

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

NEW MEXICO OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
STATE OF NEW MEXICO
CASE NO. 10586

IN THE MATTER OF:

The Application of SG Interests I,
Ltd., for Compulsory Pooling,
San Juan County, New Mexico.

BEFORE:

MICHAEL E. STOGNER
Hearing Examiner
State Land Office Building
October 29, 1992

REPORTED BY:

CARLA DIANE RODRIGUEZ
Certified Shorthand Reporter
for the State of New Mexico

RECEIVED
NOV 30 1992
OIL CONSERVATION DIVISION

ORIGINAL

A P P E A R A N C E S

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

FOR THE NEW MEXICO OIL CONSERVATION DIVISION:

ROBERT G. STOVALL, ESQ.
General Counsel
State Land Office Building
Santa Fe, New Mexico 87504

FOR THE APPLICANT:

THE TANSEY LAW FIRM
Post Office Box 1020
Farmington, New Mexico 87499
BY: B. TOMMY ROBERTS, ESQ.

I N D E X

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

1 EXAMINER STOGNER: Call next case, No.
2 10586.

3 MR. STOVALL: Application of SG
4 Interests I, Ltd., for compulsory pooling, San
5 Juan County, New Mexico.

6 EXAMINER STOGNER: Call for
7 appearances.

8 MR. ROBERTS: Mr. Examiner, my name is
9 Tommy Roberts with the Tansey Law Firm in
10 Farmington, New Mexico, appearing on behalf of
11 the Applicant. I believe my witnesses have been
12 previously sworn and their credentials accepted.

13 EXAMINER STOGNER: Let the record so
14 show.

15 JAMES FULLERTON

16 Having been previously duly sworn upon his oath,
17 was examined and testified as follows:

18 EXAMINATION

19 BY MR. ROBERTS:

20 Q. Mr. Fullerton, briefly describe the
21 purpose of this application?

22 A. The purpose of the application is to
23 force pool the nonjoining leasehold and/or
24 mineral interest parties in the proposed well to
25 be drilled by SG Interests I, Ltd., in the east

1 half of Section 30, Township 30 North, Range 8
2 West, San Juan County, New Mexico.

3 Q. Does this application apply to the
4 Basin Fruitland Coal formation?

5 A. Yes, it does.

6 Q. Would you identify the location of the
7 well proposed to be drilled?

8 A. Page 1, Exhibit No. 1, depicts where
9 the location of the well will be drilled which is
10 on Tract 1, shown by the circular diagram; the
11 northwest quarter of the northeast quarter of
12 Section 30, Township 30 North, Range 8 West.

13 The map also depicts the outline of the
14 spacing unit in gray, and also breaks down the
15 tracts by ownership, Tracts 1 through 4, the
16 spacing being the east half of Section 30. The
17 acres attributable to this location, 290.69
18 acres, which is a standard spacing unit.

19 Q. Is the location proposed a standard
20 location?

21 A. Yes, it is.

22 Q. What is the status of the well?

23 A. It is staked and proposed for drilling
24 soon.

25 Q. Please refer to page 1 of Exhibit No. 1

1 and identify the information there.

2 A. The information on Exhibit No. 1
3 depicts the unit working interest owners who
4 actually own a portion of the leasehold interest
5 in the spacing unit described on page 1.

6 Q. Would you describe or identify which of
7 those interest owners have not yet agreed to join
8 in this operation?

9 A. Yes. If you go down the list here, the
10 parties who will be subject to this force pooling
11 application will be Dirk Vanhorn Reemstma, Lance
12 Brewster Reemstma, David A. Pierce, Susan Leigh
13 Pierce Nelson, and that's the extent. The other
14 parties have either agreed to join or lease very
15 recently, and that's the reason they were not
16 taken off actually this list.

17 Q. This does comprise 100 percent of the
18 ownership of the unit?

19 A. That's correct.

20 Q. Now, turn to page 2 of Exhibit No. 1
21 and describe the information set out there?

22 A. Beginning on page 2 of Exhibit No. 1
23 we've broken down the leasehold ownership within
24 each of the tracts that is described on Exhibit
25 No. 1, the first page. It basically describes

1 the owners of the actual leasehold interest or
2 unleased mineral ownership within each of the
3 tracts, 1 through 4.

4 Q. Refer to page 5 and describe the
5 information reflected there?

6 A. Page 5 is the actual description of the
7 leases associated with each of the tracts within
8 the drilling and spacing unit. All these leases
9 are currently active and effective leases held by
10 existing production, and they contain, I believe,
11 both federal and fee leases.

12 Q. Let me have you turn your attention to
13 what's been marked as Exhibit No. 2. Would you
14 identify that exhibit?

15 A. Yes. That's a letter dated October 1,
16 1992, to Susan Leigh Pierce Nelson, indicating
17 our proposed plans for the proposed well. In
18 this letter, I again outlined her working
19 interest, if she chose to join, what the costs
20 would be to her working interest. I attached an
21 AFE actually in an operating agreement. The
22 letter also outlines the offer, the option that
23 SG would give her to lease her unleased mineral
24 interest.

25 Q. And also attached as part of Exhibit

1 No. 2 appear to be other letters, each of which
2 is dated October 1, 1992, and addressed to other
3 parties. Would you elaborate a little more
4 specifically what those letters pertain to?

5 A. Yes. These are letters identical to
6 the one I just explained to the other parties who
7 have not agreed to join or participate. And that
8 would be, as I explained before, David A. Pierce,
9 Dirk Vanhorn Reemstma, Lance Brewster Reemstma,
10 and that's the extent of the parties that have
11 not agreed to join or participate.

12 Q. With the exception of the addressees,
13 are the contents of each of these letters
14 identical?

15 A. Other than an explanation that the
16 individual mineral interest varies between
17 letters, but the offer and so forth is identical.

18 Q. Now I would like for you to refer to
19 Exhibit No. 3. Please identify that exhibit.

20 A. Exhibit No. 3 are copies of the actual
21 notices that were sent to the individual parties
22 advising them of our application for compulsory
23 pooling and indicating our plans for drilling the
24 proposed well, in which they own the unleased
25 mineral interest. These letters were sent

1 certified with return receipts obtained on each
2 party.

3 Q. Would you testify for inclusion in the
4 record the date of delivery of each of these
5 letters?

6 A. Susan Leigh Pierce Nelson, the letter
7 was delivered October 7th. David A. Pierce, the
8 letter was delivered October 7th. Lance Brewster
9 Reemstma, we have no date of delivery. I believe
10 that recently came in, possibly as of yesterday
11 that it was finally picked up by him. It was
12 sent out, though, the same date as the other
13 letters and notices, which was October 6th. Dirk
14 Vanhorn Reemstma was delivered October 7th.

15 Q. Mr. Fullerton, on the letter
16 notification to Lance Brewster Reemstma, would
17 you take a minute to consult your records
18 regarding the date that was delivered?

19 MR. ROBERTS: May we go off the record
20 just a minute?

21 EXAMINER STOGNER: Yes.

22 [Discussion off the record.]

23 MR. STOVALL: Back on the record. The
24 record should reflect there was an off-the-record
25 discussion with respect to the notice to Lance

1 Brewster Reemstma. The return receipt card from
2 the post office does not show a signature or date
3 of delivery and there's no certificate of date of
4 mailing.

5 However, I believe, Mr. Roberts, that
6 you stated you actually were responsible for
7 mailing this notice and it's your information and
8 belief that the return card for Mr. Lance
9 Reemstma was received approximately the same time
10 as the other cards, is that correct?

11 MR. ROBERTS: That's correct. That
12 would have been around October 7th.

13 MR. STOVALL: Again I would ask, to
14 confirm all the notices, that you provide us an
15 affidavit that notice was mailed to all parties
16 by certified mail on the date it was mailed,
17 apparently October 6th, and that the return
18 receipt card was received unsigned or undated
19 from Mr. Reemstma, approximately the same date as
20 the other cards, whatever date that is.

21 So, your affidavit should take care of
22 the question on this one. I don't remember if
23 those return receipt cards have postmarks on them
24 when they come back. If they do, that might be
25 helpful.

1 Q. Mr. Fullerton, in your opinion have the
2 notice requirements of the Division with respect
3 to this hearing and the application been
4 satisfied?

5 A. Yes.

6 Q. Turn your attention to what's been
7 marked as Exhibit 4. Would you identify that
8 exhibit?

9 A. Exhibit No. 4 involves a number of
10 individual letters and AFEs. This is an exhibit
11 with a letter date October 12, 1992 to Susan
12 Leigh Pierce Nelson at which time we again
13 included an AFE for the drilling of the Florance
14 Gas Comb G #1 well by SG Interests I, Ltd.

15 The gist of this letter was to advise
16 Ms. Nelson again of our request for compulsory
17 pooling, and also indicated to her that this AFE
18 was identical to the previous AFE, and the
19 purpose of this AFE was to again provide her
20 notice of the proposed operations; and, under a
21 compulsory pooling order, have this AFE serve as
22 the AFE that would be presented to her, at such
23 time as an order was issued.

24 Q. You were attempting, by this
25 communication, to expedite the force pooling

1 procedure?

2 A. That's correct.

3 Q. And is it then your hope that you will
4 have already satisfied the requirement that's
5 ordinarily set out in a force pooling order that
6 the party to be force pooled would receive an AFE
7 and would have an option period of 30 days in
8 which to elect to participate or not to
9 participate?

10 A. That's correct, yes.

11 Q. Then is it your proposal that the
12 option period in this case would run from the
13 date of their receipt of this communication?

14 A. Yes.

15 Q. Are there similar letters for each of
16 the other parties who have yet to join in this
17 operation?

18 A. Yes. All the parties that I previously
19 referenced have received these additional
20 notices.

21 Q. What is the basis for your desire to
22 have this process expedited?

23 A. Again, as I've stated, the expiration
24 of the Section 10-29 tax credit dealing with
25 Fruitland Coal wells drilled before December

1 31st.

2 In addition to that, the farmout
3 agreement with Amoco Production Company provides
4 that there's a continuous drilling program that
5 needs to be satisfied in order to continue to
6 drill wells on the subject leases and other
7 leases, and the actual farmout with Amoco does
8 expire on December 31, 1992.

9 Q. Were Exhibits 1 through 4 prepared by
10 you?

11 A. Yes.

12 MR. ROBERTS: Mr. Examiner, I would
13 move the admission of Exhibit Nos. 1 through 4.

14 EXAMINER STOGNER: Exhibits 1 through 4
15 will be admitted into evidence at this time.

16 MR. ROBERTS: I have no other
17 questions.

18 EXAMINER STOGNER: Mr. Stovall?

19 EXAMINATION

20 BY MR. STOVALL:

21 Q. Looking at these interests, going back
22 to Exhibit 1, am I correct, or do you have
23 personal knowledge whether the Reemstmas and
24 David Pierce and Susan Pierce Nelson are related?

25 A. Yes, I do have knowledge of that.

1 Q. And they are related, is that correct?

2 A. Yes.

3 Q. Is San Juan Royalty Partners related to
4 them in any way?

5 A. Actually, that interest is now owned by
6 Meridian, and that interest is not subject to
7 this force pooling application.

8 Q. The Pierce family has nothing to do
9 with that?

10 A. The Pierce family actually owned this
11 interest and sold it to San Juan Royalty Partners
12 a few months ago. San Juan Royalty Partners
13 apparently just recently sold it to Meridian.

14 Q. I was trying to figure out what they
15 were doing, having some knowledge of the families
16 in the area. That really has no significant
17 bearing on this.

18 With respect to your Exhibit 4, the
19 October 12th letter, am I correct in
20 understanding that this was sent out probably at
21 the advice of Mr. Roberts, in order to shorten or
22 to find some way to reduce the amount of time
23 required to give notice to the parties of their
24 interest being pooled and giving them their
25 option to participate, is that correct?

1 A. That's correct.

2 MR. STOVALL: Let the reflect that I
3 have, prior to the hearing of this case, have had
4 a discussion with Mr. Roberts and have suggested
5 that this might be a way to expedite that process
6 and shorten somehow--come in and request a
7 shortening of the standard 30-day time period.

8 Mr. Examiner, I don't think we can
9 completely waive the giving of notice of this;
10 however, I think if we can reinterpret Mr.
11 Fullerton's request on behalf of SG to request
12 that that be shortened to a two-week time period,
13 and advise them of the entry of the order and
14 that their time to respond--

15 Q. I don't know if you gave them a time to
16 respond in this letter, did you?

17 A. I attempted to indicate that the time
18 to respond would be October 29th, because that
19 was the date of the application to be heard.

20 Q. Upon entry of the order, can we assume
21 your request is for a shortened time period in
22 which to give them the opportunity to join?

23 A. Yes.

24 Q. Based upon the fact that they have
25 information as to the cost and the nature of

1 their interest, and they need to be informed of
2 the risk penalty to be assessed and the overhead
3 supervision. So perhaps a two-week date from the
4 entry of the order? You're requesting an
5 expedited order, and you've already stated off
6 the record that you would be willing to accept
7 the 156 percent?

8 A. Yes. Two weeks from the day that we
9 receive the order, in other words we need to
10 notify them that very same day?

11 Q. Correct.

12 A. Or it's just two weeks from the date we
13 notify them of the existence of the order?

14 Q. Two weeks from the date they receive a
15 copy of the order, which will pool their
16 interests to pay their costs, based upon their
17 having received an AFE and knowledge of this
18 thing, and having had some time to evaluate the
19 economic decision.

20 A. Okay.

21 Q. Is that your request?

22 A. Yes.

23 MR. STOVALL: Always subject to the
24 Examiner's discretion, of course. But he needs
25 to know I've had this discussion with Mr. Roberts

1 prior to this hearing.

2 EXAMINER STOGNER: Anything further of
3 this witness?

4 MR. STOVALL: I think not.

5 EXAMINER STOGNER: You may be excused.
6 Mr. Roberts?

7 MR. ROBERTS: Call Mr. O'Hare.

8 **MICKEY O'HARE**

9 Having been previously duly sworn upon his oath,
10 was examined and testified as follows:

11 EXAMINATION

12 BY MR. ROBERTS:

13 Q. Mr. O'Hare, would you please refer to
14 what's been marked as Applicant's Exhibit No. 5
15 and identify the exhibit?

16 A. Exhibit No. 5 is an authority for
17 expenditure for the Florance Gas Comb G #1 well.

18 Q. Would you state for the record the
19 drilling costs and completion costs and total
20 costs depicted on that exhibit?

21 A. Yes. The total estimated drilling cost
22 is \$76,930. The estimated completion cost for
23 this well is \$195,080, giving a total completed
24 well cost of \$272,010.

25 Q. It's indicated on the AFE that it's

1 dated September 10, 1992. Can we assume that
2 these estimated costs are relevant today?

3 A. Yes, they are. They're based on actual
4 costs incurred in drilling wells in the area.

5 Q. In your opinion, are these reasonable
6 costs?

7 A. Yes, they are.

8 Q. Let's refer to what I show has been
9 marked Exhibit 6, and I see you have the same
10 exhibit I do. Would you identify that exhibit?

11 A. Exhibit No. 6 is a gas in place contour
12 map taken from the report prepared by Kelso &
13 Wicks, presented in the 1988 San Juan Basin
14 coal-bed methane symposium booklet.

15 Q. What is the relevance of this exhibit
16 to the application?

17 A. This exhibit shows the relative gas in
18 place for the proposed well, and shows that it is
19 better than the proposals for the two previous
20 cases.

21 Q. When you say the two previous cases,
22 you're referring to SG's applications in Cases
23 10567 and 10585?

24 A. That is correct.

25 Q. Can you quantify the gas in place as a

1 result of the information that's depicted by this
2 exhibit?

3 A. We're estimating off of this map a gas
4 in place of about 12 Bcf per section. That would
5 result in an ultimate recovery from the proposed
6 well of approximately one and a quarter to one
7 and a half Bcf.

8 Q. Would you consider this a typical gas
9 in place volume figure for Basin Fruitland Coal
10 gas wells?

11 A. Yes, we would.

12 Q. Refer to what has been marked as
13 Exhibit No. 7 and identify that exhibit.

14 A. Exhibit No. 7 is a map of the net coal
15 thickness in the San Juan Basin, again taken from
16 the report prepared by Kelso & Wicks published in
17 the 1988 San Juan Basin coal-bed methane
18 symposium booklet.

19 Q. What is the relevance of this
20 information to this application?

21 A. This shows that the proposed well is
22 expected to have on the order of 40 feet
23 of--actually, a little less than 40 feet of net
24 coal thickness. That, taken with the previous
25 exhibit, Exhibit No. 6, would indicate that we

1 would have a fairly decent chance of making an
2 economical well.

3 Q. Would the net coal thickness
4 information shown here represent a typical
5 Fruitland Coal gas well?

6 A. For the most part, yes.

7 Q. Refer to what has been marked as
8 Exhibit No. 8 and identify it?

9 A. Exhibit No. 8 is a contour map showing
10 current production in the area of the proposed
11 well as of June of 1992.

12 Q. What is the relevance of this
13 information to this application?

14 A. This map shows that the proposed well
15 is in an area that actually has a reduced current
16 rate of production from the coal interval.
17 Several of the wells to the northwest are fairly
18 decent wells. In fact, one about two miles away
19 from the proposed well is currently making in
20 excess of 600 Mcf per day. However, wells to the
21 south of the proposed well show rates as low as
22 one Mcf per day. In fact, there's a couple of
23 wells that have been shut in in that area because
24 of poor rates.

25 Q. When you refer to well to the north and

1 to the south, can you more specifically point
2 those locations on this exhibit?

3 A. Yes. The one I referred to that is
4 making in excess of 600 Mcf a day is in, I
5 believe, Section 14. It will be one section up
6 and two sections to the left, in the northeast
7 corner.

8 Q. When you refer to wells to the south,
9 can you more specifically pinpoint those wells on
10 this map?

11 A. Yes. The section directly south of the
12 proposed well in the northeast quarter of that
13 section, we have a well that's only producing one
14 Mcf per day, and the southwest quarter of that
15 same section we have a shut in well showing zero
16 production for the month of June.

17 Immediately adjacent to that same
18 section to the east, is another well that has
19 been shut in due to lack of production from the
20 Fruitland Coal.

21 Q. Let's have you refer to Exhibit 9 and
22 identify that exhibit.

23 A. Exhibit 9 is a little more detailed net
24 coal isopach map. This shows the total coal
25 thickness in the area of the proposed well, taken

1 from actual well logs drilled through the coals.

2 Q. And explain the relevance of the
3 information here to this exhibit.

4 A. This exhibit shows that the coals are
5 actually thinning in the area of the proposed
6 well. We're looking at a coal thickness in the
7 order of 31 or 32 feet as opposed to the coal
8 thicknesses in the better producing area to the
9 northeast--I'm sorry, to the northwest, where on
10 the previous exhibit we saw gas rates over 600
11 Mcf a day. That occurred on a well that had a
12 coal thickness of about 40 feet.

13 Q. Let's have you refer to what has been
14 marked as Exhibit No. 10, and identify that
15 exhibit.

16 A. Exhibit No. 10 is a summary of the
17 economics prepared for the proposed well. The
18 assumptions used to prepare those economics
19 included an initial rate of 125 Mcf per day with
20 a five percent per year decline rate; an initial
21 gas price of \$1.50 per Mcf escalated at four
22 percent per year. Operating costs for this well
23 are estimated to be about \$1,000 per month, and
24 those costs were escalated at five percent per
25 year, again assuming that there would be very

1 little water production from the proposed well.

2 The results of those assumptions
3 include 122-1/2 months worth of payout, a return
4 on investment of .32 percent, a rate of return of
5 6.6 percent, and that is without the tax
6 credits.

7 With the tax credits, payout is reduced
8 to about 70 months and the return on investment
9 is improved to .82 and the rate of return
10 improves to about 13.86 percent.

11 Q. In your opinion, is this proposed
12 operation commercial without the tax credits?

13 A. No, it is not.

14 Q. Do you rely, in part, on this
15 information in support of your request for an
16 expedited order in this case?

17 A. Yes, we do.

18 Q. Now, from the data and information
19 that's shown on Exhibit Nos. 6 through 9 in
20 particular, have you been able to draw a
21 conclusion as to the risk involved in this
22 proposed operation?

23 A. Yes, we think the risk is quite a bit
24 higher to drill this well than it would be if we
25 were even one section to the north and west than

1 our proposed location is.

2 Q. Do you ask that a charge for risk
3 involved in drilling this well be set by the
4 Examiner?

5 A. Yes. We're asking for 156 risk penalty
6 be assessed on this well.

7 Q. Mr. O'Hare, in your opinion, will the
8 granting of this application result in the
9 prevention of waste and the protection of
10 correlative rights?

11 A. Yes, it will.

12 MR. STOVALL: Administrative overhead,
13 did we do that?

14 MR. ROBERTS: Thank you.

15 Q. Who do you propose operate this well,
16 Mr. O'Hare?

17 A. We're proposing that SG Interests I,
18 Ltd., be the named operator of the well.

19 Q. Do you have a proposal for
20 administrative overhead for the drilling
21 protection stages?

22 A. Yes. We are requesting that an
23 administrative overhead charge of \$4,000 per
24 month be assessed during the drilling and
25 completion phase of the well, and \$450 per month

1 be assessed for the production phase of the well.

2 Q. What is the basis for those proposals?

3 A. Those proposals are based on the
4 history of SG's operations in the San Juan Basin,
5 along with their payment of those same charges to
6 the other operators.

7 MR. ROBERTS: Mr. Examiner, I would
8 move the admission of Exhibits Nos. 5 through 10.

9 EXAMINER STOGNER: Exhibits 5 through
10 10 will be admitted into evidence.

11 MR. ROBERTS: I have no other questions
12 for this witness.

13 EXAMINATION

14 BY EXAMINER STOGNER:

15 Q. The \$4,000 and \$450, was Ernst & Young
16 used as a basis for these charges?

17 A. I believe the Ernst & Young numbers are
18 \$4,000 for the average for 1991 on the drilling
19 and completion side, and \$400 per month on the
20 production side for 1991.

21 Q. This is \$50 more on the production
22 side. Why the increase?

23 A. Again, that is due to SG's history of
24 operations in the Basin and their payment of
25 those same charges to other operators in the

1 Basin.

2 Q. Did you submit anything as far as
3 payments to the other operators to back up that
4 particular statement on the \$50 increase?

5 A. No, I did not.

6 MR. STOVALL: Let me ask the question
7 this way. Do you have personal knowledge of
8 payment by SG or other parties of those kinds of
9 administrative overhead rates under operating
10 agreements in this area?

11 THE WITNESS: My knowledge is limited
12 to the actual operating agreements. I've not
13 seen any checks go out to those other operators.

14 MR. STOVALL: I'm referring to the
15 operating agreements, not actual payments.

16 THE WITNESS: Yes, they do have.

17 MR. STOVALL: What are the range of
18 rates in those operating agreements for the
19 Fruitland Coal wells in this area?

20 THE WITNESS: For Amoco, I believe the
21 lowest I've seen is \$441 up to the \$450, and
22 those are escalated on a yearly basis.

23 MR. ROBERTS: May I ask a question on
24 that issue?

25 EXAMINER STOGNER: Mr. Roberts?

1 FURTHER EXAMINATION

2 BY MR. ROBERTS:

3 Q. Mr. O'Hare, I believe the Ernst & Young
4 survey contains a range of rates by depth and by
5 area. Is the \$450 producing well rate within the
6 range published by the survey?

7 A. To the best of my knowledge, yes. The
8 information from that survey was given to me over
9 the phone, so I have not actually seen the survey
10 myself.

11 MR. STOVALL: Mr. O'Hare, with respect
12 to risk, I believe you originally were asking for
13 200 percent, and based upon discussion in the
14 previous cases today you've revised that downward
15 in the interest of getting an expedited order, is
16 that correct?

17 THE WITNESS: That is correct.

18 MR. STOVALL: I assume your testimony
19 and analysis of the risk factors involved in this
20 well are the same as they are for the other
21 wells?

22 THE WITNESS: There is a little more
23 information available on surrounding wellbores in
24 the area of this well than there were on the
25 other two; but, yes, that is an accurate

1 statement.

2 MR. STOVALL: And we're referring
3 referring to Cases 10567 and 10585 which we also
4 heard today, is that correct?

5 THE WITNESS: That is correct.

6 EXAMINER STOGNER: Anything further of
7 Mr. O'Hare?

8 You may be excused.

9 If nobody else has anything further in
10 Case 10586, this case will be taken under
11 advisement.

12 (And the proceedings concluded.)

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 at
the Examiner hearing of Case No. 10586
heard by me on 29 Oct. 1992.

 Examiner
Oil Conservation Division

