

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:

APPLICATION OF SOLARIS WATER MIDSTREAM, CASE NO. 20114
LLC FOR APPROVAL OF A SALTWATER DISPOSAL
WELL, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

March 21, 2019

Santa Fe, New Mexico

BEFORE: PHILLIP GOETZE, CHIEF EXAMINER
KATHLEEN MURPHY, TECHNICAL EXAMINER
WILLIAM V. JONES, TECHNICAL
TERRY WARNELL, TECHNICAL EXAMINER
EXAMINER SUSAN SITA, LEGAL EXAMINER

This matter came on for hearing before the
New Mexico Oil Conservation Division, Phillip Goetze,
Chief Examiner; Kathleen Murphy, William V. Jones and
Terry Warnell, Technical Examiners; and Susan Sita,
Legal Examiner, on Thursday, March 21, 2019, at the New
Mexico Energy, Minerals and Natural Resources
Department, Wendell Chino Building, 1220 South St.
Francis Drive, Porter Hall, Room 102, Santa Fe, New
Mexico.

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APPEARANCES

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ALSO PRESENT: Michael Feldewert, Esq.

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1 (8:47 a.m.)

2 EXAMINER GOETZE: So let us call Case
3 Number 20114, application of Solaris Water Midstream,
4 LLC for approval of a saltwater disposal well, Lea
5 County, New Mexico.

6 Call for appearances.

7 MR. BRUCE: Mr. Examiner, Jim Bruce of
8 Santa Fe representing the Applicant. I have three
9 witnesses.

10 MS. ANTILLON: Andrea Antillon representing
11 the State Land Office and the Commissioner of Public
12 Lands.

13 MS. BENNETT: Deana Bennett, Modrall,
14 Sperling, on behalf of NGL Water Solutions Permian, LLC.

15 EXAMINER GOETZE: Will the witnesses please
16 stand, identify yourself for the court reporter and have
17 her swear you in?

18 MR. WOOD: Brian Wood.

19 MR. BRANNIGAN: Jim Brannigan.

20 MR. DIXON: Landon Drew Dixon.

21 (Mr. Wood, Mr. Brannigan and Mr. Dixon
22 sworn.)

23 EXAMINER GOETZE: Mr. Bruce, before we go
24 down the road, we have had an appearance by the State
25 Land Office.

1 I believe we had a protest from EOG, which
2 has been withdrawn, correct?

3 MR. FELDEWERT: Yes, sir.

4 MR. BRUCE: That is correct. The
5 procedural -- Deana's client, NGL, objected to the
6 application. They have withdrawn that objection. My
7 client, EOG, objected to the application. They withdrew
8 their application. And the last we heard of it is the
9 State Land Office objected. So that's the current
10 status, so that's why we are here today. We wanted to
11 revert back to the administrative docket, but that
12 didn't quite go.

13 EXAMINER GOETZE: Very good.

14 Please proceed.

15 LANDON DREW DIXON,
16 after having been previously sworn under oath, was
17 questioned and testified as follows:

18 DIRECT EXAMINATION

19 BY MR. BRUCE:

20 Q. Would you please state your name for the
21 record?

22 A. Yes. My name is Drew Dixon.

23 Q. Where do you reside?

24 A. I reside in Houston, Texas.

25 Q. Who do you work for and in what capacity?

1 A. I work for Solaris Water Midstream, LLC as the
2 vice president of land, regulatory and permitting.

3 **Q. Have you previously testified before the**
4 **Division as a petroleum landman?**

5 A. I have not.

6 **Q. Would you summarize your educational and**
7 **employment background for the examiners?**

8 A. I'm a graduate of the University of Arkansas
9 with a Bachelor of Science in Poultry Science. I'm also
10 a graduate of the University of Arkansas School of Law
11 with a Juris Doctorate.

12 And after law school, I began my career at
13 Chesapeake Energy as a landman. I proceeded from there
14 into a position with BHP Billiton where I was at the
15 preceding eight years before joining Solaris. At BHP
16 Billiton, I was not only a landman but became a field
17 land manager, followed by -- recently, before joining
18 Solaris, the head of land over BHP Billiton's Eagle Ford
19 and Permian assets in Texas.

20 **Q. How long have you been with Solaris?**

21 A. I've been with Solaris since October of 2018.

22 **Q. And does your area of responsibility at Solaris**
23 **include southeast New Mexico?**

24 A. It does, yes.

25 **Q. And are you familiar with the land matters**

1 **involved in this application?**

2 A. Yes.

3 **Q. And the permitting of this proposed SWD well?**

4 A. Yes, that is correct.

5 MR. BRUCE: Mr. Examiner, I tender
6 Mr. Dixon as an expert petroleum landman.

7 EXAMINER GOETZE: Ms. Bennett?

8 MS. BENNETT: No objection.

9 EXAMINER GOETZE: Ms. Antillon?

10 MS. ANTILLON: No objection.

11 EXAMINER GOETZE: He is so qualified.

12 **Q. (BY MR. BRUCE) Mr. Dixon, your testimony is**
13 **going to be pretty brief, but could you give us a**
14 **timeline on the filing of the C-108 and the current**
15 **status of the processing of the APD for this well?**

16 A. Yes. So we began the process, the staking of
17 the actual location, in early June of 2018. The surveys
18 were received 6/14/2018, at which point in time we used
19 outside consultants to help prepare our C-108. We did
20 so. The injection permit, C-108, was signed August the
21 3rd of 2018 and submitted to the NMOCD on August the
22 16th of 2018.

23 Shortly thereafter, in October, we had the
24 federal on-site with the BLM. We've since worked and
25 submitted our revised category determination, and our

1 SF 299 will be submitted here as soon as the category
2 determination comes back.

3 **Q. The APD has not been approved yet?**

4 A. Correct. The APD has not. It's still pending.
5 Yes.

6 **Q. And the APD is -- it's a federal APD?**

7 A. Yes. So the surface is federal, Bureau of Land
8 Management, lands.

9 **Q. Okay. Now, even though EOG has withdrawn its**
10 **objection, what -- what did Solaris agree to do to help**
11 **satisfy EOG's concerns?**

12 A. Well, so we've -- we've agreed to adjust
13 certain locations in order to comply -- in -- in
14 December. So keep in mind this has been such a long
15 process for us that -- EOG has created a new set of
16 standards for SWDs on their leasehold estate. As such,
17 our location as originally staked did not originally
18 comply with their new -- their new standards that they
19 rolled out in December. So they didn't actually submit
20 an objection to this particular well until after their
21 new set of standards came out.

22 **Q. So originally they didn't have --**

23 A. No. But we actually met with them particularly
24 about this location and several others, and as part of
25 that meeting, we agreed to adjust two to three other

1 wells in order for them to approve the location of this
2 well.

3 Q. And -- but what specifically have you agreed to
4 with this proposed well so that EOG is comfortable with
5 this location?

6 A. So ultimately we didn't have to agree to
7 anything additional once we explained to them the issue
8 that we're having given the proximity of other
9 applications now on this particular area, given the rule
10 that we follow that the NMOCDC has established regarding
11 one-and-a-half-mile radius.

12 Q. Okay. But have you agreed to a gyroscopic
13 survey?

14 A. We had discussions there. In this instance, we
15 will, yes, provide them a gyroscopic survey depicting
16 100-foot interval in order for them to prevent any
17 wellbore collision in the future. Yes.

18 Q. And was it your understanding at the land
19 office that the initial objection made was they would
20 like you to move the well more than just -- maybe
21 approximately an eighth or a quarter of a mile further
22 away from their surface?

23 A. You're speaking specifically to the State Land
24 Office's new objections?

25 Q. The land office.

1 A. Yes. So the land office -- and I was unaware
2 until most recently that they had stepped in with an
3 issue. But yes, now that they've asked us to review
4 potentially moving that location, we do have issues
5 giving other pending applications before the Division
6 regarding a mile-and-a-half radius. So, unfortunately,
7 for lack of a better term, we are a little bit in -- to
8 this particular location.

9 Q. Okay. And if you moved the well another
10 thousand yards or whatever, it would create a whole new
11 host of problems, with objections from potential other
12 SWD companies and other oil and gas operators?

13 A. Yes, that is correct.

14 Q. And another year of permitting?

15 A. Potentially, yes.

16 Q. And did Solaris, under your request, conduct a
17 record search to determine who is entitled to the notice
18 under current OCD rules?

19 A. Yes, that is correct.

20 Q. And, again, who is the surface owner?

21 A. The surface owner on this particular tract is
22 the Bureau of Land Management.

23 Q. And were the oil and gas lessees or operators
24 within the expanded area of review identified?

25 A. Yes.

1 Q. And was notice given to all of these persons?

2 A. Yes.

3 Q. And is that shown in my Affidavit of Notice
4 marked as Exhibit 1?

5 A. Yes, it is.

6 MR. BRUCE: Mr. Examiner, I know this is
7 odd for me, but everybody returned a green card.

8 Q. (BY MR. BRUCE) And finally, Mr. Dixon, in your
9 opinion, is the granting of this application in the
10 interest of conservation and the prevention of waste?

11 A. Yes.

12 MR. BRUCE: Mr. Examiner, I move the
13 admission of Exhibit 1, my Affidavit of Notice.

14 EXAMINER GOETZE: Ms. Bennett?

15 MS. BENNETT: No objection.

16 EXAMINER GOETZE: Ms. Antillon?

17 MS. ANTILLON: No objection.

18 (Solaris Water Midstream, LLC Exhibit
19 Number 1 is offered into evidence.)

20 MR. BRUCE: And I have no further
21 questions.

22 MS. BENNETT: I have a few.

23 CROSS-EXAMINATION

24 BY MS. BENNETT:

25 Q. Good morning, Mr. Dixon.

1 A. Good morning.

2 Q. As I mentioned a moment ago, I represent NGL.

3 And you mentioned that the SF 299 will be
4 submitted when something comes back, and I didn't quite
5 catch that. I was wondering if you would clarify that
6 for me.

7 A. Yes, our category determination.

8 Q. Okay. Thanks.

9 Now, you mentioned that the surface is BLM
10 lands, but are you aware that this -- your proposed well
11 is within the boundaries of one of the NGL ranches that
12 it owns within the ranch boundaries?

13 A. Well, so yes, it is within the boundaries of a
14 ranch. But is it actually ownership if you're only a
15 lessee of the surface, as a grazing lessee, which is my
16 understanding? NGL is simply a grazing lessee on the
17 Bureau of Land Management-owned property.

18 Q. And I was curious. You mentioned that you had
19 some conversations with EOG about potentially moving the
20 well.

21 A. Early, yes. A representative of Solaris did.

22 Q. Solaris, right?

23 A. Yes.

24 Q. And I thought you might have said -- and I
25 apologize if I didn't write this down right -- that you

1 **were even thinking about moving it in December of 2018?**

2 A. No. So -- so we met with EOG originally in
3 September of 2018, a representative of Solaris did and
4 agreed to this location and some others in exchange for
5 moving three other wells.

6 **Q. Okay.**

7 A. And then in December of 2018, EOG, companywide,
8 for particularly this field, came out with a new set of
9 standards for competitive SWD locations on their
10 leasehold estate. So they've basically drawn corridors
11 in which they would allow competitive SWDs to be placed
12 in order to not -- in their opinion, not impact their
13 development on the mineral estate. Because our
14 application was still pending, that's my understanding
15 of why they -- not to say back on their word, but why
16 they actually filed an objection to this particular
17 location.

18 So in the month of January is when we
19 re-engaged discussions with them regarding this
20 particular location, and we reached an agreement that we
21 couldn't now move it given all the other pending
22 applications in the area, and, therefore, we would offer
23 the gyroscopic survey at every 100-foot interval, rather
24 than the 300 that we typically do as part of the
25 Commission standards, in order for them to have further

1 assurance that their wellbore could avoid collision with
2 our Devonian SWD.

3 Q. Now, I think I may have misunderstood this,
4 too, but I thought that EOG had withdrawn their protest
5 because they had determined that they actually didn't
6 own an interest, that they weren't an interest owner in
7 that section and that it was COG. And that's not the
8 situation?

9 A. No.

10 Q. Okay. And if it turned out that it was COG
11 that owned the interest, though, would you do the same
12 gyroscopic survey for COG?

13 A. We have offered that in the past. Yes.

14 Q. Those are all the questions I have. Thank you
15 very much.

16 A. Yes.

17 EXAMINER GOETZE: Ms. Antillon?

18 MS. ANTILLON: No questions.

19 CROSS-EXAMINATION

20 BY EXAMINER GOETZE:

21 Q. Okay. So for the record, what is an SF 299?

22 A. An SF 299?

23 Q. Yes.

24 A. So that is the form in which we apply for it.

25 It's basically an easement grant from the Bureau of Land

1 Management for this -- because we're not operator of
2 leasehold.

3 Q. It's a surface agreement with the BLM?

4 A. Correct, for this well.

5 Q. Thank you.

6 So it is Solaris' intent, regardless of the
7 pool within the area, they are going to do a gyroscopic
8 survey?

9 A. In this particular instance, yes. It is an
10 additional cost to us, so we don't offer it on every
11 well, but in the instances where we have issues, we use
12 that as a tool to resolve that with operators.

13 Q. Thank you.

14 And then in your discussions with the State
15 Land Office, what acreage did they express concern about
16 in proximity of this well?

17 A. So that may be a question better for our
18 attorney here. He's had this specific conversation with
19 them.

20 MR. BRUCE: Mr. Examiner, moving forward,
21 there is Midland Map Company plat, Exhibit 3. If you
22 look to the east in Section 2, that is State surface
23 mineral land, I believe.

24 THE WITNESS: Yes.

25 Q. (BY EXAMINER GOETZE) So standard Section 2 is

1 all still retained by the State for mineral and surface?

2 A. Yes. And that's within the boundaries of Quail
3 Ranch.

4 Q. So the expanded radius, I am assuming, is one
5 mile from the well surface location that you've provided
6 notice; is that correct?

7 A. Yes. Yes.

8 Q. And then one last thing. The one and three --
9 the one-and-a-half mile, that is not our radius. We're
10 doing three-quarter-mile radius. And then distance
11 between the wells, we're hoping to optimize to
12 one-and-a-half miles.

13 A. Okay.

14 Q. So for the record, we're using the
15 three-quarter miles as a standard at this point. And it
16 is not rule, so it is subject to abuse. Okay?

17 A. Yes.

18 EXAMINER GOETZE: I have no more questions
19 for this witness.

20 Thank you.

21 BRIAN WOOD,
22 after having been previously sworn under oath, was
23 questioned and testified as follows:

24

25

1 DIRECT EXAMINATION

2 BY MR. BRUCE:

3 Q. Would you please state your name and city of
4 residence for the record?

5 A. I'm Brian Wood, Santa Fe, New Mexico.

6 Q. And what is your profession?

7 A. Regulatory consultant.

8 Q. And who do you work for in this case?

9 A. Solaris Water Midstream.

10 Q. Have you previously testified before the
11 Division as a regulatory consultant?

12 A. Yes, I have.

13 Q. And were your credentials as an expert accepted
14 as a matter of record?

15 A. Yes.

16 Q. Are you familiar with the C-108, the injection
17 application, related to this well?

18 A. Yes, I am.

19 Q. And let's start with that. Exhibit 3 -- or
20 Exhibit 2 -- excuse me -- is the C-108, correct?

21 A. Correct.

22 Q. Now, it was -- looking at it, it was prepared
23 by Bonnie Atwater for Solaris. Have you reviewed the
24 data pertaining to the C-108, and do you agree with its
25 contents?

1 A. Yes.

2 Q. Referring to page 3 of Exhibit 2, could you
3 identify the proposed injection well and described how
4 it will be drilled and completed?

5 A. The wells at Telluride Federal SWD No. 1, three
6 strings of casing will be run. The casing will be
7 cemented to the surface. A liner will then be run with
8 at least 200-foot of overlap between the top of the
9 liner. And the long string of casing, that, too, will
10 be cemented to the top as a liner. The remainder of the
11 well will be completed open hole. That would be from
12 15,835 to 17,160.

13 Q. And this is a new drill, correct?

14 A. That is correct.

15 Q. And is Exhibit 8 a wellbore sketch? Page 8.

16 A. Yes. Page 8 is.

17 Q. And you've reviewed many of these in your
18 career at the OCD?

19 A. Correct.

20 Q. Looking at this, will the well's design and
21 construction prevent the movement of fluids between
22 zones?

23 A. Yes, it will.

24 Q. In looking at pages 12 through 14, how many
25 wells are in the half-mile area of review?

1 A. There are five wells.

2 **Q. And do any of them penetrate the proposed**
3 **injection zone?**

4 A. No, none penetrate. The deepest well was
5 15,470, which will be 365 feet above the top of the open
6 hole.

7 **Q. Okay. And going back to page 4, could you**
8 **summarize the operation -- the proposed operation?**

9 A. The maximum proposed disposal rate would be
10 30,000 barrels of water per day. The proposed average
11 injection rate would be 15,000 barrels of water per day.
12 The proposed maximum disposal or injection pressure
13 would be 3,167 psi. That's based on the standard of 0.2
14 psi. Depth measured at the top of the open hole. The
15 actual proposed average injection pressure would be
16 between 1,500 and 2,000 psi.

17 **Q. And that would comply with the .2 psi per foot**
18 **of depth?**

19 A. That is correct.

20 **Q. And so if they wanted to go above that or**
21 **increase the injection rates, they would have to do the**
22 **step-rate test before the Division?**

23 A. That is correct.

24 EXAMINER GOETZE: May I interrupt you for a
25 minute? So he's being a witness of fact and not a

1 witness --

2 MR. BRUCE: Oh, I'm sorry.

3 EXAMINER GOETZE: I was wondering where we
4 were going.

5 MR. BRUCE: I would tender Mr. Wood as an
6 expert regulatory consultant on OCD matters.

7 EXAMINER GOETZE: Ms. Bennett?

8 MS. BENNETT: No objection.

9 EXAMINER GOETZE: Ms. Antillon?

10 MS. ANTILLON: No objection.

11 EXAMINER GOETZE: Thank you.

12 We will take into consideration his
13 previous testimony.

14 Please proceed.

15 Q. (BY MR. BRUCE) And is there a
16 stimulation program?

17 A. Yes, and proposing to do an acid job to clean
18 out the well.

19 Q. Okay. So it's not being fracked or anything?

20 A. That's correct.

21 Q. Open-hole completion?

22 A. Correct.

23 Q. Are there sources of fresh water in the area?

24 A. There is no water well within a one-mile radius
25 based on the State Engineer's records.

1 Q. Okay. Any water zones in this area would be
2 quite a bit above the top perforated -- or the top
3 injection zone; is that correct?

4 A. That is correct.

5 Q. And what is the source of the injection water,
6 to your knowledge?

7 A. It'll probably be Bone Spring and Wolfcamp
8 water.

9 Q. And that's what operators such as EOG and COG
10 are drilling in this area?

11 A. Correct.

12 Q. And are Bone Spring and Wolfcamp water analyses
13 included at pages 16 and 17?

14 A. Yes, that's correct.

15 Q. And if you look at the total dissolved solids
16 for the Bone Spring and the Wolfcamp, are they very
17 similar to the TDS measurements for Devonian water as
18 shown on page 19?

19 A. Yes. The Devonian analyses show a TDS of
20 203,000. The Wolfcamp TDS is 213,000, and then the Bone
21 Spring TDS is 185,000.

22 Q. Would you expect any compatibility problem
23 between the injection water and the formation water?

24 A. I would not.

25 Q. And does the application contain the other

1 **attachments and exhibits that are normally part of a**
2 **C-108 that you've prepared?**

3 A. Almost. The only thing I'm missing is maybe my
4 copies. I have no proof of the actual mailing.

5 **Q. And that was -- Mr. Dixon just gave that.**

6 A. Okay.

7 MR. BRUCE: And, Mr. Examiner, what was
8 submitted administratively was a little out of date. It
9 listed HNG Oil Company and some other oil companies that
10 have gone the way of the dinosaur.

11 EXAMINER GOETZE: Yes. The Division is
12 receiving numerous ONGARD applications or notices. So
13 yes, the type of work that's being done is somewhat
14 questionable.

15 MR. BRUCE: Yeah.

16 **Q. (BY MR. BRUCE) Just a couple of final**
17 **questions, Mr. Wood. There is a need for saltwater**
18 **disposal in this area; is that correct?**

19 A. That is correct.

20 **Q. The Bone Spring and the Wolfcamp productive**
21 **zones do produce quite a bit of fluids?**

22 A. That is correct.

23 **Q. And so in your opinion, is the granting of this**
24 **application in the interest of conservation and the**
25 **prevention of waste?**

1 A. Yes, it is.

2 MR. BRUCE: Mr. Examiner, I'd move the
3 admission of Exhibit 2.

4 MS. BENNETT: No objection.

5 EXAMINER GOETZE: Ms. Antillon?

6 MS. ANTILLON: No objection.

7 MR. BRUCE: I have no further questions of
8 this witness.

9 EXAMINER GOETZE: Exhibit 2 is entered into
10 the record.

11 And I'll also move Exhibit 1 into the
12 record to make sure we have that.

13 (Solaris Water Midstream, LLC Exhibit
14 Numbers 1 and 2 are admitted into
15 evidence.)

16 EXAMINER GOETZE: Ms. Bennett.

17 MS. BENNETT: I have one or two questions.

18 CROSS-EXAMINATION

19 BY MS. BENNETT:

20 **Q. Good morning.**

21 A. Good morning.

22 **Q. In the C-108, on page 3, you have the wells**
23 **listed as 1,200 feet from the south line and 1,020 feet**
24 **from the east line. Are you -- do you know how close**
25 **that is to NGL's surface ownership?**

1 A. I do not.

2 Q. And perhaps this is a question I should have
3 asked the landman, and maybe I'll be able to ask him in
4 a moment. I don't have my notes right with me.

5 So you haven't actually -- do you just not
6 remember, or have you not looked at how close?

7 A. I have not looked at it.

8 Q. Okay. Thanks. That's the only question I had.

9 EXAMINER GOETZE: Okay. You don't want to
10 call the landman back?

11 MS. BENNETT: I'd like to.

12 EXAMINER GOETZE: We can do that at the
13 end.

14 Ms. Antillon?

15 MS. ANTILLON: No questions.

16 EXAMINER GOETZE: Okay. Back to me.

17 CROSS-EXAMINATION

18 BY EXAMINER GOETZE:

19 Q. First of all, I went through the C-108. The
20 Division did receive this as an administrative
21 application. It does include an induced seismicity
22 statement, for the record, which has been included as
23 part of the exhibit. I will not necessarily ask
24 Mr. Wood to do any type of induced-seismicity
25 predictions for us, but I will ask that an affirmation

1 statement be submitted, written by an individual who is
2 so qualified. It seems that it was part of the original
3 application. Let's update that and make sure we have
4 that in place.

5 While we're on the discussion of hydrology
6 and hydrologic connection, the Rustler has been
7 identified as a potential -- recognized as an
8 underground source of drinking water. We do have a
9 proposed depth, which is given as a top. Does anybody
10 have -- Mr. Wood or anybody, provide with us what is the
11 bottom of that aquifer so that we know that that surface
12 casing is continuous? This is not a critical item in
13 the sense that we can change the casing design. It does
14 not require notice, and it does not require any
15 additional information, but it is a BLM well, so we are
16 going to have to comply with their Onshore Number 2. So
17 I would ask you to reconfirm the shoe of your surface
18 casing.

19 MR. BRUCE: Okay. We will do that.

20 EXAMINER GOETZE: And for the record, this
21 is going to be a commercial well, correct --

22 MR. BRUCE: Correct.

23 THE WITNESS: That is correct.

24 EXAMINER GOETZE: -- in the sense that we
25 are going to have sources from another operator?

1 MR. BRUCE: Correct.

2 EXAMINER GOETZE: So NGL is not an operator
3 other than it has -- speaking of which, since this is
4 federal land -- I'm going to have to call the landman
5 back. NGL and the status of bonding, I believe we do
6 have a blanket bond, but we'll ask the landman that.

7 MR. BRUCE: Okay.

8 EXAMINER GOETZE: I have reviewed the
9 consent of this when it initially came in, and I have no
10 further questions with regard to this application. And
11 I just ask that the two items be clarified, and provide
12 it to all parties.

13 MR. BRUCE: Okay.

14 EXAMINER GOETZE: No more questions, unless
15 someone --

16 EXAMINER JONES: I have one.

17 CROSS-EXAMINATION

18 BY EXAMINER JONES:

19 Q. It's a bit of an ancillary question. Are you
20 aware of the surface -- surface lithology out here? In
21 other words, is it flat? There's a big pipeline going
22 to come in for this well; is that correct?

23 A. I'm not familiar with the pipeline, but in
24 general -- hold on a second. I'll tell you how flat is
25 flat.

1 Okay. The maximum relief is -- the highest
2 spot on the pad would be 3,353. The low spot would be
3 3,348, so -- relief, over 600 feet, 1 percent grade,
4 roughly.

5 **Q. Okay. That's very specific. If there is a**
6 **spill out there close to this well, is there a lake it's**
7 **going to drain into, or where would it go?**

8 A. It does show -- I'm looking at a topographic
9 map that the surveyors prepared. There is a low spot
10 I'm going to say half to 2/3 of a mile to the northeast.
11 Conceivably, it could flow in that direction.

12 **Q. And who owns that land?**

13 A. That is State Section 2.

14 **Q. Okay.**

15 EXAMINER GOETZE: You sure you don't want
16 to ask another one?

17 EXAMINER JONES: I'll refer it back to you.

18 EXAMINER GOETZE: No more questions for
19 this witness. Thank you.

20 MR. BRUCE: One more.

21 JIM BRANNIGAN,
22 after having been previously sworn under oath, was
23 questioned and testified as follows:
24
25

1 DIRECT EXAMINATION

2 BY MR. BRUCE:

3 Q. Would you please state your name for the
4 record?

5 A. Jim Brannigan.

6 Q. And where do you reside?

7 A. Midland, Texas.

8 Q. And what is your profession?

9 A. I'm a geologist -- petroleum geologist.

10 Q. Are you a consulting geologist?

11 A. Yes, I am.

12 Q. And are you consulting on behalf of Solaris on
13 this matter?

14 A. Yes, I am.

15 Q. Have you previously testified before the
16 Division?

17 A. Yes, I have.

18 Q. And have your credentials as an expert
19 petroleum geologist been accepted as a matter of record?

20 A. Yes.

21 Q. And have you reviewed Devonian geology in this
22 general area?

23 A. Yes, I have.

24 MR. BRUCE: Mr. Examiner, I tender
25 Mr. Brannigan as an expert petroleum geologist.

1 EXAMINER GOETZE: Ms. Bennett?

2 MS. BENNETT: No objection.

3 EXAMINER GOETZE: Ms. Antillon?

4 MS. ANTILLON: No objection.

5 **Q. (BY MR. BRUCE) What is Exhibit 3?**

6 A. It's a Midland Map, a lease map, showing the
7 locations of the Solaris Telluride and the NGL
8 Sidewinder, along with the -- you can see the permitted
9 wells that are horizontal wells in that section. And it
10 also has the surface owners estate, fee, Fed.

11 **Q. Yeah. And it shows -- immediate to Section 2**
12 **is the State Land Office -- the lands [sic] to the State**
13 **Land Office?**

14 A. Yes. Uh-huh.

15 **Q. What is Exhibit 4?**

16 A. Exhibit 4 is just a generalized geological
17 section showing the Delaware Basin geology.

18 And to answer the question that was before,
19 what's the base of the Rustler, the base of the Rustler
20 would be the top of the Salado. And so this is just --
21 I took this out of a Roswell Geological Symposium.

22 **Q. You don't have a specific depth for this well,**
23 **the top of the Salado?**

24 A. Oh. No, I don't. Well, it might be in the --
25 I don't, but it might be in the records.

1 **Q. And, again, injection will be into the**
2 **Siluro-Devonian Formation?**

3 A. Yes.

4 **Q. What is Exhibit 5?**

5 A. Exhibit 5 is a copy of a geomap that's --
6 that's conjured on top of what the geomap calls the
7 Siluro-Devonian. Out here, the Siluro-Devonian,
8 Siluro-Ordovician or just straight Silurian, straight
9 Devonian, straight -- or you can go ahead and say
10 Siluro-Ordovician, Siluro-Devonian. This is -- this is
11 what I would like to refer to as pre-Mississippian
12 carbonates.

13 **Q. Okay. And it extends across this entire area?**

14 A. Yes. This is just a small -- small area of a
15 geomap that was -- that encompasses all of southeast New
16 Mexico and West Texas. And it shows -- and it shows the
17 three locations.

18 **Q. And there is a fault just to the northwest of**
19 **the -- of the Solaris proposed well, correct?**

20 A. Yes. And that's what sets up the Antelope
21 Ridge-Devonian field. There are three wells that
22 produce out of that field dating back to 1962. I think
23 Shell drilled it back in 1962. And those are basically
24 gas wells.

25 **Q. Okay. And talking about that pool a little**

1 **bit, what is Exhibit 6?**

2 A. Exhibit 6 is a copy of a -- a field study out
3 of a Roswell Geological Society symposium done by Will
4 Green in 1966 when he worked for Shell, and it just
5 shows the -- it's a -- I've done dozens of these for the
6 Roswell Geological Society. What you do is you collect
7 data: What was the first well drilled; what's the type
8 of reservoir; what's the pressures; what's the salinity.
9 You just put as much data down as you can. It helps
10 other people that are working in the area. This
11 particular one was done by Will, and it shows that the
12 well was -- the field was discovered by seismic. It
13 talks about the lithology of the -- of the -- of the
14 rock itself. It's a dolomite, white -- white to light
15 gray. It talks about the -- the salinity. It talks
16 about the pressures. It talks about a lot of things.
17 But it also goes into the cumulative production that's
18 on the bottom of that page. And the second page, if you
19 turn it over, it just goes in and it's Will's
20 interpretation at the time, back in 1966, of what the
21 field looked like, and you can see the fault on the map
22 on the left side of that -- of -- of the second page,
23 along with -- in the upper right-hand section, he shows
24 the potential pays. He calls it the Silurian. Of
25 course, it's Silurian-Devonian. But that's -- that's

1 what we're going to be injecting our water into.

2 Q. Okay. And the plat on page 2 shows that the --
3 it's a three-well pool, you said?

4 A. Yes.

5 Q. Antelope Ridge?

6 A. Right. Uh-huh.

7 Q. And all the wells are completed at or near the
8 top of the structure?

9 A. Yes. Uh-huh.

10 Q. Typical for the Devonian?

11 A. Yeah. For the Devonian, most of the time what
12 you want to do is you don't want to -- a lot of these
13 wells -- there are several Devonian wells in this area
14 that they didn't run electric logs on because the secret
15 to a lot of Devonian fields is just to hit the top of
16 it, stop, because if you get into the water, you're
17 going to cone up, and the water is going to flow faster
18 than the oil. So the key is go ahead and just tag the
19 top of the Devonian and stop. Some wells out here have
20 actually gone to the Precambrian, but they've produced
21 uphole in the Wolfcamp and the Morrow.

22 Q. And the Devonian or however you want to call
23 it -- you call it the Precambrian -- pre-Miss- --

24 A. Pre-Mississippian carbonate.

25 Q. -- it can be quite -- quite a thick zone?

1 A. Oh, yes, thousands of feet. Yes. Yes. In
2 fact, it's -- on one of the -- I just have -- it's a
3 well that was drilled by Exxon back in 1974. They're
4 saying that the top of the Silurian, which is the
5 Silurian-Ordovician, is at 17,200 feet. The top of the
6 Precambrian is almost at 21,000. So you can see that
7 section is 3- or 4,000 feet.

8 **Q. Okay. And does Exhibit 6 also mention --**
9 **discuss or at least identify porosity and permeability?**

10 A. Yes, it does. The work that was done -- and
11 I'm not sure how -- how Will got this -- Will Green got
12 this information, but he's talking about reservoir
13 porosities of 5.5 percent and 4.5 millidarcies
14 permeability, and he goes into water saturations and oil
15 saturations.

16 **Q. So there is porosity there, and there is**
17 **permeability?**

18 A. Oh, yeah. Yes. Yeah. I mean, the wells --
19 the well flowed at 41 million a day. It had to have
20 some porosity and permeability to go ahead and produce
21 that kind of hydrocarbon.

22 **Q. The next productive zone up above the**
23 **Silurian-Devonian would be what?**

24 A. The next productive zone --

25 **Q. Yeah.**

1 A. -- would be the Morrow.

2 **Q. Morrow?**

3 A. Yeah. But that's separated -- if you go in --
4 and just the general stratigraphy out there -- if you
5 went to the -- the base of the Morrow, which is the top
6 of the Chester and the Barnett, that's going to be at
7 around -- and one of the wells, the Exxon well, reports
8 it at 16,430 feet. The top of the Siluro-Devonian is
9 at -- reported on this well is 17,225 feet, so that's
10 almost 3,000 feet of extremely tight low-porosity,
11 low-permeability rock between where we want to inject in
12 the closest hydrocarbon zone.

13 **Q. So there would be a barrier so there would be**
14 **no movement of the fluids?**

15 A. It would be a heck of a frac job.

16 **Q. The well's not being fracked?**

17 A. No. I know. That's what I mean. But to frac
18 3,000 feet, I mean, I wish I had an interest in some of
19 those that could frac that much.

20 **Q. And what is Exhibit 7?**

21 A. Exhibit 7 is a copy I made. It's the -- I have
22 access to the laser production reports. This is -- this
23 is -- I just pulled this up in the last week or two.
24 And what it is is it's the Antelope Ridge field, the
25 wells that are produced -- that are produced in the

1 Antelope Ridge field from day one, in 1962, when Shell
2 drilled their first well. The production starts in
3 1970, and it cums out. It doesn't go back all the way
4 to -- to the beginning of time. Just like a lot of the
5 OCD records go to 1993 and then you have to go back to
6 individual months to be able to see what they've done.

7 But, anyway, so this is just a cum of what
8 those three wells have done. And if you look to the
9 right side, it talks about the number of flowing wells
10 and the number of other wells. The maximum in this
11 field has been three. And now it's -- I believe the
12 wells -- I think the field now is pretty much dormant.
13 I don't know if it's officially been -- if it's been
14 plugged, but it's at least temporarily abandoned in
15 2017. But you can see that out of the three wells,
16 there's been almost 40 Bcf of -- of -- of gas and over a
17 million cubic -- a million barrels of oil and about 6.65
18 million barrels of water produced out of that field.
19 It's got perm. It's got porosity. You know, it's
20 produced a lot of hydrocarbon.

21 Q. Yeah. And a lot of volume of fluid has already
22 come out of the reservoir?

23 A. Yes. Uh-huh.

24 Q. And one final thing, you know, discussing
25 development out here. What is -- why is Exhibit 8

1 **submitted?**

2 A. Exhibit 8 is submitted only because -- this,
3 again, is a -- is a Midland Map showing the Solaris
4 Aspen number one location. And the reason I wanted to
5 show this is because if you look at the map, you see all
6 the permitted horizontal wells that are out here, and
7 this is probably just right now Bone Spring. And if you
8 follow the evolution of what's been happening in
9 southeast New Mexico, since I got involved in it in
10 1981, what's happened is everybody chases the same
11 thing. It's the Abo. It's the Delaware. It's the
12 Morrow. Now what's happening out here is people are
13 chasing the 1st, 2nd, 3rd sand. Now, all of a sudden,
14 it's the eight or ten shelves in the Wolfcamp.

15 So my point is that if you have this map
16 five years from now, you're probably going to see two or
17 three times as many wells permitted on this one township
18 that's there right now because it's just going crazy out
19 there.

20 **Q. So there is a need for saltwater disposal?**

21 A. You know, I have an interest in a bunch of
22 horizontal wells, and to be honest with you, I have no
23 idea what they're doing. What Marathon, COG, Mewbourne,
24 what they're doing with their water, I let other people
25 worry about that. But yes, there is a need for

1 saltwater disposal.

2 Q. Otherwise, the wells can't produce?

3 A. You can throw it in the Pecos River, but I
4 think the State might get kind of cranky about that.

5 Q. Two states.

6 A. Two states.

7 I don't know what you would do with the
8 water if you couldn't dispose it.

9 Q. Were Exhibits 3 through 8 prepared by you or
10 under your supervision?

11 A. Yes, they were.

12 Q. And in your opinion, is the granting of this
13 application in the interest of conservation and the
14 prevention of waste?

15 A. Yes, it is.

16 MR. BRUCE: Mr. Examiner, I move the
17 admission of Exhibits 3 through 8.

18 EXAMINER GOETZE: Ms. Bennett?

19 MS. BENNETT: No objection.

20 EXAMINER GOETZE: Ms. Antillon?

21 MS. ANTILLON: No objection.

22 (Solaris Water Midstream, LLC Exhibit
23 Numbers 3 through 8 are offered and
24 admitted into evidence.)

25 EXAMINER GOETZE: Any questions?

1 MS. BENNETT: No questions.

2 MS. ANTILLON: No questions.

3 CROSS-EXAMINATION

4 BY EXAMINER GOETZE:

5 Q. So we're looking at a clastic [sic] closure
6 against a fault boundary as the --

7 A. Yes. But it's actually -- if you -- if you
8 look at the -- if you look at the structure map done by
9 Geomap, it's actually -- the field produces in a
10 downthrown slope.

11 Q. Okay. So everything comes up in a fault
12 boundary --

13 A. Yes.

14 Q. -- as a trap boundary?

15 A. That's a trap barrier.

16 Q. So -- but we're not looking at -- we're trying
17 to get at a very limited area of productivity in the
18 Devonian. As far as up north of where your location is,
19 there would be -- what potential for any influence from
20 injection into the Telluride for any remaining resources
21 in this -- this small field?

22 A. I don't think it's -- yeah. I think there is a
23 limited boundary. I don't know if Will goes into what
24 the lower -- what the -- what the lower contour is as
25 far as what's economical and what's not, where you get

1 into your water, but we're not -- putting water into the
2 Telluride is not going to have any effect on the
3 Antelope Ridge-Devonian field.

4 **Q. I don't have any more questions.**

5 EXAMINER GOETZE: Mr. Jones?

6 CROSS-EXAMINATION

7 BY EXAMINER JONES:

8 **Q. Just briefly, you mentioned the porosity --**

9 A. According to Will -- you know, Will Green did
10 this -- did this, and he was with -- I believe it was
11 Shell, and they had -- they drilled a discovery well.
12 If you look on Exhibit 6, in the middle of the page, it
13 says "Reservoir Data," and it says "5.5 percent
14 porosity," "4.5 percent millidarcies." And it goes into
15 water saturations, you know, 62 API clear sour oil. And
16 then it goes into the GOR, 50,000 gravity of 0.66. So
17 it just gives you kind of a geochemical look. And
18 then -- and I'm not sure how Will got this information.
19 I'm not sure if -- Shell may have cored that first well,
20 and I wouldn't have doubted it. Back in those days, you
21 know, they did a lot more science than we do right now.

22 **Q. What's Solaris' proposal for testing a well or**
23 **logging a well or coring a well?**

24 A. I can't answer that. I really don't know.

25 **Q. The porosity seems pretty low to me, but maybe**

1 **that's over a big vertical section.**

2 A. Well, 5.5 percent is actually not too bad in
3 the carbonate. I mean, if you get a dolomite and you're
4 in the Scar field, I mean, you've got some vuggy
5 porosity and then you're going to produce a lot out of
6 the vuggs. But for me, if I've got -- if I've got a San
7 Andres well that has 5-1/2 percent cross-plot porosity
8 with this kind of permeability, I feel I've hit a home
9 run. 5.5 is pretty good. If it was a sand -- you know,
10 some Delaware sands, you have to have 20 percent. Some
11 Morrow sands, 3 percent will produce. But in this case,
12 when you look -- when you look at the porosity and
13 permeability that was done before -- and then you look
14 at the production 30 years later, you say, "Well, that's
15 pretty good -- that's pretty good rock."

16 **Q. Are you talking core porosity then?**

17 A. I don't know. Will doesn't say in here how
18 that -- how that -- how they gathered that information.
19 It could have been they ran some kind of logs. Back in
20 1962, sonic was probably state-of-the-art.

21 **Q. Yeah.**

22 A. So there wasn't a whole lot of good stuff, you
23 know. So it might have been a sidewall core. It could
24 have been a hole core. I mean, I don't know. Will's
25 still alive. I guess I could give him a call. He's

1 living in Midland. I can ask him.

2 **Q. Well, what about the thickness of the injected**
3 **interval?**

4 A. You know, that's, again, a question that I
5 didn't get involved in, as far as where they're going --
6 how deep they're going to TD, how deep -- when they
7 penetrate the top of the Siluro-Devonian, how deep
8 they're going to go into that rock in order to go ahead
9 and start injecting. I'm not sure. I don't know if
10 that's an engineering question or a geological question,
11 but I can't answer that, not that I don't want to. I
12 just don't know.

13 **Q. Okay. It would just be -- some other**
14 **parameters would go into calculating how far away from**
15 **this well injection would reach at a certain amount of**
16 **time?**

17 A. Now you're talking about a reservoir engineer
18 instead of a petroleum geologist.

19 MR. BRUCE: Mr. Examiner, Mr. Wood pointed
20 out to me that on Exhibit 2, page 8, the wellbore sketch
21 on the lower left-hand space, there is some logging info
22 set forth.

23 EXAMINER JONES: Okay.

24 **Q. (BY EXAMINER JONES) And I guess as far as the**
25 **boundary below the Siluro-Devonian, is there a barrier**

1 **or barriers?**

2 A. Well, what you have is you have the Siluro --
3 Siluro -- Siluro-Devonian, the Fusselman, the Montoya,
4 the Simpson, the Ellenburger, and then you get into your
5 Precambrian. But some of those rocks are going to be
6 pretty tight. I'm not sure about the Simpson. I mean,
7 the Simpson is actually, in some cases, you know, has
8 some porosity, but I don't think that's going to be a
9 problem getting -- again, we're not going to -- I would
10 assume we're not ever going to get above frac gradient.
11 Again, I'm talking like an engineer and I'm not. So I
12 don't think we have to worry about any of the fluid
13 going anywhere but in the zone that Solaris wants it to
14 go into.

15 **Q. Okay. So can you summarize briefly why the**
16 **Devonian is such a good injection interval or good rock**
17 **for injection?**

18 A. Well, part of that is because it's got porosity
19 and permeability? I guess -- I guess I would say look
20 at the history behind it. It's working. It's -- it's
21 there. I mean, if history is any key to what's going to
22 happen in the future, if it's working in the past and
23 it's working right now, then it should work in these
24 other wells. Again, I'm not saying that in every area,
25 if you get up into Roosevelt County or if you get up

1 into northern Lea or Chaves County, that the Devonian is
2 going to have the same porosity and permeabilities, but
3 down in this country, it seems like it's working.

4 **Q. The gravity that your oil came out, you're not**
5 **talking about this well. You're talking about some --**

6 A. No. No. We're talking about the Antelope
7 Ridge-Devonian field.

8 **Q. Which is --**

9 A. Northeast.

10 **Q. -- productive somewhere away from this well?**

11 A. Yes. It's on a -- it's on a downthrown side
12 of -- it's producing on a downthrown side of the -- of
13 the fault. So it's a pinch-out. It's a pinch-out on
14 the fault.

15 **Q. Okay.**

16 EXAMINER GOETZE: That's what you get for
17 not taking the exhibits.

18 EXAMINER JONES: Yeah.

19 **Q. (BY EXAMINER JONES) okay. You said a lot of**
20 **gas came out of this field?**

21 A. Yeah. Well, what came in -- I'm looking just
22 at the -- what -- what Will Green put in as the
23 discovery well, was the #1 Harris in Section 27 and
24 23-34, completed August 9th, 1963, with an initial
25 potential of 41 million plus 60 barrels of condensate.

1 Now, that might be 60 barrels of condensate per million,
2 or it could be 60 barrels of condensate total. I'm
3 probably thinking it's probably 60 barrels of condensate
4 per -- per thousand cubic feet, only because when you
5 look at the production numbers, it did make -- that
6 field did make over a million barrels of -- I don't
7 want -- I want to make sure.

8 **Q. You said 50 --**

9 A. It made over a million barrels of oil. So
10 it's -- it was rich in -- it was rich oil and gas. And,
11 of course, he talks about the oil is 62 API and clear.
12 And I've had some -- it really is. I mean, in the
13 Buffalo Valley in Chaves and Eddy Counties, the oil
14 looks like water. And that's what this probably is at
15 62 gravity. You get around 55 gravity, and you start
16 getting, you know, pretty -- it's pretty light.

17 **Q. And that fault has been -- when's the last**
18 **time -- when was it created and when was it --**

19 A. Oh. When was it created? Well --

20 **Q. What's the age of the fault?**

21 A. Well, the age of the fault is probably --
22 it's -- it's after the Devonian, probably Atoka --
23 probably Atoka age. There is a lot of movement out here
24 in the -- in the -- in the Pennsylvanian time, so it's
25 probably a Penn fault. But I'd have to go back and do

1 some more research to know that.

2 **Q. Thank you.**

3 **A. You bet.**

4 EXAMINER GOETZE: Anybody else have
5 questions for this witness? No?

6 Okay. We're done with this witness.

7 MR. BRUCE: Couple of questions for the
8 landman.

9 EXAMINER GOETZE: Yes. Let's bring him
10 back up. We like him.

11 I will let you go ahead, Deana.

12 MS. BENNETT: Thank you.

13 LANDON DREW DIXON,
14 after having been previously sworn under oath, was
15 re-called, questioned and testified as follows:

16 RE CROSS EXAMINATION

17 BY MS. BENNETT:

18 **Q. Thanks for coming back up, Mr. Dixon.**

19 **A. Yeah.**

20 **Q. I just had a couple of follow-up questions for**
21 **you.**

22 **First, I think I may have misspoken earlier**
23 **when I mentioned or asked you the question about whether**
24 **the Telluride well is on land that's within the exterior**
25 **boundaries of the McCoy Ranch. I think I was actually**

1 thinking of the Aspen well and not the Telluride well.

2 A. Okay.

3 Q. So I just wanted to clarify that for the
4 record.

5 But in terms of Telluride well, I asked
6 Mr. Wood -- I believe is his name -- if he knew the
7 location -- the proposed location of the Telluride well
8 relative to the boundaries of NGL's fee land, NGL's
9 surface ownership, and he did not know that information.
10 I was wondering if you happen to know that information.

11 A. I have an approximation, if that's sufficient.
12 It's about a quarter mile away from the NGL fee land.

13 Q. On both sides, right?

14 A. Yes.

15 Q. It's a sliver that's bounded on both sides by
16 NGL fee land?

17 A. That is correct.

18 Q. A moment ago, Mr. Jones -- Examiner Jones asked
19 Mr. Brannigan about the potential for water to spread,
20 and Mr. Brannigan said that would be a question for a
21 reservoir engineer. And looking through your materials,
22 I didn't see any study performed by a reservoir. Is
23 that correct, that there are no exhibits in your packet
24 of a study performed by a reservoir engineer?

25 A. Yes. That's my understanding.

1 **Q. Those are all the questions I had. Thank you.**

2 EXAMINER GOETZE: Thank you.

3 RECROSS EXAMINATION

4 BY EXAMINER GOETZE:

5 **Q. Just one follow-up with regards -- since we're**
6 **on BLM land.**

7 A. Yes.

8 **Q. Current disposition of the company, Solaris,**
9 **with regards to the bonding?**

10 A. So we have our statewide bond that we have
11 filed with the NMOCD or the regulatory bodies here. But
12 as for each location, because we're not a lease
13 operator, we will obtain a bond specific to this SWD
14 well, and that'll be a \$25,000 bond. However, we cannot
15 file for that bond until our SF 299 is assigned to a
16 royalty -- royalty specialist and we have our -- our
17 number in order to associate it therewith.

18 **Q. Okay. No more questions. Thank you.**

19 A. Yes.

20 EXAMINER GOETZE: That's it?

21 MR. BRUCE: That's it. Ask that the matter
22 be taken under advisement.

23 EXAMINER GOETZE: Case 20114 is taken under
24 advisement.

25 And I believe it's break time.

1 Oh, yes (indicating).

2 MS. ANTILLON: Mr. Examiner, I don't have
3 any witnesses to present today, but I did want to make a
4 statement just for the record.

5 EXAMINER GOETZE: Well, let's -- sorry.
6 Case Number 20114 will be re-opened.

7 Please.

8 MS. ANTILLON: Thank you.

9 Once again, this is Andrea Antillon with
10 the State Land Office and the Commissioner of Public
11 Lands. And as I said, I'm not putting on any witnesses
12 today. I just want to make a quick statement for the
13 record.

14 The proposed Telluride well location is
15 within a quarter mile of state trust land and minerals,
16 and the State Land Office is concerned about that well
17 spacing and the close proximity of the propsed well to
18 state trust land and other saltwater disposal wells. We
19 currently conducting a technical review of the
20 application, and we just want to reserve our right to
21 appeal if we do have any concerns once we've done that
22 review.

23 EXAMINER GOETZE: By being part of this
24 hearing, you so have that opportunity.

25 Is there rec- -- are you foreseeing any

1 recommendations from the State Land Office to ease any
2 concerns that they have?

3 MS. ANTILLON: We had asked them to move
4 that location to greater than a half mile, and it's my
5 understanding that that was not possible. So any
6 further recommendations will have to wait on our
7 engineers to do a review.

8 EXAMINER GOETZE: Very good.

9 So with that note, we will go ahead and
10 re-close and take under advisement Case 20114.

11 And when do you want to come back,
12 Mr. Jones?

13 EXAMINER JONES: Ten minutes.

14 EXAMINER GOETZE: Five or ten? Five
15 minutes will be ten.

16 (Case Number 20114 concludes, 9:43 a.m.)

17 (Recess, 9:43 a.m. to 10:04 a.m.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court
6 Reporter, New Mexico Certified Court Reporter No. 20,
7 and Registered Professional Reporter, do hereby certify
8 that I reported the foregoing proceedings in
9 stenographic shorthand and that the foregoing pages are
10 a true and correct transcript of those proceedings that
11 were reduced to printed form by me to the best of my
12 ability.

13 I FURTHER CERTIFY that the Reporter's
14 Record of the proceedings truly and accurately reflects
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither
17 employed by nor related to any of the parties or
18 attorneys in this case and that I have no interest in
19 the final disposition of this case.

20 DATED THIS 7th day of April 2019.

21

22

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

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