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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING)
CALLED BY THE OIL CONSERVATION)
DIVISION FOR THE PURPOSE OF)
CONSIDERING:) CASE NO. 10241
APPLICATION OF YATES PETROLEUM)
CORPORATION FOR AN UNORTHODOX)
WELL LOCATION, EDDY COUNTY,)
NEW MEXICO)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

February 21, 1991
8:45 a.m.
Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Division on February 21, 1991, at 8:45 a.m. at Oil Conservation Division Conference Room, State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico, before Paula Wegeforth, Certified Court Reporter No. 264, for the State of New Mexico.

FOR: OIL CONSERVATION DIVISION BY: PAULA WEGEFORTH
Certified Court Reporter
CSR No. 264

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A P P E A R A N C E S

FOR THE DIVISION: ROBERT G. STOVALL, ESQ.
 General Counsel
 Oil Conservation Commission
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FOR THE APPLICANT: LOSEE, CARSON, HAAS & CARROLL
 Attorneys at Law
 BY: JOEL M. CARSON, ESQ.
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 Artesia, New Mexico 88211

* * *

1 EXAMINER CATANACH: Call 10241.

2 MR. STOVALL: Application of the Yates Petroleum
3 Corporation for an unorthodox well location, Eddy County,
4 New Mexico.

5 EXAMINER CATANACH: Are there appearances in this
6 case?

7 MR. CARSON: Mr. Examiner, my name is Joel Carson;
8 Losee, Carson, Haas & Carroll; New Mexico, appearing for
9 the applicant.

10 EXAMINER CATANACH: Are there any other appearances?
11 One witness -- two witnesses? Will the witnesses please
12 stand and be sworn in?

13 (The witnesses were duly sworn.)

14 MIKE BIRCH,
15 the Witness herein, having been first duly sworn, was
16 examined and testified as follows:

17 DIRECT EXAMINATION

18 BY MR. CARSON:

19 Q. Would you state your name, please?

20 A. My name is Mike Birch.

21 Q. And by whom are you employed, Mr. Birch?

22 A. I'm employed as a petroleum landman for the
23 Yates Petroleum Corporation, Artesia, New Mexico.

24 Q. Have you previously testified before the
25 commission --

1 A. Yes, I have.

2 Q. -- the division? And were your qualifications
3 as a landman acceptable?

4 A. Yes, they were.

5 Q. Would you please state the purpose of this
6 application, Mr. Birch?

7 A. The purpose of this application is for Yates
8 Petroleum seeks approval of an unorthodox well location to
9 be drilled at a point 560 feet from the south and east
10 lines of Section 9, Township 20 south, Range 24 east, in
11 Eddy County, New Mexico.

12 Yates originally asked for a permit for this
13 well to be drilled at a location 660 feet from the south
14 and east line of said Section 9, which would have been a
15 standard location for the South Dagger Draw. The BLM
16 denied this orthodox location of 660 for topographical
17 reasons and approved the drilling at a location of 560 feet
18 from the south and east line, which is an unorthodox
19 location.

20 Q. And so you have filed an amended application for
21 an unorthodox which correctly states the present location?

22 A. That's correct.

23 Q. Would it also be correct that this is -- that
24 you're drilling on an expiring lease and that you've
25 commenced to drill?

1 A. That's correct.

2 Q. And that the OCD has been notified of that fact?

3 A. That's correct.

4 Q. Mr. Birch would you refer to your Exhibit No. 1
5 and identify that for the examiner?

6 MR. STOVALL: Can we have another copy?

7 MR. CARSON: Sure.

8 MR. STOVALL: We need two copies, one for the court
9 reporter, if you would.

10 THE WITNESS: Exhibit No. 1 is the surrounding acreage
11 around our proposed location there, which is the east half
12 of Section 9. It also denotes our -- the location of our
13 well.

14 Q. (By Mr. Carson) Tell the examiner what those
15 colors stand for.

16 A. The yellow acreage is acreage which Yates
17 Petroleum owns. The outlined in yellow is acreage that
18 Yates Petroleum Corporation and other parties own.

19 Q. I'm going to hand you what has been marked as
20 Exhibit No. 2 and ask you to identify that exhibit.

21 A. Exhibit No. 2 is the leasehold owners that were
22 contacted pursuant to this unorthodox location request and
23 includes Santa Fe Energy -- or Santa Fe Operating Partners;
24 Conoco, Incorporated; Torch Operating Company and Chevron,
25 USA, Inc.

1 Q. I'm going to hand you what has been marked as
2 Exhibit No. 3.

3 MR. CARSON: And I would ask the examiner, do you want
4 these proof of services? Do they go with the original
5 record, or do we keep them?

6 MR. STOVALL: They go with the record.

7 EXAMINER CATANACH: Yes.

8 Q. (By Mr. Carson) I'll hand the exhibit with the
9 original proof of service on to the examiner and ask that
10 you identify the -- otherwise identify the exhibit.

11 A. Exhibit 3 is a certificate of mailing in
12 compliance with Rule 1207, where we notified all the offset
13 operators of the unorthodox location.

14 Also includes a letter of -- from Losee, Carson
15 law firm to the Oil Conservation Division. Notice of the
16 same -- of the same has been filed with these people -- or
17 the offset operators have been notified.

18 It also includes to the commission notification
19 of an amended application.

20 Q. I'm going to hand you what's been marked as
21 Exhibit 4-A and ask if you would identify that.

22 A. Exhibit 4-A is a sundry notice filed with the
23 Bureau of Land Management seeking location change from our
24 660-660 location to the 560-560.

25 Also includes a plat identifying the location,

1 and it also includes a sundry notice for a depth change to
2 drill deeper at that location.

3 Q. I hand you what's been marked as Applicant's
4 Exhibit No. 5 and ask if you would identify that.

5 A. This is a letter received by Yates Petroleum
6 Corporation from the Bureau of Land Management identifying
7 the problems that we faced with regard to the topography of
8 the area and their recommendations to move the location to
9 the 560 -- from the south line 560 from the east line.

10 Q. Now, I've handed you what has been marked as
11 Exhibit No. 6 and ask for you to identify that.

12 A. Exhibit No. 6 is the letter received from Torch
13 Oil and Gas Company to Yates Petroleum Corporation
14 signifying their waiver of opposition to our unorthodox
15 location, and I might note here that this letter has not
16 been signed except agreed by Yates simply because at the
17 time we received this we did not have a principal of Yates
18 Petroleum Corporation to sign this. But it will be signed
19 and sent back.

20 Q. Mr. Birch, I want to refer you back to
21 Applicant's Exhibit No. 1, which is your land map.

22 You are moving your well unorthodoxly to the
23 east; is that correct?

24 A. That's correct.

25 Q. And the offset acreage to the east is owned by

1 Yates and Santa Fe Energy?

2 A. That's correct.

3 Q. And Santa Fe Energy has been notified, but if I
4 understand correctly, that they still have some time to
5 object to your unorthodox application as described in your
6 amended application; is that right?

7 A. That's what I understand. It came a couple of
8 days later.

9 Q. And Yates Petroleum is the operator to the
10 south?

11 A. That's correct.

12 Q. What was our last exhibit number? Six?

13 A. Yes.

14 MR. CARSON: Mr. Examiner, I'd like to move the
15 introduction of Applicant's Exhibit Nos. 1 through 6.

16 EXAMINER CATANACH: Exhibits 1 through 6 will be
17 admitted as evidence.

18 (Whereupon Applicant's Exhibits 1 through 6 were
19 admitted into evidence.

20 MR. CARSON: I have no further questions of this
21 witness.

22 EXAMINATION

23 BY EXAMINER CATANACH:

24 Q. Mr. Birch, you said the acreage in Section 10 is
25 owned by Santa Fe Energy and Yates?

1 A. That's correct.

2 Q. How about the northeast quarter of Section 15 --
3 I'm sorry -- the northwest quarter of 15?

4 A. That's owned -- Yates operates that well in that
5 northwest quarter of Section 15, and that acreage that
6 shows Conoco -- it's been farmed out to us for the purposes
7 of drilling that well there.

8 Q. Conoco retained an interest in that?

9 A. I believe they have an overriding interest in
10 that.

11 Q. This well was originally permitted as a South
12 Dagger Draw-Upper Penn well?

13 A. That's correct.

14 Q. And as I understand it, the BLM requested the
15 move for topographic reasons?

16 A. That's right. They made on-site inspection also
17 on that and requested that change.

18 Q. When did Yates decide to take the well all the
19 way down to the Morrow?

20 A. I think probably a geologic witness can answer
21 that. I don't know the exact timing when they did that.

22 Well, they made application. There's dates of
23 application on sundry notice was made January the 30th.

24 Q. Was there any consideration by Yates as to -- if
25 in fact it was drilled to the Morrow, then this would be a

1 very unorthodox location for the Morrow formation. Was
2 there any consideration by Yates to that?

3 A. At the time, I don't think there was. I think
4 in this area we have made it a practice, since we're only
5 looking at 1400 more feet, to go and look at that. I don't
6 think it was -- it was a secondary, I think, decision or
7 objective to go to, and I don't think it was done simply
8 because we had an unorthodox location -- or we were seeking
9 an unorthodox location.

10 Q. So your primary target is the Upper Penn?

11 A. That's correct.

12 Q. Not the Morrow?

13 A. That's correct.

14 Q. Let's see. Mr. Birch, we will need a copy of
15 Exhibit 6 when that gets signed. I trust you'll send that
16 to us?

17 A. Yes.

18 Q. And that's all we have at this time.

19 MR. STOVALL: I do have one question for Mr. Birch.

20 EXAMINATION

21 BY MR. STOVALL:

22 Q. You said the well -- you have commenced
23 drilling. You're drilling the well; is that correct?

24 A. Yes, sir.

25 Q. Is that as of January 31st?

1 A. Yes, sir. It was --

2 Q. Did you request a suspension from the BLM as
3 they indicated they would approve?

4 A. I'm sorry?

5 Q. If you look at Exhibit 5, the letter from the
6 BLM indicates they would consider an extension -- a
7 suspension of the lease, a 16-day suspension.

8 Second-to-the-last paragraph on the first page.

9 A. Okay. Okay.

10 Q. Did Yates make an effort to obtain that
11 suspension?

12 A. We didn't. To my knowledge, we did not make an
13 effort to do that. We just wrote a letter stating the fact
14 that we were going to be drilling across the exploration.

15 MR. STOVALL: No further questions.

16 EXAMINER CATANACH: Witness may be excused.

17 DENISE FLY,

18 the Witness herein, having been first duly sworn, was
19 examined and testified as follows:

20 DIRECT EXAMINATION

21 BY MR. CARSON:

22 Q. Would you state your name, please?

23 A. My name is Denise Fly.

24 Q. Ms. Fly, by whom are you employed?

25 A. I'm a geologist with Yates Petroleum in Artesia,

1 New Mexico.

2 Q. Have you previously testified before the OCD?

3 A. Yes, sir.

4 Q. And were you -- in the capacity of a geologist?

5 A. Yes, sir.

6 Q. Were your qualifications acceptable?

7 A. Yes.

8 MR. CARSON: Are her qualifications acceptable now,
9 Mr. Examiner?

10 EXAMINER CATANACH: Yes, sir.

11 Q. (By Mr. Carson) Perhaps before we get into the
12 exhibits, in order to answer the question that the examiner
13 asked Mr. Birch, you might talk a little bit about your
14 initial -- the policy decision in deciding to take what was
15 originally a canyon well all the way to the Morrow.

16 A. Okay. Well, initially we picked this location
17 orthodoxed in the canyon reservoir. And for topographic
18 purposes, as explained by our previous witness, the BLM
19 asked us to move it to the south and east for drainage
20 purposes. And it's a -- it's fairly common. We take
21 about -- we try to take maybe one or two wells per section
22 to test them -- well, to look at the Morrow, not test it --
23 but to look at the Morrow.

24 Some of these do happen to be unorthodox, but
25 yet we are not producing out of the Morrow at this time.

1 This is mainly a canyon dolomite reservoir. That's our
2 main objective.

3 Q. When you say you moved this well for the
4 purposes of drainage, you mean surface drainage?

5 A. Surface drainage, yes.

6 Q. I would like to refer you to your first exhibit,
7 which is marked on my list as Exhibit No. 7. Is that what
8 you've got it marked?

9 A. Exhibit 7 is my write-up. I was going to go
10 ahead and submit that as an exhibit.

11 Q. Explain to the examiner what Exhibit 7 is.

12 Is Exhibit 7 a written exposition of what your
13 verbal testimony is going to be?

14 A. Yes, sir.

15 Q. So your next exhibit would be Exhibit 8, then;
16 is that correct?

17 A. Yes, sir.

18 MR. CARSON: And I think you have a copy of it,
19 Mr. Examiner.

20 Q. (By Mr. Carson) Would you explain to the
21 examiner what Exhibit 8 is?

22 A. Uh-huh. Exhibit 8 is a combined isopach and
23 structure map of the canyon dolomite reservoir of the South
24 Dagger Draw Pool. On this map the solid contours show the
25 net thickness of the dolomite reservoir, and the contour

1 interval used here is 100 feet. The dashed contours show
2 the structural configuration of the top of the canyon
3 dolomite, and the contour interval used here again is 100
4 feet.

5 On this map the Algerita "AHR" State No. 1 in
6 Unit H of Section 16 of 20 south-24 east has established
7 good production from the perfs within 80 net feet of canyon
8 dolomite.

9 A well in Unit N of Section 16 had only four
10 feet of dolomite and was judged too tight to attempt
11 production.

12 Another well in Section 4 had nine feet of
13 dolomite which was perforated and simulated but considered
14 too tight to be economic. Therefore the thin feather edge
15 of the dolomite reservoir appears to be tight, whereas 80
16 feet of dolomite can make a good economic well.

17 As can be seen from this map, the best location
18 for the dolomite reservoir is the east half proration unit
19 southeast to southeast location which should encounter
20 about 55 feet of dolomite in the canyon. Wells in any
21 other direction to the north or west would encounter less
22 dolomite and risk being uneconomically tight.

23 I have -- the next exhibit is a cross section
24 A-A', and it's shown here on this map.

25 Q. Let's refer you to Exhibit 9 so you can go ahead

1 and explain that.

2 A. Okay. Exhibit 9 is a stratigraphic cross
3 section A-A' showing the correlations of the canyon
4 limestone and the Dagger Draw dolomite reservoir near the
5 west edge of the Dagger draw South Pool. About 55 feet of
6 dolomite reservoir is expected to be drilled at the
7 proposed Judith "AIJ" Federal No. 1 location.

8 Q. Now let's refer you to your Exhibit No. 10.

9 A. Okay. Exhibit 10 is a combined -- it's a
10 combined isopach and structural map of the Morrow clastics
11 interval. Solid contours with a 10-foot contour interval
12 show the varying thickness of the Morrow clastic interval
13 in this area. The dashed contours show the structural
14 configuration on the top of the lower Morrow in 100-foot
15 contours.

16 Experience in northern Eddy County has shown
17 that wells along or close to the axis of thicks in the
18 Morrow clastic intervals have a much better chance of
19 encountering more and thicker Morrow sand bodies which, if
20 not water-bearing, are capable of economic volumes of gas.

21 The proposed location is close to a thick in the
22 Morrow clastics interval and should encounter in excess of
23 180 feet of Morrow clastics.

24 In addition, the proposed location is also on
25 the southeast flank of a small anticline which should

1 benefit in avoiding the formation water.

2 This map also shows a stratigraphic cross
3 section B-B', which will be my Exhibit No. 11.

4 Q. Let's refer to Exhibit 11.

5 A. Okay.

6 Q. Would you explain that exhibit to the examiner?

7 A. Okay. Exhibit No. 11 is a stratigraphic cross
8 section B-B' hung on the Morrow clastics and trending more
9 or less across the axis of the Morrow clastics thick of the
10 last exhibit. The cross section shows the pertinent
11 correlation and the interval mapped on the previous
12 exhibit.

13 So from looking at our Exhibit No. 10, we can
14 see that within the Judith well we're expecting to be
15 structurally high and also in a thickening isopach-wise.

16 Q. Ms. Fly, were Exhibit Nos. 7 through 11 prepared
17 by you or under your supervision?

18 A. Yes, sir.

19 Q. And as far as you know, they are scientifically
20 correct; is that correct?

21 A. Yes, sir.

22 MR. CARSON: I'd like to move the introduction of
23 Exhibits No. 7 through 11, Mr. Examiner.

24 EXAMINER CATANACH: Exhibits 7 through 11 will be
25 admitted as evidence.

1 doing quite well as a gas well.

2 Q. What information did you use to draw that zero
3 contour line in Section 9?

4 A. In Section 9?

5 Q. Right.

6 A. Well, I'm basing it off the laws of contouring.
7 Also, using my data.

8 And we saw down here in the State D we only had
9 four feet. Up here near Mimosa we have nine. And keeping
10 a consistent width between my contour intervals, I had to
11 infer it through Section 9 since there is no well control.

12 Q. A move to the north would, in your opinion, put
13 you at a lesser dolomite thickness?

14 A. That is correct. There seems to be a little bit
15 of nose contour-wise coming through here from Section 15.
16 Pointing up towards the southeast corner of Section 9
17 there's a small, thickening nose. Therefore it appears
18 that the southeast quarter of the southeast in Section 9
19 would be the best location for -- to encounter our dolomite
20 reservoir.

21 Q. Why doesn't that nose on the 100-foot contour
22 line -- why isn't there a corresponding nose on the zero
23 contour line?

24 A. Well, we could bring it back in towards that
25 draw, which would bring it some -- a little bit closer to

1 the -- the east edge of Section 9, but a lot of times you
2 don't pull your lows in quite as far, being optimistic.

3 Q. Ms. Fly, Yates has encountered a commercial
4 Morrow gas production in this area; is that correct?

5 A. Yes, sir. There's two wells here. The CC Tank
6 produces from the Morrow in Section 8 and the Yates Foster
7 No. 1 produces in Section 21, and there is some Morrow
8 production to the north in the Hogue fields, some Morrow
9 production in 1925.

10 Q. So when you drill these Dagger Draw wells, you
11 usually consider going down to the Morrow; is that correct?

12 A. It's sometimes not only geological decision but
13 also a management decision to check out the Morrow in this
14 area for future reference.

15 Q. Knowing that you're probably going to drill the
16 well to the Morrow, is there any consideration given to
17 what is a Morrow standard location compared to a canyon
18 standard location?

19 Is there any attempt to try and get a Morrow
20 location standard?

21 A. Well, when they both coincide, that is what we
22 try to do. But here it appeared that the -- our primary
23 object is the canyon, and this was the best location --
24 for -- to encounter the reservoir in this section, we felt.

25

EXAMINATION

1 BY MR. STOVALL:

2 Q. Ms. Fly, how many wells has Yates drilled in the
3 broader general area down here in the Morrow? Do you know?

4 A. The Morrow, Inc.?

5 Q. Say, the township area.

6 A. The Morrow, Inc.?

7 Q. Yes.

8 A. On the average, I'd say at least two per
9 section, two to three per section.

10 Q. Is this an area where Yates owns a lot of
11 acreage?

12 A. In the eastern portion, let's say, 20-25.

13 Q. So we're talking a fairly significant number of
14 wells; is that correct?

15 A. Yes, sir.

16 Q. How many of those are unorthodox? Do you know?
17 Roughly. It's not --

18 A. In the canyon?

19 Q. What?

20 A. In the canyon?

21 Q. Canyon or Morrow.

22 A. I can't give you an estimate, though, in the
23 Morrow, but the canyon, I'd say just a couple.

24 Q. Now, did most of those -- have most of those
25 wells that are drilled to the canyon gone on to the Morrow?

1 A. Not all of them. Let's see. About -- like I
2 said, about one per section, I guess, if we want to average
3 it out, we could say have gone to the Morrow.

4 Q. That's about half of them, roughly; is that --

5 A. Possibly. It's --

6 Q. I'm not holding you to exact numbers.

7 A. Yeah.

8 Q. It's just kind of a relative idea.

9 A. I'm trying to look here on my control map to see
10 which ones.

11 I'd say a little less than half have gone to the
12 Morrow, and I'm speaking in this 20-25 -- I mean, excuse
13 me, 20-24.

14 Q. Yeah. That's fine.

15 MR. STOVALL: I have no further questions.

16 I have no further questions of Ms. Fly, let's
17 say. I do have a question of Mr. Carson and possibly
18 Mr. Birch again. We may need to discuss it.

19 EXAMINER CATANACH: Witness may be excused.

20 MR. CARSON: Could I ask her one more question?

21 RE-DIRECT EXAMINATION

22 BY MR. CARSON:

23 Q. Ms. Fly, this area -- we've been looking at your
24 Exhibit No. 10 and -- which is your isopach and structure
25 map, but a large part of the location, of this particular

1 location, is dictated by topographic consideration on the
2 surface, is it not?

3 A. Yes, for unorthodoxed in the canyon.

4 MR. CARSON: Thank you.

5 FURTHER EXAMINATION

6 BY MR. STOVALL:

7 Q. Having raised that question, have you been on
8 the location? Have you been out there?

9 A. Yes.

10 Q. What is the topographic condition to the north
11 of --

12 A. To the north, there's a small draw that they
13 were afraid of some surface drainage where our location was
14 660-660.

15 To the west, there was a small hill, which we
16 would have had to cut away from to build the location, and
17 they felt like if we just moved down a hundred feet, we
18 would be far enough away from the drainage problem, surface
19 drainage problem, and not have to cut as much away from the
20 hill.

21 Q. How far to the the north would you have had to
22 go to avoid topographic problems?

23 A. Quite a ways. I have a topographic copy of the
24 topographic map here, if you want me to submit that as an
25 exhibit.

1 EXAMINER CATANACH: That would be helpful.

2 MR. STOVALL: That would be helpful, yeah.

3 THE WITNESS: Okay.

4 Surface-wise on here, I have marked both
5 locations of the Judith well, and it is hard to see on this
6 map, but you can see that if we move to the north and west,
7 we would only get steeper on the incline.

8 MR. STOVALL: We're on 11, I guess.

9 EXAMINER CATANACH: 12.

10 MR. STOVALL: 12

11 Q. (By Mr. Stovall) It would have been more than a
12 hundred feet to the north to get away from that --

13 A. Uh-huh.

14 Q. -- topographics?

15 A. We would have possibly had a location up on top
16 of the hill 1980, just estimating, it looks like from here.
17 But then we are getting closer to the zero line on our --
18 where we have inferred the zero line of our dolomite
19 reservoir as we pull farther to the west.

20 Q. Is that wooded area or is it open?

21 A. No, it's pretty much open grass, flat -- well,
22 not flat. You're getting a few hills, but mostly just
23 grassy area.

24 MR. STOVALL: I have nothing further, once again.

25 RE-DIRECT EXAMINATION

1 BY MR. CARSON:

2 Q. What it is, it's the foothills of Guadalupe
3 foothills.

4 A. Getting there, uh-huh.

5 Q. It's not wooded by Santa Fe standards?

6 MR. STOVALL: I'm a northwest lawyer, Mr. Carson, so I
7 think of it as woods up there.

8 MR. CARSON: Okay. Well, you probably understand what
9 we're talking about, then.

10 EXAMINATION

11 BY MR. STOVALL:

12 Q. Mr. Carson, question.

13 A. Yes.

14 Q. This case is being re-advertised because when it
15 was originally advertised it was as an unorthodox location
16 in the South Dagger Draw Upper Pennsylvanian Associated
17 Pool. The advertisement, as has gone out for March 7th,
18 talks about the West Dagger Draw Morrow Gas Pool only.

19 I am concerned that as that re-advertisement
20 goes out, it in fact may be misleading and misinforming as
21 to the true intention. You really are going for both
22 pools?

23 A. Yeah, that's correct. I am seeing the
24 advertisement --

25 Q. Let me -- let me -- the top case on that is

1 the -- the text of the advertisement that has gone out for
2 March 7th. The record will reflect I've handed Mr. Carson
3 the advertising list for the March 7th hearing.

4 A. Okay. I see. Now I understand what you're
5 saying.

6 Q. My inclination is to say that we probably
7 actually need to again advertise it for the 21st to show
8 that it really is both pools, that it's not a change from
9 one pool to the other.

10 A. That makes sense to me if it doesn't bother
11 Mr. Birch. I mean, the significance is is that we could --
12 is that we just couldn't produce this until -- until --
13 just propose that. That's assuming no objections.

14 Q. Correct.

15 A. I think that would be the best way to handle it.

16 Q. I think it eliminates ambiguity that could cause
17 a problem --

18 A. That's right. That eliminates future problems.
19 I agree with that.

20 Q. -- if anybody wanted to object later.

21 A. I agree with that.

22 MR. STOVALL: While this case will appear on the
23 March 7th docket, Mr. Examiner, we have to continue it,
24 actually, until March 21st to take it under advisement.

25 MR. CARSON: That's correct.

1 EXAMINER CATANACH: Okay. That being the case, we'll
2 re-advertise it for the 21st and continue it to the 21st
3 and, if there's no additional evidence or testimony at that
4 time, take it under advisement.

5 EXAMINER CATANACH: Pardon me?

6 MR. CARSON: He asked if that would necessitate a
7 reappearance. I said no, unless somebody objects.

8 EXAMINER CATANACH: No.

9 MR. STOVALL: You always run the risk when you
10 advertise somebody will show up at that time, but --

11 MR. CARSON: Thank you very much.

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13 (The foregoing hearing was concluded at the
14 approximate hour of 9:00 am.)

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