signature on
6 the communitization agreement or an order to show that
7 they were pooled -- their record title interest was
8 pooled.

9 **Q. Okay. And the overrides, do you have the right**
10 **under their instrument to --**

11 A. Yes, we do.

12 **Q. -- pool them already so they're not being**
13 **pooled under this action?**

14 A. Right. Uh-huh.

15 **Q. And Tumbler is -- who are they, Tumbler? Where**
16 **are they located at?**

17 A. They are located out of Midland, Texas. They
18 are -- uh-huh.

19 **Q. They've got 1/8 of the working interest in**
20 **this --**

21 A. Yes.

22 **Q. -- both of these units?**

23 A. Uh-huh.

24 **Q. And they're not ready to spend the money yet or**
25 **sign the JOA?**

1 A. Right. Right.

2 Q. Have they done either one of those, signed the
3 JOA and not the AFE or --

4 A. No. We've just been in constant communication
5 about how to acquire their interest in this acreage and
6 various different meetings, and we're still in those
7 communications now.

8 Q. Okay. And the proof of communications is in
9 here somewhere?

10 MS. LUCK: Well, we included the
11 well-proposal letter, but we don't have any additional
12 record of the communications. It is my understanding
13 that there are phone calls and emails that were
14 exchanged, but we didn't include all of those.

15 Q. (BY EXAMINER JONES) Okay. Can you say
16 verbally, though, when you started negotiating with
17 them?

18 A. We actually started negotiating with them maybe
19 June, and with the expectation that we'd be completed
20 prior to our drilling operations on this land. So --

21 Q. Okay. Did you get your permit -- federal
22 permits?

23 A. Yes, we did.

24 Q. Did you get them promptly, or did it take six
25 months or --

1 A. I want to say it took about six months. Six to
2 nine months is the average that we're seeing. Uh-huh.

3 **Q. So you're planning ahead to try to -- the**
4 **federal -- do they have such a thing as a short-term com**
5 **agreement where you can -- I call it a lease, where the**
6 **well's actually spud by the end of the lease term?**

7 A. Right. Uh-huh. Uh-huh.

8 **Q. They do that?**

9 A. Uh-huh.

10 **Q. So would that be the com agreement type you**
11 **would sign here, like a short-term com agreement?**

12 A. No. We signed a letter and the BLM -- or the
13 BLM issued us a letter saying that it was okay for us to
14 spud the wells at a later date.

15 **Q. Okay.**

16 A. Uh-huh.

17 EXAMINER JONES: As long as everything is
18 okay on notice, I guess --

19 CROSS-EXAMINATION

20 BY EXAMINER DAVID:

21 **Q. I was looking at -- Ms. Holmes, looking at**
22 **Exhibit A, I notice there are a lot of parties here. So**
23 **are you confident that Chevron sought to provide notice**
24 **to all the interested parties you've identified?**

25 A. Yes.

1 Q. And I notice on the log here that there was --
2 is that right? There is one person -- only one person
3 that apparently that the notice documents were returned?

4 MS. LUCK: That's correct. And that's
5 why -- sorry to step in.

6 THE WITNESS: Uh-huh.

7 MS. LUCK: That's why we also did the
8 Notice of Publication, and that reflects that we did
9 provide constructive notice in the event that that
10 package was still not delivered as of today's hearing.
11 But we checked those -- the green card reports as of
12 Monday of this week, so we're not completely sure by the
13 time of hearing if that package has been delivered. But
14 in that case -- returned, we included the Notice of
15 Publication.

16 EXAMINER DAVID: Yeah. I also notice for
17 the record that the name of the person who -- when there
18 is no proof of delivery, it's also listed on the
19 newspaper article. So no further questions from me.

20 EXAMINER JONES: Thank. Thank you very
21 much.

22 THE WITNESS: Thank you.

23 MS. LUCK: With that, I'd call my next
24 witness, Kate Schwehr.

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

KATE SCHWEHR,

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

DIRECT EXAMINATION

BY MS. LUCK:

Q. Please state your name, by whom you're employed and in what capacity.

A. Kate Schwehr, development geologist for Chevron.

Q. And have you previously testified before the Division?

A. Yes.

Q. And have your credentials as an expert in petroleum geology been accepted and made a matter of record?

A. Yes.

Q. Are you familiar with the applications filed by Chevron in Cases 20769 and 20770?

A. Yes.

Q. And what are the target intervals for the proposed wells in 20769 and 20770?

A. The target intervals are the Wolfcamp and the Bone Spring Formations.

Q. And have you conducted a geologic study of the Wolfcamp and Bone Spring Formations underlying the

1 **subject acreage?**

2 A. Yes, I have.

3 MS. LUCK: And with that, I tender
4 Ms. Schwehr as an expert witness in petroleum geology.

5 EXAMINER JONES: She is so qualified.

6 **Q. (BY MS. LUCK) Please identify and explain what**
7 **Exhibit 9 shows.**

8 A. Chevron Exhibit 9 is a subsea structure map of
9 the Wolfcamp target interval, which we call the Wolfcamp
10 A. This map does have a contour interval of 25 feet,
11 and it does show the location of the proposed Wolfcamp A
12 wellbores. With this map, we can see that the Wolfcamp
13 A dips, averages about 2 degrees, and it's generally to
14 the east over the proposed spacing unit. I would like
15 to note that the spacing unit is outlined in red. Also,
16 I'd like to add that there are no known structural
17 complications, including faulting or any other
18 structural impediments to horizontal production.

19 MS. LUCK: And so just again to explain the
20 exhibits, we'll go through the Wolfcamp exhibits that
21 apply to Case Number 20769, and then we'll turn to the
22 Bone Spring exhibits, which address Case Number 20770.

23 EXAMINER JONES: Okay.

24 **Q. (BY MS. LUCK) So turning to Exhibit 10, explain**
25 **what that map shows.**

1 A. So Exhibit 10 is a gross isopach thickness map
2 of the Wolfcamp A target interval. Again, the contour
3 interval is 25 feet, and it does show the location of
4 the three proposed horizontal Wolfcamp A wells. This
5 map does show that the thickness in the Wolfcamp A
6 ranges from about 680 feet to 750 feet in Sections 15
7 and 22, decreasing to the east and slightly increasing
8 in all of the other directions. I'd also like to note
9 that there are no known stratigraphic complexities,
10 including pinch-outs or any other impediments to
11 horizontal production.

12 **Q. Thank you.**

13 **Please turn to Exhibit 11 and explain what**
14 **this map shows.**

15 A. Exhibit 11 is the cross-section location map.
16 So on this map, the spacing unit for the proposed wells
17 is noted by the dark blue rectangle. The four wells
18 used in the following cross sections go from A to A
19 prime, northwest to southeast, through the spacing unit
20 and are noted by red circles with names and API numbers
21 posted. I would also like to note that the control
22 points that were used to make the structure and the
23 isopach maps are also included here.

24 **Q. And did you prepare a cross section of logs to**
25 **determine the relative thickness and porosity of the**

1 **Wolfcamp in this area?**

2 A. Yes, I did.

3 **Q. And do you consider these wells to be**
4 **representative of the Wolfcamp area near the proposed**
5 **spacing unit?**

6 A. Yes.

7 **Q. And turning to Exhibit Number 12, can you**
8 **identify what's shown here?**

9 A. So Chevron Exhibit 12 is a cross section, again
10 of the four wells previously identified. The cross
11 section does include logs of gamma ray, neutron-density,
12 porosity and deep resistivity. And I would like to
13 highlight that our Wolfcamp A and A2 target intervals
14 are noted by the green stars, and you can see from the
15 cross section that the Wolfcamp A target interval is
16 continuous in thickness and lithology.

17 **Q. And in your opinion, is the Wolfcamp in this**
18 **area suitable for development by horizontal wells?**

19 A. Yes.

20 **Q. And is the proposed orientation of these**
21 **horizontal wells appropriate for the area?**

22 A. Yes.

23 **Q. And do you expect each quarter-quarter section**
24 **within the proposed spacing unit to contribute more or**
25 **less equally to production from the wellbores?**

1 A. Yes.

2 **Q. In your opinion, is the granting of Chevron's**
3 **application in Case 20769 in the best interest of**
4 **conservation, the prevention of waste and the protection**
5 **of correlative rights?**

6 A. Yes.

7 **Q. Thank you.**

8 **So now turning to Exhibit Number 13, which**
9 **applies to Case Number 20770, can you identify what that**
10 **map shows?**

11 A. So Exhibit 13 is the subsea structure map of
12 the Bone Spring target interval, which we call the 2nd
13 Bone Spring Sand. This does have a 25-foot contour
14 interval, and it does show the location of the proposed
15 Bone Spring wells. From this map, we can see that the
16 2nd Bone Spring Sand is dipping about 2 degrees to the
17 east-southeast within the spacing unit. And I'd also
18 like to point out that there are no known structural
19 complications, including faulting or any other
20 structural impediments to horizontal production.

21 **Q. So turning to Exhibit Number 14, please explain**
22 **what this exhibit shows?**

23 A. Exhibit 14 is the gross isopach thickness map
24 of the 2nd Bone Spring target interval. Again, the
25 contour interval is 25 feet, and it does show location

1 of the three proposed horizontal 2nd Bone Spring wells.
2 And this map highlights that the thickness in the 2nd
3 Bone Spring Sand ranges from about 1,140 feet to 1,230
4 feet in Sections 15 and 22, increasing to the northwest.
5 I'd also like to highlight that there are no known
6 stratigraphic complexities, including pinch-outs or any
7 other impediments to horizontal production.

8 **Q. And so for this case, did you also prepare a**
9 **cross section with a cross-section map showing the**
10 **relative thickness and porosity of the Bone Spring in**
11 **this area?**

12 A. Yes, I did.

13 **Q. So turning to Exhibit 15, is this your**
14 **cross-section map?**

15 A. Yes, it is.

16 **Q. What does this exhibit show?**

17 A. This exhibit shows the spacing unit for the
18 proposed wells, which again is highlighted by the dark
19 blue rectangle. The four wells that were used in the
20 following cross sections go from southwest to -- or
21 northwest to southeast, A to A prime, through the
22 spacing unit. And these wells are also noted by the red
23 circles with the names and APIs listed.

24 **Q. And so turning to Exhibit 16, this is your**
25 **cross section of those wells; is that correct?**

1 A. That's correct.

2 **Q. Okay. What do these cross sections show for**
3 **the 2nd Bone Spring?**

4 A. So this cross section does show our two 2nd
5 Bone Spring target intervals, which again are
6 highlighted by the green stars, and this cross section
7 does highlight that the lithology and thickness of the
8 2nd Bone Spring is generally continuous and consistent.

9 **Q. And so is the Bone Spring in this area suitable**
10 **for development with horizontal wells?**

11 A. Yes.

12 **Q. And is the proposed orientation of the**
13 **horizontal wells appropriate for this area?**

14 A. Yes.

15 **Q. And do you expect each quarter-quarter section**
16 **within the proposed spacing unit to contribute more or**
17 **less equally to production from the wellbores?**

18 A. Yes.

19 **Q. And in your opinion, is the granting of the**
20 **Chevron's application in Case Number 20770 in the best**
21 **interest of conservation, for the prevention of waste**
22 **and the protection of correlative rights.**

23 A. Yes.

24 MS. LUCK: So with that, I'd move Exhibits
25 9 through 16.

1 EXAMINER JONES: Exhibits 9 through 16 are
2 admitted.

3 (Chevron Production Company Exhibit Numbers
4 9 through 16 are offered and admitted into
5 evidence.)

6 CROSS-EXAMINATION

7 BY EXAMINER MURPHY:

8 Q. Forgive me if I'm getting my cases confused.
9 But on the Bone Spring -- the 2nd Bone Spring, are those
10 sandstones you're targeting at the top of the 2nd Bone
11 Spring?

12 A. Yes. The lithology is sort of a
13 sandstone-siltstone mixed.

14 Q. Okay. Thank you.

15 CROSS-EXAMINATION

16 BY EXAMINER COSS:

17 Q. What interval is this cross section hung on?

18 A. Which cross section?

19 Q. Oh, sorry. The one that I'm looking at.

20 (Laughter.)

21 Q. The last one, Section 16.

22 A. It's hung on the 2nd Bone Spring -- top of the
23 2nd Bone Spring.

24 Q. Okay. I guess if I'm looking at the numbers
25 here, all of your stars for the 2nd Bone Spring target

1 one. That's the lower set of stars for either -- either
2 interval. That's what your landing zone is, correct?

3 A. So we have two different landing zones, so the
4 lower --

5 Q. Okay. Okay. There are two landing zones.

6 A. Yes.

7 Q. And this is a cross section, so it's not
8 exactly what you're going to be putting the well
9 through. But I notice, say, for the first one, the
10 left, that gold star, that is 10,600 feet and then the
11 one to the right is 10,500 feet, the same interval.
12 Does that pose a problem?

13 A. I don't think so.

14 Q. Okay. And then 10,800. So you would be able
15 to land in the zone all the same?

16 A. Right. And I think these might actually be
17 measured depth instead of the subsea TVDs.

18 Q. Okay. Well, that'll make a difference.

19 A. Right.

20 Q. Those are all my questions.

21 EXAMINER JONES: Did you anticipate
22 opposition to this case?

23 MS. LUCK: We did not. We didn't expect
24 any opposition coming into it, so that's why we -- yeah.
25 I think that we don't have any problems at this point.

1 EXAMINER JONES: But it's a rush -- they're
2 both rushes?

3 MS. LUCK: Yeah. It is an expedited
4 request, though, because of the lease expiration issue.

5 EXAMINER JONES: Okay.

6 MS. LUCK: Yeah.

7 EXAMINER JONES: When is that? I mean,
8 when do you need these? Do you need them next week?

9 MS. LUCK: I think the land witness should
10 answer that question, as to how soon they need it, but
11 we'll obviously defer to the Division as to how quickly
12 you guys can get that out. We don't want to ask for
13 anything too much.

14 EXAMINER JONES: Okay. We should be able
15 to do it in the next couple of weeks.

16 THE WITNESS: That's fine.

17 EXAMINER JONES: Actually, this guy's going
18 to be gone.

19 EXAMINER COSS: Can't be done in the next
20 week.

21 EXAMINER JONES: But where did the name
22 come from? Co Yeti?

23 THE WITNESS: Yeti. So C-O is Cotton Draw,
24 and Yeti is -- I don't know. That was before I was part
25 of the team.

1 EXAMINER JONES: Okay. Well, everybody
2 seems to be -- you well coached your two witnesses here.

3 EXAMINER MURPHY: Again, thank you for the
4 lovely exhibits.

5 EXAMINER JONES: Yeah, they are nice.

6 EXAMINER MURPHY: People don't understand
7 that sometimes they're really difficult to see. So
8 we've just gotten a number of them in a row that were
9 really great.

10 THE WITNESS: Good. Well, I appreciate
11 that.

12 EXAMINER JONES: Do you do your own
13 graphics and -- do you do your own log analysis, or do
14 you actually have a --

15 THE WITNESS: I did. I did them all
16 myself.

17 (Laughter.)

18 EXAMINER JONES: Okay. Well, thanks very
19 much.

20 THE WITNESS: Okay. Thank you.

21 MS. LUCK: We'd ask that the case be
22 taken under advisement, or both cases.

23 EXAMINER JONES: Okay. 20769 and 20770 are
24 taken under advisement.

25 (Case Numbers 20769 and 20770 conclude,

3:34 p.m.)

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

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.

20 DATED THIS 1st day of October 2019.

21

22

23 MARY C. HANKINS, CCR, RPR
24 Certified Court Reporter
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2019
Paul Baca Professional Court Reporters

25