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

8 May 1985

EXAMINER HEARING

IN THE MATTER OF:

Application of APC Operating Partnership for pool creation and special pool rules, Lea County, New Mexico. CASE 8595

BEFORE: Gilbert P. Quintana, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Jeff Taylor
Attorney at Law
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant: W. Thomas Kellahin
Attorney at Law
KELLAHIN & KELLAHIN
P. O. Box 2265
Santa Fe, New Mexico 87501

I N D E X

E X H I B I T S

MR. QUINTANA: We'll call next Case 8595.

MR. TAYLOR: The application of APC Operating Partnership for pool creation and special pool rules, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, I'm Tom Kellahin of Santa Fe, New Mexico, appearing on behalf of the applicant.

I have two witnesses to be sworn.

MR. QUINTANA: Are there other appearances in this case?

If not, would the witnesses please stand up and be sworn in at this time?

(Witnesses sworn.)

RICHARD BRUNNER,

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Brunner, for the record would you

please state your name and occupation?

A My name is Richard Brunner. I'm a geologist for Apache Corporation.

Q APC Operating Partnership, the applicant in this case, is -- has what relationship to Apache Corporation, Mr. Brunner?

A A limited partnership and Apache is the general managing partner of it.

Q And you're appearing today on the part of the applicant as a geologist.

A Yes, that's true.

Q Would you identify for the Examiner when and where you obtained your degree in geology?

A I got a Bachelor's degree from the University of Colorado in 1975.

Q Subsequent to graduation, Mr. Brunner, have you been employed as a petroleum geologist?

A As an exploration geologist, that's right, ten years.

Q All right, sir, would you describe what your employment experience has been?

A I've worked for a consulting geologist in Denver by the name of Perry Rale (sic).

I've worked for the USGS, ARCO Petroleum, Diamond Shamrock Corporation, and four years for Apache.

Q Does APC Operating Partnership have working interest ownership in some of the area to be included in the proposed new Caudill Pool?

A Yes, they do.

Q And pursuant to that interest in this area, has APC Operating Partnership a producing oil well in this pool?

A Yes, they do, the No. 1 Gilliam Well in Section 2.

Q Have you made a study of the geology involved in that well and the other wells in the immediate area?

A Yes, I have.

MR. KELLAHIN: We tender Mr. Brunner as an expert petroleum geologist, Mr. Quintana.

MR. QUINTANA: He's considered an expert in petroleum geology.

Q Mr. Brunner, let me turn your attention to what we have marked as Exhibit Number One, and before you describe the exhibit, would you please simply identify what it is?

A This is a geologic subsurface structure map on the Upper Wolfcamp marker and that data was acquired from both the subsurface well logs and from seismic data.

Q In addition to the structure map, have

you also included an Isopach of the Wolfcamp formation?

A Yes, the Wolfcamp reef zone has been Isopached from the effective porosity, and that's indicated by the dashed lines highlighted in blue.

Q Would you identify for us what are the two currectly producing oil wells that produce out of this Wolfcamp Oil Pool?

A Yes. The well labeled the No. 1 Gilliam, originally drilled by Florida Exploration Corporation, now operated by APC, and the No. 1 Scott Well, originally drilled by Enstar, now operated by Union Texas Exploration.

Q What does APC Operating Partnership propose to accomplish with this application, Mr. --

A We propose to space production on stand-up eighties to adequately drain this reservoir and prevent over-drilling.

Q Let's have you describe the information now in Exhibit Number One.

Tell us the significance of that informa tion and what conclusions you draw from this information.

A What I've shown around the two producing wells is a reservoir limit defined by the structural closure and also by the porosity trend of the Wolfcamp. This porosity is continuous, or discontinuous but not erratic.

What I'm trying to say here is you can Isopach the gross interval and you can see where the porosity is better in some places, less in the other, being discontinuous but not erratic in that it is correlatable from well to well and is continuous over the reservoir area.

Q The wells you've located on your exhibit, are all these wells that penetrated or produced from this new Wolfcamp Oil Pool?

A Yes, they've all penetrated it.

Q Do you have an opinion as a geologist as to whether or not you can reach the opinion that the reservoir limits for the new oil pool are now reasonably defined?

A Yes.

Q And have you depicted those limits on Exhibit Number One?

A I've depicted that, right, in the red area highlighted.

Q Within that area, Mr. Brunner, do you have an opinion as to whether the Wolfcamp interval constitutes a separate, distinct source of supply for the wells penetrating that interval?

A Yes. There's a, I believe, separate source for those wells. Production is defined in the Wolfcamp porosity that is not found through other wells to the north, is found through a well to the south, a Sinclair

well, but it's structurally down dip in the water leg.

Q Would you now turn, sir, to Exhibit Number Two, which I believe is the A-A' cross section, running from southwest to northeast?

A All right.

Q Was this also an exhibit which you prepared?

A Yes, it is.

Q Would you identify for us what wells are depicted on this cross section?

A From left to right, the PanAm Sinclair Well, a dry hole in Section 11; the next well being the No. 1 Gilliam Well HNG operates; and to the north, the Burton No. 1 Alexander Well and the No. 1 Allen Well.

Q Is this a structure cross section or a stratigraphic cross section?

A This is a structure cross section.

Q Would you identify for us on any of these wells that you choose what you propose to define as the upper and lower limits of this Wolfcamp Pool?

A To the left, or to the south part of the cross section, you can see the same porosity in the No. 1 Gilliam Well is developed in the Sinclair Well but it's structurally down dip in the water leg.

And on this cross section I've designated

on the blue bars the effective porosity that is the same as we've contoured on the map.

To the other end, to the north end of the cross section, we see that the No. 1 Alexander Well has sufficiently less porosity, and this is where the discontinuity comes into, and a bit more porosity is developed again in the No. 1 Allen Well. The Allen Well is falling off, again, structurally down dip, so that the reservoir limits of cross section A-A' are confined just to the side of the Gilliam Well; and we also designate, also, the red marks on the cross section, the red bars are the perforations, and the No. 1 Alexander Well and the No. 1 Allen Well were completed but the No. 1 Alexander Well produced only 500 barrels a day, was abandoned.

The No. 1 Allen Well, I believe, produced 5000 barrels and was abandoned. Those were very marginal wells.

Q The Whitney Alexander No. 1 Well that produced the 500 barrels of oil and then was abandoned, in your opinion has the operator of that well perforated all the potential producing intervals, as indicated on the log section, for this Wolfcamp Pool?

A Yes, they have.

Q And approximately when was that well abandoned, do you know?

A I don't have the exact date on that. I believe it was in the past couple of years.

It was drilled -- the No. 1 Scott Well was drilled and completed a year and a half ago, or so.

The No. 1 Alexander Well was a development well to that pool, so the timing was in the past couple years and I don't know the exact dates.

Q Let's turn now to the Exhibit Number Three, which is the B-B' cross section.

All right, sir, would you identify for us Exhibit Number Three?

A This is another structural cross section from B to B' on the map.

From the far left, to the west, the Sonio No. 1 Huber Well, including the No. 1 Gilliam Well, the same well that appeared on A-A', then the other well within the field, the No. 1 Scott Well, and the No. 2 Scott Well on the far right, or to the east.

This cross section shows the same nomenclature of porosity and perforations, and it defines the

reef trend to zero porosity to the west side -- the east side, excuse me, and to practically zero porosity on the west side.

So this shows the east/west limits of this fairway of porosity of the Wolfcamp Carbonate Reef.

Q In terms of sequence, would you describe approximately when the Scott, the Enstar Scott No. 1 Well was drilled and completed in relation to the Florida Gilliam No. 1 Well?

A Yes, that well was completed in August of '84, and it was a year later that the No. 1 Gilliam Well was completed.

Q Are both these wells still producing oil wells?

A Yes, they are.

Q And in your opinion are they producing from a common source of supply in the Wolfcamp?

A Yes, they are, and this can be shown on the cross section B-B', again, noting the red perforations are the same correlatable porosity.

Q Based upon your analysis of the cross section, both Exhibit Numbers Two and Three, can you reach a geologic opinion about the reasonable continuity of the Wolfcamp through this area and whether or not it will constitute a separate reservoir?

A Yes, it is a separate reservoir. It is discontinuous to some of the other wells but it is, in my opinion, continuous between those two producing wells, not erratic and separate.

Q Do you see any geologic evidence that would cause you to conclude that wells could not be drilled on an 80-acre spacing pattern?

A Would you repeat that?

Q Yes, sir. Do you see any geological evidence, such as discontinuities, faulting, or other geologic features that would cause you to believe that you would have to have wells drilled on 40-acre spacing or have wells drilled on 80-acre spacing?

A No, I cannot see discontinuities or erratic porosities or faults that say you would have different porosity zones developing this on forties than on eighties.

Q In your opinion, then, from a geologic point of view, can this Wolfcamp reservoir be developed adequately on 80-acre spacing?

A Yes.

Q Let's turn now, sir, to Exhibit Number Four.

All right, sir, let's look at both Exhibit Four and Five together, if you please, and we'll draw some comparisons between the two land plats and the struc-

ture map, Mr. Brunner.

First of all, let's identify Exhibit Number Four and describe what information is depicted on that exhibit.

A This shows the lease and mineral ownership in Sections 1 and 2 that concern the No. 1 Scott, No. 1 Gilliam Wells. Those are listed on the bottom and are color coded.

Q All right, sir, and when we turn to Exhibit Five, what are we looking at there?

A Five is a more complete ownership of all the minerals in the offsetting acreage, Sections 1, 2, 11, and 12.

Q The applicant has requested that we create a new pool on 80-acre spacing and to allow any operators to orient a proration unit in a quarter section, either the north half, the south half, the east half, or the west half of a quarter section.

In terms of that orientation, what is your knowledge with regards to how the proration units would be allocated for the two existing wells in the pool?

A We'd propose the units to be the east half of the southeast quarter of Section 2; west half of the southwest quarter of Section 1.

Q Does the operator of the Apache -- I'm

sorry, the Scott No. 1 Well, Enstar, support and concur in the application of APC Operating Partnership in this case?

A Yes, that operator is actually Union Texas Corporation. They've purchased the well and they do concur with the spacing.

Q In terms of the Isopach and structure map, and overlaying the potential 80-acre proration units versus the 40-acre proration unit, Mr. Brunner, do you see any adverse consequences to any correlative rights of any parties involved in this pool should we now change this from 40-acre dedication to 80-acre dedication?

A No, I do not. I see that the reservoir is confined to those -- those 80 acres and that the correlative rights will be the same in either case of eighties and forties.

Q Do the individuals or the percentages of participations in either wells change in any way if we go from 40 to 80 acre dedication?

A No, no changes at all.

Q Were Exhibits Four and Five supplied to you by the Land Department of Apache Corporation?

A Yes, they were. The information was supplied and the drafting was done under my supervision.

Q All right, sir. In your opinion will approval of this application be in the best interests of con-

servation, the prevention of waste, and the protection of correlativer rights?

A Yes, it will.

MR. KELLAHIN: That concludes my examination of Mr. Brunner.

We move the introduction of his Exhibits One through Five.

MR. QUINTANA: Exhibits One through Five will be entered as evidence.

CROSS EXAMINATION

BY MR. QUINTANA:

Q Let me clarify one point, Mr. Brunner.

A Yes.

Q You want 80-acre spacing. Would you say stand-up 80-acre spacing or does it matter?

A We'd like to ask for stand-up 80-acre spacing, that being the east half of the southeast of Section 2, the west half of the southwest of Section 1, yes.

MR. KELLAHIN: May I clarify that for --

MR. QUINTANA: Yes.

MR. KELLAHIN: -- the Examiner?

Apache and Union of Texas propose to stand each of their two units up but we would re-

quest that the special rules allow any subsequent operators the option within 160-acre tract, if they have the first well within the 160, to make the selection of how to orient the proration unit.

MR. QUINTANA: That's what I was trying to get at. Thank you.

MR. TAYLOR: No questions.

MR. QUINTANA: I don't have any further questions.

Does anybody have any questions of the witness?

REDIRECT EXAMINATION

BY MR. KELLAHIN:

Q I overlooked one point, Mr. Examiner, and that was the question of well locations under the special rules and let me ask Mr. Brunner if he has any recommendation as to the footage location of wells within an 80-acre spacing unit.

A Yes. For 80-acre spacing we request that no wells be drilled closer than 330 feet of any side boundary of the 80-acre proration unit.

MR. QUINTANA: You have no recommendation for a north/south boundary limit?

MR. KELLAHIN: No, sir, it

would be 330 all the way around.

MR. QUINTANA: No other questions.

He may be excused.

You may proceed.

MR. KELLAHIN: Our next witness, Mr. Quintana, is Mr. Lang, a petroleum engineer.

We have supplied the Commission with a package of his engineering exhibits, which I have used your case stamp and identified as Exhibit Six.

Within Exhibit Six are a number of attachments and Mr. Lang has identified each of the attachments starting with the letter "E", the number 1, and then proceeding through the exhibits using "E" all the way through, I believe, E-7.

MR. LANG: that's correct.

NEWTON L. LANG,

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Lang, would you please state your name and occupation?

A My name is Newton L. Lang. I'm Regional Manager of Reservoir Engineering for Apache Corporation, Houston, Texas.

Q Mr. Lang, have you previously testified before the Oil Conservation Division as a petroleum engineer?

A Yes, I have, but a period of time of 23 to 24 years has elapsed and I feel it might be justifiable to restate my qualifications if the Mr. Examiner so wishes.

Q All right, sir, if you'll identify for us when and where you obtained your degree?

A I graduated from Texas Tech with a Bachelor of Science in petroleum engineering in 1956.

Q Subsequent to graduation, Mr. Lang, have you been employed as a petroleum engineer?

A Yes, I have, for 29 years. I've been with several, various oil companies, and also I'm professionally -- a Registered Professional Engineer in the State of New Mexico, essentially for 24 years, also.

Q Have you made a study of the information surrounding APC Operating Partnership's application for 80-acre spacing within this pool?

A Yes, I have.

Q Have you made calculations of the reserves attributable to the Gilliam No. 1 Well and the econo-

mic consequences of 40 versus 80-acre spacing?

A Yes, I have.

MR. KELLAHIN: We tender Mr. Lang as an expert petroleum engineer.

MR. QUINTANA: His qualifications are recognized.

Q Mr. Lang, let me show you what is marked as Exhibit Six, the first exhibit 1-E, and have you identify that for us.

A Okay. It's a type log on the Apache Gilliam No. 1. It's a compensated neutron density log with the perforated interval shown on it, along with an initial potential test filed on a C-105 as reported by Florida Exploration Corporation.

Q Is this the information that is the same information Mr. Brunner depicted on his cross section for this well?

A Yes, it is.

Q All right, sir, and would you identify Exhibit Number 6-E2?

A This is a computer processed log on the Apache Corporation Gilliam No. 1 over the same productive interval, showing the intervals of potential pay.

Q All right, sir, and if we'll turn to E3 and have you identify that.

A This is my reserve recovery calculations made on a 40-acre spacing.

Q All right.

A Of which calculated ultimate recovery approximates 44,000 barrels of oil.

Q In making an analysis from a petroleum engineer's point of view to determine what is the most effective and efficient way to space wells in this limited reservoir, what is the process you would go through?

A Basically I looked at the economics that would justify the expenditure as far as the costs of drilling and completing and equipping the well. Do the reserves justify economic attractiveness to this spacing?

Q Have you used standard engineering calculations and methodology to reach your conclusions?

A Yes, I have.

Q And I assume that you have calculated the recoverable reserves allocated to the Gilliam No. 1 Well, both on 40 and 80-acre spacing?

A Yes, I have.

Q The engineering parameters that you used to make those calculations are derived from what source, sir?

A Mostly experience of factor with this type of pay, although they were verified by API Bulletin D-

14.

Q Let's talk about the parameters that went into the calculation, first of all, for the 40-acre spacing calculations shown on E3 and have you tell us what those parameters are.

A Going through the net pay in the wells, total feet of 28, and this was derived from the computer process log that we saw in Exhibit Number E-2, I continued to use this estimated average pay over the drainage area of 40 acres.

The porosity of 5.9 percent again was derived from the computer process log.

The connate water saturation of 32.1 percent also derived from the computer process log.

Formation volume factor of 1.59 was calculated, giving an initial oil in place of 195.5 barrels.

The recovery factor that I used for this 40 acres was 20 percent, giving the recoverable of 39.1 barrels per acre foot.

Going back to 40 acres along with 28 feet of net pay, you have a drainage volume of 720 acre feet for a calculated ultimate recovery of 43,792 barrels.

Q In your opinion is the use of a 20 percent recovery factor percentage a fair and reasonable one in order to make a calculation for the 40-acre spacing reserve

number?

A Yes, it is.

Q All right, sir, when we turn now to Exhibit 3-E, you have made a similar calculation for 80-acre spacing?

A Yes, I have.

Q Would you identify for us which of the parameters or percentages are different?

A The only change I made on this was I dropped the recovery factor of 25 percent to a recovery factor of 15 percent of the original oil in place and going through these calculations we come up with 65,632 barrels of oil recoverable on 80-acre spacing.

Q In your opinion is it fair and reasonable to adjust the recovery percentage factor to 15 percent for the 80-acre calculation?

A Yes, it is.

Q And the ultimate recovery, then, under 80 acre spacing is the 65,000 barrels of oil?

A Yes, it is.

Q All right, sir.

All right, sir, now you've calculated the recoverable reserves. Have you then compared the costs of the wells versus the reserve to see whether they're economic on 40 acres versus 80 acre spacing?

A Yes, I have.

Q And on what document do you now look to see that information?

A Exhibit Number E-4.

Q This will apply to what type of spacing pattern?

A This is the 40-acre spacing.

Q All right, sir, would you lead us through the information and show us how you've reached your conclusion?

A Yes, I will.

The Exhibit Number E-4 is cash flow based on recoveries on a 40-acre spacing.

Essentially we go through with our gross production, our net production, which is based on 100 percent working interest, and net revenue interest of 81.25 percent.

Along with our pricing parameters we end up with a total revenue of $1,-68 -- or 069,000.

Going down to the next column, taking our tangible costs along with our intangible costs of our well, you'll notice that this approaches $1.1-million, so that before tax cash flow on this well on a 40-acre spacing would be a negative $154,000.

Going to the next page, which is our cal-

culations after tax, you will notice the cash flow after tax of a negative $39,000, which indicates the well is uneconomically attractive on a 40-acre spacing.

Q The information depicted on Exhibit E4, is that a standard method of evaluating a prospect to determine whether the spacing pattern is profitable or not?

A Yes, it is.

Q All right, sir, let's turn now to what happens when we use the 80-acre spacing in the calculation.

A Okay, refers to Exhibit Number E-4, this is an economic evaluation for 80-acre spacing, using the same reserve parameters as previously discussed, going through with the net production and pricing parameters, we end up with total revenue of $1.6-million.

Again, our cost of developing, drilling and completing and equipping, is $1.1-million, and we have a before tax cash flow of $336,000.

Turning to the next page, our after tax cash flow is $226,000, giving us an after tax rate of return of nearly 36 percent, which is attractive as far as rate of return.

But when we get down to the after tax net income divided by the investment, we have only a 1.2 return, which is very marginal, so in these economics you can see that 80 acres is attractive but not especially so.

The only reason it is attractive is due to the initial potential or flow rates of the well allowing us to have an early payout on our well.

Q Do you have an opinion as to whether or not, should this pool be continued to be developed on 40-acre spacing, whether or not unnecessary wells are going to be drilled?

A In my opinion they would be.

Q In your opinion as an engineer, do you see that we will need wells on 40-acre spacing in order to recover reserves that are not going to be recovered on wells on 80-acre spacing?

A No, I do not.

Q All right, sir, let's turn now to Exhibit Number 5, E5, and have you identify that.

A This is a production history on Apache Gilliam No. 1 and as you may notice, since the first of the year there has been a rapid drop-off in production of this well.

Q All right, sir, and if we turn to E6, would you identify that?

A E6 if a production history for the total Caudill Wolfcamp Northeast Field, and as may be noted, again performance of both Union Texas Scott Well and Gilliam Well have started showing noticeable performance drops since the

first of the year.

Q When you talk about total pool production, have you added in the production from only the Scott Well and the Gilliam No. 1 Well?

A No, also the Brittany Well was also included in there.

Q Are there any other wells besides those three that have contributed production to this history report?

A No, there has not. There's another well located to the north but it was not included in there. It had a cumulative of about 5000 barrels but it was not included in this study.

Q All right, sir. When we turn to E7, would you describe that information?

A This is a 70-hour pressure build-up on the Gilliam No. 1 that Florida Exploration, who was predecessor to Apache took on their initial completion.

If you will notice, the pressure in a very short period of time approached and reached bottom hole build-up of around 2900 pounds.

In my opinion this indicates that this reservoir had been previously drained by production by essentially the Scott Well and other wells, but for this datum I would anticipate a bottom hole pressure in the range of

about 4500 pounds, or greater.

So we're seeing a depressed reservoir pressure in the neighborhood of 1600 pounds, which is essentially a depressed or depletion of approximately one-third of the original bottom hole pressure, so we definitely are seeing a very effective drainage occurring in this reservoir.

Q This is a comparison that could be drawn between the Scott Well and the Gilliam Well --

A Yes, it is.

Q -- that are on 40-acre spacing locations apart?

A Yes, they are.

Q And within a period of about one year we've seen a drawdown of pressure effect on the Gilliam Well from the production from the Scott Well?

A That's correct.

Q What do you conclude from that information?

A That production of these wells are exceeding drainage area in excess of 40 acres; that if we will take an arc and draw it a distance between the Scott Well and the Gilliam Well, we'll see that this circle would encompass an area in excess of 47.3 acres.

So it is my opinion that this reservoir

is effectively being drained in excess of 40 acres and would sustain and substantiate the completion on 80 acres.

Q Was Exhibit Six, which constitutes all the engineering exhibits prepared by you directly or compiled under your direction and supervision?

A Yes, they were.

MR. KELLAHIN: We move the introduction of Exhibit Number Six.

MR. QUINTANA: Exhibit Six will be entered as evidence.

MR. KELLAHIN: That concludes our examination of Mr. Lang.

CROSS EXAMINATION

BY MR. QUINTANA:

Q You say it's Mr. Lang?

A Yes, uh-huh.

Q Your recovery factors for your 40-acre spacing and 80-acre spacing calculations, could you repeat to me where you derived those recovery factors from?

A Essentially it's experience factor more than anything but to verify the factors we used, there's an API Bulletin D-14, was used to verify these recovery factors, and essentially under that calculation it came up 15 percent, so I just arbitrarily used that for my 80-acre

spacing and to look at a 40-acre spacing optimistically, I increased it to 20 percent.

So I feel that, if anything, the 20 percent factor that was used on the 40-acre spacing may be slightly optimistic.

But again, it's to -- to look at it on an optimistic view of going to a 40-acre.

Q Okay.

MR. QUINTANA: I have no further questions of this witness.

Are there other questions of the witness?

If not, he may be excused.

Do you have anything further in Case 8595?

MR. KELLAHIN: No, sir.

MR. QUINTANA: If not, Case 8595 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 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. 8595 heard by me on May 8 19 85.

Gilbert P. Quintana Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

3 September 1986

EXAMINER HEARING

IN THE MATTER OF:

Case 8595 being reopened pursuant to the provisions of Order No. R-7983 Lea County, New Mexico. CASE 8595

BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Division: No attorney present.

For the Applicant:

MR. STOGNER: This hearing will come to order concerning Docket No. 27-86, today's date, September 3rd, 1986.

I am Michael E. Stogner, appointed the Examiner for today's hearing.

We will call first Case Number 8595, which is in the matter of Case 8595 being reopened pursuant to the provisions of Order No. R-7983, which promulgated special rules for the Northeast Caudill-Wolfcamp Pool in Lea County.

These rules were made permanent pursuant to a Division order, unknown, so there is no need to have this case, so it will be dismissed.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY 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. 8595, heard by me on 3 September 1986.

Examiner
Oil Conservation Division