STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

12 April 1989

EXAMINER HEARING

IN THE MATTER OF:

Application of Nearburg Producing Company for directional drilling and an unorthodox oil well location, Lea County, New Mexico.	CASE 9644

BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Division:	Robert G. Stovall Attorney at Law Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico
For Nearburg Producing Company:	William F. Carr Attorney at Law CAMPBELL and BLACK, P. A. P. O. Box 2208 Santa Fe, New Mexico 87501

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MR. STOGNER: Okay, we'll call next Case Number 9644.

MR. STOVALL: Application of Nearburg Producing Company for directional drilling and an unorthodox oil well location, Lea County, New Mexico.

MR. STOGNER: Call for appearances.

MR. CARR: May it please the Examiner, my name is William F. Carr with the law firm Campbell & Black, P. A., of Santa Fe. We represent Nearburg Producing Company and I have two witnesses.

MR. STOGNER: Are there any other appearances? Will the witnesses please stand to be sworn?

(Witnesses sworn.)

MR. STOGNER: Mr. Carr.

MARK K. NEARBURG,

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. CARR:

Q State your full name for the record, please.

A Mark Nearburg.

Q Mr. Nearburg, where do you reside?

A Midland, Texas.

Q By whom are you employed and in what capacity?

A Nearburg Producing Company, Land Manager.

Q Mr. Nearburg, have you previously testified before this Division and had your credentials accepted and made a matter of record?

A Yes, I have.

Q Are you familiar with the application filed in this case on behalf of Nearburg Producing Company?

A Yes.

Q Are you familiar with the subject area?

A Yes.

MR. CARR: Are the witness' qualifications acceptable?

MR. STOGNER: They are.

Q Mr. Nearburg, would you briefly state what you seek with this application?

A We seek approval of directional drilling and unorthodox bottom hole location to test the Devonian formation in Section 10, Township 12 South, Range 38 East, Lea County, New Mexico.

Q Are you re-entering an existing wellbore or drilling a new hole?

A We are re-entering a previously drilled Devonian dry hole and sidetracking it to try to find the Devonian formation.

Q Would you refer to what has been marked for identification as Nearburg Exhibit One, identify this exhibit and review the information contained thereon for the examiner?

A Okay. This exhibit is a land map. In green is shown the Federal lease that Nearburg owns. Pink are fee leases owned by Nearburg and yellow is one State lease which Nearburg has obtained assignment of.

Q The two 40-acre tracts that are indicated in the north half of the yellow lease, those are just spacing units, they don't indicate different lease ownership?

A That's right. Cross hatched in red is the unit that would be dedicated to the bottom hole location if we make a well in the Devonian.

Q When was this first well on the lease

originally drilled?

A The dry hole shown in the northeast quarter northwest quarter was permitted in December of 1981 and after drilling to the Devonian formation it was plugged in March of 1982.

Q And the 40-acre tract consisting of the northeast quarter of the northwest quarter was dedicated to that well?

A That's right.

Q And you're now proposing to directionally drill it to a bottom hole location under the northwest of the northwest?

A That's right.

Q And what acreage do you propose to dedicate to the well?

A The northwest quarter northwest quarter.

Q Is this a standard spacing or proration unit in the Devonian?

A It's a standard unit, yes.

Q Is the bottom hole location going to be at an orthodox or an unorthodox location?

A The bottom hole will be located 1000 feet from the north line and 1100 feet from the west line, which is a nonstandard location.

Q And will you present a geological wit-

ness who will explain the reason for that location?

A Yes, I will.

Q Would you explain to the Examiner the reasoning for directionally drilling instead of locating the well in the northwest quarter of the northwest quarter of Section 10?

A Okay. As the geology will show, the feature is pretty small and it's frankly not economical to drill a well from scratch to test this small a feature. The well located in the northeast quarter northwest quarter was the UNC State No. 1 and when it was plugged in March of 1982, they ran no DST's, encountered no shows anywhere in the wellbore and ran no tests, and we'll elaborate on that.

The reason we're sidetracking the well is that we can re-enter and clean out the existing hole to about 8,250 feet and kick off at that point. This old dry hole has the surface and intermediate pipe in the wellbore and it should be in good shape since the well was drilled in 1982.

This should save approximately $155,000 to casing point.

Q Without this savings would it be economically justifiable for you to drill a well to test the Devonian on this lease?

A No. When we first purchased the acreage in yellow, the reason we purchased it was the economics of the prospect from the start dictated re-entering and deviating this dry hole.

Q Now, Mr. Nearburg, would you refer to what has been marked as Nearburg Exhibit Number Two and first identify that exhibit for Mr. Stogner?

A Okay, these are the forms C-101 and 102 turned in to the State.

Q Would you review the information contained on those forms that relate to this application?

A Okay. The last page has a blow up (unclear) sketch. The next page forward from that is UNC Texas, Inc.'s permit for a wildcat Devonian location filed in December of 1981, showing their location 660 from the north line and 1980 feet from the west line on a northeast quarter northwest quarter proration unit.

The next page forward from that is Nearburg's application dated March 17, 1989, to re-enter the old Devonian dry hole and permit the deviated wellbore which is also a wildcat for the Devonian.

Then Form C-101 just stating the procedure we intend to use and a letter to the State.

Q Does Nearburg control all acreage offsetting the spacing or proration unit on which this well

will be located?

A Yes. Going back to Exhibit Number One, the red cross hatched area is the proration unit that will be dedicated to a well, so all ownership offsetting is owned by Nearburg.

Q The bottom hole location is actually too close to the south line of that 40-acre tract, isn't that correct?

A That's correct.

Q And you're encroaching, therefor, only on acreage which is included within that, the same lease on which the well is drilled.

A That's correct, that's a State -- everything in yellow is a State lease.

Q And the ownership, working as well as royalty, is common through out that tract?

A Yes.

Q Is Nearburg prepared to run a directional survey on this well as required by Oil Conservation Division Rule 111?

A Yes. As a matter of fact, with the directional drilling that's being done by Scientific Drilling International, and they take a directional survey every 500 feet.

Q In your opinion will granting this ap-

plication be in the best interest of conservation, the prevention of waste, and the protection of correlative rights?

A Yes.

Q Were Exhibits One and Two prepared by you?

A Yes.

MR. CARR: At this time, Mr. Stogner, we would move the admission of Nearburg Exhibits One and Two.

MR. STOGNER: Exhibits One and Two will be admitted into evidence at this time.

MR. CARR: That concludes my direct examination of Mr. Nearburg.

CROSS EXAMINATION

BY MR.STOGNER:

Q Mr. Nearburg, you said that Scientific Drilling was going to take a survey point every 500 feet, is that right?

A That's correct.

Q Now is that during their actual drilling operation or after they --

A No, that's every time we drill 500 feet or in between time if we need to, they'll come out of the

hole and take a directional survey, and they've assured us that they will be within 100 feet of the bottom hole, projected bottom hole location.

Q And we were advertising today and what you're requesting is within 100 feet of this point, so in actuality, you could be 1100 feet from the north line with this application, is that correct?

A We could be.

Q And then again at the same time you can also be 900 feet.

A 900. We found the directional drilling to be pretty accurate with those surveys every 500 feet.

Q And you're proposing to kick off at 8 -- approximately 8250 feet?

A We actually will be kicking off at 8250 feet.

Q Do you propose at that point, at that kick off point, that the location of the well be accurately determined?

A I don't follow the question.

Q Well, if you kick off from that point, you can't assume the well is vertical. It will be -- it will be off the center somewhere down the line; that will be determined at the time of kickoff.

A Oh, yeah, they -- I think there's a de-

viation and all that -- the geologist can answer to that, but I believe there's a deviation survey from the previous hole.

Q Okay. Do you propose after the well is done to have a survey run of the well?

A Yes.

Q And will that be at least one -- a survey point every 100 feet?

A Yes.

MR. STOGNER: Mr. Carr, I have no other questions of this witness at this time but I may --

MR. CARR: At this -- we will be here and available and at this time we call Mr. Mazzullo if you're prepared to go now to the geology.

MR. STOGNER: Thank you, Mr. Carr.

LOUIS J. MAZZULLO,

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. CARR:

Q Would you state your full name for the

record, please?

A Louis Mazzullo.

Q Mr. Mazzullo, where do you reside?

A Midland, Texas.

Q By whom are you employed and in what capacity?

A I'm a geologic consultant retained by Nearburg Producing Company.

Q Have you previously testified before this Division and had your credentials as a geologist accepted and made a matter of record?

A I have.

Q Are you familiar with the application filed in this case on behalf of Nearburg Producing Company?

A I am.

Q And are you familiar with the subject area?

A Yes.

Q Have you studied the area?

A Yes, extensively.

MR. CARR: Are the witness' qualifications acceptable?

MR. STOGNER: They are.

Q Mr. Mazzullo, at this time I'd ask you to go to the Exhibit Number Three, which is -- has been

posted on the wall, and I'd ask you first to identify this and then review what it is and how you constructed this exhibit.

A Okay. Exhibit Number Three is a structure map drawn at the base of the Woodford and determined by a combination of seismic data and whatever subsurface control is provided by existing wellbores.

There are three existing wellbores in this area. The first is designated by the purple dot. That's the wellbore that we are proposing to re-enter.

The second one is in the northeast quarter of Section 16 down to the south and west and the third is in the southeast quarter of Section 10. That's the only well control we have in the area.

The other control is provided by two CDP or stacked seismic lines which criss-cross the prospect, as well as a number of conventional seismic shot points. All the data points that we used in constructing the map, that is the points that we had subsurface, subsea values on, are designated by the small dots you see throughout the map.

So the map is pretty accurately controlled by seismic and well control.

The map shows that this area, which is -- as is typical with eastern Lea County, has got a number of faults which criss-cross the area both in a northwester-

ly direction, as well as -- a generally northerly direction, I should say, and a series of cross faults in an east/west direction. This is a fairly typical faulting pattern for this part of Lea County. You find it in all the other fields up and down this part of Lea County, like King and to a certain extent Gladiola. Gladiola, by the way, is about a mile and a half to two miles to the west of this field. Bronco Field is down to the south over two miles. And these fields, all of these fields, are characterized by these complex, intricate faulting patterns. So faulting, as it exists, creates a number of very small structures throughout the area. Some of the larger structures like -- which are associated with Gladiola Field are huge and they're not as heavily segmented by cross faults, but there are a number of other smaller fields, like Denton South, King South, Fields which are more in line with the types of features we're seeing here, structurally; very small features; very hard to see seismically, but that's not the whole story, and I'll get to the rest of the story when I get to the cross section.

Right now I'd like to point out that the red area on this map, or the area that's shaded red, is the area of closure which I feel is most probably going to be productive in the Devonian.

The red dot on the map is the proposed

bottom hole location. The reason why I suggested that the well, the original UNC Well, be sidetracked off in that direction was to enable us to cross this bounding fault which comes between the re-entry well and the bottom hole location and gets sufficiently away from the fault and sufficiently up the structural closure to maximize our chances of getting oil or getting into the oil leg of the Devonian reservoir.

You may ask why stop there. Why not go a little bit further to the west? Well, the technology is there to do so but if we -- if we wanted to do that, we'd have to start -- we'd have to kick off higher up in the hole, in the existing wellbore; we'd have to build an angle from way up in the hole. The cost differential because of the increased amount of drilling that we'd have to do on day work and the amount of time it would take to get down to build our angle, get down to the target, the cost differential between re-entering the well and drilling a well from scratch would be greatly diminished and it wouldn't be economical for us to re-enter that well at that point.

The most economical, as well as the most practical way of attaining the -- of reaching our target, would be to sidetrack from the position at about 8,250 feet in the original wellbore, kick off at that point, build a smaller angle, which will enable us better control on our

drill string to get down to target within that 100 foot radius that we're talking about, so that's the reason why we only -- we don't want to sidetrack that well any further. It's an economic and logistical consideration that we have to make.

Q Mr. Mazzullo, does this exhibit also contain a trace for the cross section?

A Yes, the cross section that we're going to be addressing runs from the well in Section 16 northeastward to the well in the southeast quarter of Section 10, across our proposed location, and then crossing the fault to the original wellbore.

Q Are you ready to go to the cross section at this time?

A Yeah.

Q All right, if you would go to that and then explain what this is designed to show and note the area that you've shaded on the bottom part of the cross section.

A This is Exhibit Number Four and Exhibit Number Four is a structural cross section that I just indexed on Exhibit Number Three.

It starts from the southwest and heads to the northeast and to the southeast quarter of Section 10, across our proposed location, our proposed bottom hole

location, and then to the well that we are going to re-enter, the UNC State 10 No. 1.

This is the well that we're actually going to kick off into. That well was drilled in 1982. It encountered a porosity section which I indicate in green here, approximately 50 feet below the base of the Woodford. The base of the Woodford is in brown and that is the unit that's mapped on the structure map. Okay. The structure that we show there is basal Woodford structure.

The porosity zone encountered in the original wellbore was at approximately 50 feet below the base of the Woodford. It was never tested. There were no shows recorded, I'll bring up an exhibit here in a minute which will show that there was nothing in it to encourage any testing of the formation. The well was plugged and abandoned.

If we go over to the southeast quarter of Section 10 we again see a porosity zone but this time the porosity zone is immediately beneath the base of the Woodford. You go directly from Woodford into porosity. That porosity was tested down here in this position on the downthrown side of this bounding fault and recovered 3319 feet of salt water.

Now, right here I note that the shut in pressures, which were the same at the beginning of the test

as they were at the end of the test at approximately 3880 pounds of bottom hole pressure, formation pressure.

MR. STOGNER: And what well are you pointing at, Mr. Mazzullo?

A This well right here.

MR. STOGNER: Which well is that?

A It's the Chambers and Kennedy State Field No. 1-10.

MR. STOGNER: And that's in Section 10 in the south --

A It's in the southeast quarter of Section 10.

MR. STOGNER: Thank you, Mr. Mazzullo.

A Okay. We go over a couple of other faults and we proceed southwestward. We come to this well in Section 16, which is the Union Oil Company Huber State No. 1. That well also encountered porosity immediately beneath the base of the Woodford. It's subsea value is only 8 feet lower than the subsea of the proceeding well and yet its recovery of salt water on the DST was under a bottom hole pressure of 4,220 pounds, which is a full 400 pounds over the pressure obtained at the Chambers and Kennedy Well. The implication here is that the well, each one of

these wells tested a different porosity zone and perhaps the Union Oil Well in Section 16 encountered a deeper stratigraphic horizon than the well in the southeast quarter of Section 10. Now this is significant only because Basal Woodford structure is not only -- is not the only story that we look for here. The Basal Woodford behaves structurally in one manner but the section beneath it in the Devonian can do something altogether different. What I'm hoping it will do, and which the way the porosity zones are changing regionally through here, I'm hoping that this deeper horizon that we see here will rise up stratigraphically in the section by pre-Woodford erosion and folding, and be the zone that we're targeting in our bottom hole location.

Why that is significant is because that would imply that there's greater structural relief on the Devonian than there is at the base of the Woodford, in the Woodford, rather, so I'm looking for greater structural relief, greater reservoir enhancement sub-Woodford than I am in the Woodford itself. We're mapping only about a 75 foot closure here on the Woodford but I'm hoping to get far more -- to exceed that significantly in the Devonian. It's a very risky type of play. It's something that I see happening in other fields and I can only imply it's happening over here.

I don't want to go too far -- this structure is an awfully small feature to target and I'd rather hit it. If we hit the edge of the structure here, we're just as likely to get enough relief to -- to provide reservoir conditions as we would if we tried to target the crest of the structure. There's no need to target the crest of the structure because the structure in the Devonian internally can be great, can be great enough to provide us a reservoir even at this flank position.

So the combination of economics, logistics and geology requires that we try not to -- we try to limit the amount of kickoff that we're going to have on this original wellbore. We don't want to go too far for a variety of reasons.

Q All right, would you return to your seat and identify what has been marked for identification as Nearburg Exhibit Number Five?

A Nearburg Exhibit Number Five is a segment of the mud log, the hydrocarbon log, from the original UNC Texas State No. 1 Well. It goes from a depth of approximately 11,700 through 12,100 plus feet, which covers the top of the Devonian section in green on that cross section.

On the lefthand side of the mud log is a chart of the drilling rate.

On the righthand, the far righthand side

is the chart of the gas readings that they obtained from the mud, the drilling mud, as they penetrated the various formations.

The mud log shows no gas shows whatsoever when they hit the Devonian formation at about 12,100 feet. There's absolutely no indication of any show. Consequently the well was never tested in the Devonian, so we feel that this is a conclusive -- the mud log and the -- and the lack of any test data is conclusive evidence that we did not have a reservoir, an oil reservoir at this location. It requires us to move to -- southwest to try to tain structural advantage on the Devonian.

Q Was a deviation survey run on this well when it was originally drilled?

A It was -- I'm not sure it was run when it was originally drilled but we ran one -- we are going to, you know, we intend to run one prior to drilling the re-entry in order to gauge -- in order to tie in precisely to the kickoff point.

Q So you will know the exact location --

A We will know the location of the kick-off.

Q How do you propose to drill this and control the well as it is drilled?

A Okay. First of all, we are going to

re-enter the well and drill out approximately four plugs, I believe it is, before we get to 8250 feet.

At 8250 feet or thereabouts they are going to set a kickoff plug, a cement plug of -- I think it's greater than 50-foot thickness. They'll allow it to set; they will dress it off, and then from then on they'll go in with a downhole motor and sidetrack. They'll kick off southwesterly, build an angle of approximately 12-1/2 degrees in order to kick off to the southwest in the direction that we so specify, which I believe is south 71 degrees west, and from then on they will be controlling the angle until they reach the target radius and at which time they will then -- they will then proceed to drill in a vertical position until they get to target. If they need to make any corrections, they go in periodically with their downhole motor and make the necessary corrections.

They take a survey every 5 -- at least every 500 feet, a directional survey, but they -- they commonly do it a lot more often than that, particularly in the first stages of the operation when they're building their angle. They take them every 100 feet. It's a slow and it's a tedious process at first but if they're able to build their angle in a reasonable time frame, then they will proceed by taking 500 foot surveys after that and at the end they'll run a complete downhole survey again and

get an accurate deviation survey. I think they take readings every -- it's more than every 100 feet. I mean it's more often than that; it's every couple of feet.

Q Were Exhibits Three, Four and Five prepared by you or compiled under your direction and supervision?

A Yes, they were.

Q Do you have anything further to add to your testimony?

A No, I don't.

Q In your opinion will granting this application be in the best interest of conservation, the prevention of waste and the protection of correlative rights?

A Yes.

MR. CARR: At this time, Mr. Stogner, I would move the admission of Nearburg Exhibits Four -- Three, Four and Five.

MR. STOGNER: Exhibits Three, Four and Five will be admitted into evidence.

MR. CARR: And that concludes my direct examination of Mr. Mazzullo.

CROSS EXAMINATION

BY MR. STOGNER:

Q Mr. Nearburg, let's refer to Exhibit

Number Three.

A Mr. Mazzullo.

Q I'm sorry.

A For the record.

Q Mr. Mazzullo. The shaded in red area is the what again?

A That is the -- that is the area of closure on the base of the Woodford, area of structural closure on the base of the Woodford, which I believe offers the greatest potential for oil reservoir development on this prospect.

In other words, it gets -- the potential for reservoir development off of this area of closure is a lot riskier.

Q Now, from the seismic how accurate is this description of that shaded area as far as the positioning of that what shall we call it, a dome?

A A dome, closure.

Q Yes.

A Any seismic, conventional or when it's used in conjunction with more modern stacked data, is accurate plus or minus 50 to 75 feet, depending upon the various parameters that the seismic is run on. We happen to be working with very high resolution seismic data, which makes it a little bit more accurate than -- than some of

the older data that you're able to purchase.

So I feel that we are probably within a range of about plus or minus 50 feet of closure and we have a total closure here of about more than 75 feet or 75 to 90 feet of closure.

It's a subtle feature. I mean these are admittedly subtle features and oftentimes that's what they are on these smaller Devonian fields, very subtle. The base of the Woodford, the Woodford structure is a lot more subtle than the Devonian itself would be.

Q Now you testified that the reason you weren't going any further into the dome was due to several reasons, logistics, --

A Right.

Q -- economics and geology. With this in mind, why couldn't a well be placed 990/990 and was this discussed at you alls (sic) meetings?

A Yes. As Mr. Nearburg previously testified, the decision to pick up the acreage that we picked up was based on the presumption that we were going to re-enter the UNC wellbore. The feature was so small, this closure is so small it takes up less than a quarter section, that we felt drilling a new wellbore at a standard location with the extra added expenses that would entail, would not make this an economical prospect; that drilling a re-entry and

kicking off from the existing wellbore, and kicking off 1000 or 1100 feet to the southwest with the cost savings from not having to buy surface and intermediate casing and the added costs that are involved in drill time, or less drill time, would make it more economically attractive.

I also felt that knowing that the Devonian commonly behaves as an independent structural entity from the base of the Woodford that's commonly mapped, that we commonly map, that we didn't need to go all the way to the crest of the structure to find the reservoir; that if we didn't find it here at the flank of the structure at the proposed bottom hole location, we're not going to have a reservoir there.

So, yes, a 990/990, while it may -- well, it may come dangerously close to this fault over here, while it may have been structurally on the Woodford structurally higher than our proposed bottom hole location, would have been more expensive to drill either way, either as a new hole or re-entering this one and trying to kick it off that far. It would have -- it would have just eliminated the economic advantage that we have and there was no need geologically to have to go to the top of the structure at this point.

Q You also testified that kicking off at 8250, I believe it was your testimony and Mr. Nearburg's,

both, of the reason why kicking off at the vertical point of 8250, other than, say, a shallower zone, there again the expenses came into play on that, is that correct?

A Expenses and logistics. It's -- it's -- well, it was an economic decision to. It would take -- I asked, I went through this with our drilling engineer. I said, you know, what would it take to kick off, say, at, well, even to kick off as shallow as 7000 feet, and I think the quote there was an additional eight to ten days of drilling time. This is day work now, it's not footage, of day work time and -- and building our -- building a shallower angle, it's actually easier to build a steeper angle than it is to build a shallower angle. 8250 seemed to be an optimum depth at which to kick off in order to build the right angle that we needed to get to our target position. So I understand. I'm not a drilling engineer, but that's what they tell me. It's easier to go steeper than it is to go shallower.

Q Now this wellbore as it's planned today, what is the time in which directional work will be on it?

A Directional work as planned now, it will probably take something in the order of three days to enter the well, clean out the plugs; another day to set a kick off plug and dress the plug, in other words, to clean it off; and then another day and a half to two days to actual-

ly sidetrack out into new formation and begin to build the angle.

After that point, assuming that there are no major problems, we can probably have the well down to target within two and a half weeks.

Now that's -- that's opposed to somewhere in the order of 42 days I think it would take to drill the well from scratch out here.

Q But you mentioned a kick off point of 7000 feet where it would take 8 to 10 days and how many days would this take?

A But it's the expense of day work, the extra expense of day work, you know, we're saving --

Q How many days --

A All right.

Q -- are you expecting from 8250?

A From 8250 on down?

Q Yeah.

A We're talking two and a half weeks plus 3, plus 4 --

Q That's 14 days as opposed to 8 to 10. Something's not making sense here, Mr. Mazzullo.

A Let's start all over again.

Q Okay. Is that 8 to 10 additional days?

A That's 8 to 10 additional days.

Q Okay, and --

A I'm sorry, additional days.

Q Okay. Mr. Mazzullo, I'll ask you this question and, Mr. Nearburg, you may step down.

On the Exhibit Number One, that is the map here and the yellow is one lease, is that correct?

MR. NEARBURG: Yes.

MR. STOGNER: Okay, and now the pink and the green is two separate leases owned by Nearburg?

MR. NEARBURG: Right.

MR. STOGNER: So essentially what we're going into is somewhat of a wildcat area as far as well control is involved, since most of the wells, or all of the wells that are in existence is in the outer portions of the faults.

MR. NEARBURG: Yes, right.

Q And you're relying on seismic data only and interpretation within an area structurally small --

A Uh-huh.

Q -- and which is controlled and operated by -- Nearburg is the operator --

A Right.

Q -- under one single lease from the State. single lease from the State.

A Right. We're just going toward ourselves in the sidetract on this well.

Q So the term closeology does not come into play in this particular case?

MR. STOGNER: I have no other questions of Mr. Mazzullo or Mr. Nearburg.

Are there any other questions of this witness?

If not, he may be excused.

Mr. Carr, do you have anything further in this case?

MR. CARR: Nothing further, Mr. Stogner.

MR. STOGNER: Does anybody else have anything further in Case Number 9644?

This case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C. S. R. DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 9644 heard by me on 12 April 1957.

Richard L. Stamets, Examiner
Oil Conservation Division