

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:

COPY

APPLICATION OF ROCKCLIFF OPERATING
NEW MEXICO, LLC FOR APPROVAL OF
THE BUTTON MESA SAN ANDRES STATE
EXPLORATORY UNIT, CHAVES AND LEA
COUNTIES, NEW MEXICO.

CASE NO. 15587

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

November 17, 2016

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER
GABRIEL WADE, LEGAL EXAMINER

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This matter came on for hearing before the
New Mexico Oil Conservation Division, Michael McMillan,
Chief Examiner, and Gabriel Wade, Legal Examiner, on
Thursday, November 17, 2016, 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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1 (8:57 a.m.)

2 EXAMINER McMILLAN: I'd like to call Case
3 Number 15587, application of Rockcliff Operating New
4 Mexico, LLC for approval of the Button Mesa San Andres
5 State Exploratory Unit, Chaves and Lea Counties, New
6 Mexico.

7 Call for appearances.

8 MR. LARSON: Gary Larson and Jared Hembree,
9 with Hinkle Shanor, for Rockcliff Operating New Mexico.

10 EXAMINER McMILLAN: Any other appearances?
11 Thank you. Please proceed.

12 MR. LARSON: I have two witnesses.

13 EXAMINER McMILLAN: Would the witnesses
14 please stand up and be sworn in at this time.

15 (Mr. Holt and Mr. Shaw sworn.)

16 MR. LARSON: May I proceed?

17 EXAMINER McMILLAN: Please proceed.

18 MARK S. HOLT,
19 after having been first duly sworn under oath, was
20 questioned and testified as follows:

21 DIRECT EXAMINATION

22 BY MR. LARSON:

23 Q. Good morning, Mr. Holt.

24 A. Good morning.

25 Q. State your full name for the record.

1 A. Mark Holt.

2 Q. And where do you reside?

3 A. In Houston, Texas.

4 Q. And by whom are you employed and in what
5 capacity?

6 A. Rockcliff Operating New Mexico, LLC, and my
7 title is land advisor.

8 Q. And what is the focus of your responsibilities
9 as a land advisor at Rockcliff?

10 A. I handle all the land responsibilities in our
11 New Mexico San Andres project.

12 Q. And are you familiar with the land matters that
13 pertain to Rockcliff's application for approval of a
14 state exploratory unit?

15 A. Yes, sir.

16 Q. Have you previously testified at a Division
17 hearing?

18 A. Yes, sir.

19 Q. Did the Examiner qualify you as an expert
20 petroleum landman?

21 A. Yes, sir.

22 MR. LARSON: I tender Mr. Holt as an
23 expert.

24 EXAMINER McMILLAN: So qualified.

25 Q. (BY MR. LARSON) Would you identify the document

1 marked as Exhibit 1?

2 A. It is the unit agreement for the Button Mesa
3 San Andres Unit area.

4 Q. And it's not yet been executed?

5 A. No, not yet. Unexecuted. Excuse me.

6 Q. Is Exhibit 1 a true and correct copy of the
7 unit agreement?

8 A. Yes, sir.

9 Q. And is the agreement on the State Land Office
10 form?

11 A. Yes, sir.

12 Q. Is the unit comprised entirely of state lands?

13 A. Yes, sir.

14 Q. So the State Land Office owns 100 percent of
15 the royalty interest?

16 A. Yes, sir.

17 Q. And are all of Rockcliff's interest in the
18 proposed unit area committed to the --

19 A. Yes, sir.

20 Q. I'll direct your attention to Exhibit B, to the
21 unit agreement, which appears -- what's been marked as
22 page 11. And would you identify what Exhibit 8 -- I'm
23 sorry -- Exhibit B to the unit agreement is?

24 A. Yes, sir. This is a Schedule of Ownership. It
25 sets out the tract numbers, the description of the lands

1 for each tract, the acres, the state lease numbers and
2 exploration dates, the lessee of record, the overriding
3 royalty owners and working interest owners.

4 Q. And are all of the working interest owners
5 identified on Exhibit B committed -- committing their
6 interest to the unit?

7 A. Yes, sir.

8 Q. And are they prepared to execute the unit
9 agreement?

10 A. Yes, sir.

11 Q. Would you flip back one page to Exhibit A, to
12 the unit agreement? It appears on page 10. And
13 identify that for the record.

14 A. It's a land plat showing the outline of the
15 unit and each tract that's -- which is -- there are 30
16 different tracts within the unit.

17 Q. And does the dotted line indicate the
18 horizontal boundary --

19 A. Yes, sir.

20 Q. -- in the proposed unit?

21 And how many state leases are included?

22 A. There are 30.

23 Q. Finally, I'll direct your attention to Exhibit
24 C to the unit agreement, which appears on page 17.

25 Would you identify the information included in Exhibit

1 C?

2 A. Yeah. This is the Schedule of Tract
3 Participation, which shows the tract numbers, the
4 description of each tract, the acres in each tract and
5 then the participation factor for each tract.

6 Q. And what is the total acreage of the proposed
7 unit?

8 A. 9,602.72 acres.

9 Q. And has Rockcliff met with representatives of
10 the State Land Office regarding the proposed unit?

11 A. Yes, sir. We met with -- we had two meetings
12 with State Mineral Board. The first meeting was with
13 their technical group where we presented our idea, and
14 then the second meeting was actually the technical group
15 with Commissioner Dunn present also.

16 Q. And what formation is Rockcliff seeking to
17 unitize for development?

18 A. The San Andres.

19 Q. Are there any depth exceptions in the San
20 Andres interval?

21 A. No, sir.

22 Q. And what are the upper and lower depths of the
23 unitized interval?

24 A. The upper depth is this 3,397 feet and the
25 lower is 4,807 feet.

1 Q. And would it be fair to say that Rockcliff's
2 development plan for the unit is unclear at this time?

3 A. Yes, sir. We're getting ready to drill the --
4 in a couple of weeks, to drill the first well -- test
5 well, and upon the results of that well, we'll determine
6 what our development plans will be.

7 Q. Would you identify the document marked as
8 Exhibit 2?

9 A. Yes, sir. It's the C-102 for the Humboldt
10 State 15 1H, and this is the initial test well for the
11 unit.

12 Q. Does Rockcliff have an approved APD for the
13 testing?

14 A. Yes, sir.

15 Q. Was that approved on October 12th of this year?

16 A. Yes, sir.

17 Q. And what is the estimated completed costs for
18 the Humboldt?

19 A. 3.2 million, approximately.

20 Q. Would you next identify the document marked as
21 Exhibit 3?

22 A. Yes, sir. This is a letter from the State of
23 New Mexico, Commissioner of Public Lands addressed to
24 Ken Haley, who is the vice president of exploration for
25 Rockcliff, from Aubrey Dunn giving us approval.

1 Q. Is Exhibit 3 a true and correct copy of
2 Commissioner Dunn's letter?

3 A. Yes, sir.

4 Q. And did Rockcliff notify the State Land Office
5 of today's hearing?

6 A. Yes, sir.

7 Q. And did Rockcliff also notify all the working
8 interest owners and overriding royalty owners identified
9 on Exhibit B to the unit agreement?

10 A. Yes, sir.

11 Q. Would you identify the document marked as
12 Rockcliff Number 4?

13 A. Yes, sir. It's the letter we sent to the
14 Commissioner of Lands about notification of the hearing,
15 and also it's an example of the letter that was sent to
16 the royalty owners -- overriding royalty owners and
17 working interest owners. And there is -- there is a
18 copy -- copies of all the green cards we received. We
19 got 100 percent of the green cards back from all of the
20 owners.

21 Q. And were the notice letters prepared and sent
22 under your direction?

23 A. Yes, sir.

24 Q. And in your opinion, does the proposed
25 exploratory unit cover an area that can reasonably be

1 developed under a unit plan?

2 A. Yes, sir.

3 Q. And in your opinion, would the granting of
4 Rockcliff's application serve the interest of
5 conservation, the prevention of waste and the protection
6 of correlative rights?

7 A. Yes, sir.

8 MR. LARSON: I move the admission of
9 Exhibits 1 through 4.

10 EXAMINER McMILLAN: Exhibits 1 through 4
11 may now be accepted as part of the record.

12 (Rockcliff Operating New Mexico, LLC
13 Exhibit Numbers 1 through 4 are offered and
14 admitted into evidence.)

15 MR. LARSON: And I pass the witness.

16 CROSS-EXAMINATION

17 BY EXAMINER McMILLAN:

18 Q. Everyone that gets a check has been notified?

19 A. Yes, sir, notified. And we got a return of
20 green cards from everybody, all the interested parties.

21 Q. Is there a contraction clause in this?

22 A. Yes. It's a five-year term on the -- under the
23 unit agreement, and at that point, we will, you know,
24 meet with the State on a yearly basis, you know,
25 proposing -- showing our development plans on a

1 going-forward basis.

2 EXAMINER WADE: Do you happen to know which
3 clause that is, what number?

4 MR. HEMBREE: Yes. It is -- I believe in
5 the plan, it is -- I believe it's 17 -- paragraph 17.
6 It states it's effective for five years, and it
7 automatically terminates on that five-year date as to
8 any lands not developed. I believe that's --

9 EXAMINER WADE: I was asking the witness
10 the question, but --

11 MR. HEMBREE: Oh, I'm sorry.

12 EXAMINER WADE: And for the record, yeah,
13 paragraph 17 is that statement.

14 Q. (BY EXAMINER McMILLAN) And is this for vertical
15 or horizontal wells or horizontal wells only?

16 A. No. We're planning to develop on horizontal
17 only.

18 Q. Okay.

19 CROSS-EXAMINATION

20 BY EXAMINER WADE:

21 Q. As to development, I understand that there is
22 not a plan per se in effect, but is there a witness who
23 is going to talk about -- similar to this previous case,
24 are there areas that are already being developed that
25 can be analogous to this? Is there not even a rough

1 plan of development?

2 A. Well, it really depends on the results we get
3 from the initial well. And you'll -- as you will hear
4 from the geological, the closest well now is about 25
5 miles to the -- to the west of it? So this is what I
6 would call a wildcat development area. And, basically,
7 we're drilling a pilot hole. We'll core. We'll take,
8 you know, all the information we have and then kick off
9 and drill the 4,500-foot horizontal well.

10 With the State, we did -- I mean, with the
11 State meetings, we showed them that we're looking to
12 drill anywhere, if allowed, 7,500- to 10,000-foot
13 horizontal wells possibly in the area.

14 Q. Those are the meetings with the State Land
15 Office?

16 A. Yes, sir.

17 Q. Was there anybody from the OCD at those
18 meetings?

19 A. No. No. That was, like I said, the
20 preliminary meetings to get their approval.

21 EXAMINER WADE: I don't have any further
22 questions.

23 EXAMINER McMILLAN: That's very good.

24 Thank you.

25 MR. LARSON: One follow-up question,

1 Mr. Examiner.

2 REDIRECT EXAMINATION

3 BY MR. LARSON:

4 Q. Has Rockcliff filed a pooling application for
5 another San Andres horizontal well in the area?

6 A. Yes. We're currently -- we're going to
7 drill -- we're going to drill four wells in this project
8 area, and we're currently drilling -- actually, today,
9 we're doing the horizontal on the first well. And the
10 test well, the Humboldt 15 State 1H, will be our second
11 test well in the area, and then we've got plans for two
12 more after that.

13 Q. And the well you sought a pooling order on, how
14 far is that from the unit area?

15 A. It's about 12 miles east of here. We've got
16 close to 45,000 acres tied up in this area -- in our
17 development project area.

18 MR. LARSON: That's all I have for
19 Mr. Holt.

20 EXAMINER McMILLAN: Thank you very much.

21 THE WITNESS: Thank you.

22 NOLAN G. SHAW, JR.

23 after having been previously sworn under oath, was
24 questioned and testified as follows:

25

DIRECT EXAMINATION

1

2 BY MR. LARSON:

3 Q. Good morning, Mr. Shaw.

4 A. Good morning.

5 Q. Would you state your full name for the record?

6 A. Nolan G. Shaw, Jr.

7 Q. And where do you reside?

8 A. I reside in Plano, Texas.

9 Q. And by whom are you employed and in what
10 capacity?

11 A. I'm employed by Rockcliff Operating New Mexico,
12 LLC in the capacity of geologic advisor.

13 Q. And are you familiar with the geologic aspects
14 of Rockcliff's application for approval of the state
15 exploratory unit?

16 A. Yes, I am.

17 Q. And have you previously testified at a Division
18 hearing?

19 A. No, I haven't.

20 Q. Have you testified before an administrative
21 agency that regulates the oil and gas industry?

22 A. I have. I've testified before Arkansas and
23 Louisiana.

24 Q. Would you briefly summarize your educational
25 background and professional experience in the oil and

1 gas industry?

2 A. I have a bachelor of science degree in geology
3 from Centenary College in Louisiana -- Shreveport,
4 Louisiana, and I've worked about 45 continuous years as
5 a petroleum geologist in the oil and gas industry.

6 MR. LARSON: I tender Mr. Shaw as an expert
7 in petroleum matters.

8 EXAMINER McMILLAN: And what affiliations?
9 Are you affiliated with AAPG?

10 THE WITNESS: Yes, sir.

11 EXAMINER McMILLAN: So qualified.

12 MR. LARSON: Thank you.

13 Q. (BY MR. LARSON) Is the San Andres interval
14 that's the target interval for the proposed unit area
15 part of the Northwest Shelf?

16 A. Yes. It's located -- the -- the -- the Button
17 Mesa proposed unit is on the western end of the
18 Northwest Shelf.

19 Q. And could you generally describe the geology of
20 the San Andres interval within the unit area?

21 A. The San Andres is comprised of interbedded
22 lime -- limestone dolomites and anhydrites, and it's
23 bounded in the upper by -- by anhydrites -- imbedded
24 anhydrites and dolomites, and below by tight limestone.
25 And then the pay interval itself is the -- dolomite

1 interval.

2 Q. Would you identify the document marked as
3 Exhibit 5?

4 A. Yes, sir. That's a structure map -- subsurface
5 structure map, subsea, top of the pi marker. And the
6 Button Mesa proposed unit is shown outlined in red. The
7 type log, which is Exhibit 6 coming up, is the Apache
8 State 28-1 well, and the blue north-south line is where
9 we're planning to drill the Humboldt 15 State 1H in a
10 couple weeks.

11 Q. Are there any offset wells identified on
12 Exhibit 5?

13 A. Yes, sir. To the -- the list of wells bubbled
14 in pink, rounded, those are all vertical wells. And the
15 San Andres, the well -- the field to the north, is the
16 Chavaroo Field, and to the northwestern part -- the
17 upper, left part of the page are the wells that are part
18 of the Tomahawk Field. And down by the title block, the
19 wells closer there to the southeastern part of the
20 proposed unit, is the Flying M Field. And, again, these
21 wells are all vertical wells.

22 Q. And Mr. Holt testified regarding Rockcliff's
23 Annapurna 20 #1H, which is subject to a pending pooling
24 application. Are there any other horizontal wells in
25 the vicinity?

1 A. Yeah. The Annapurna 20-1H is set for drilling,
2 landing in the San Andres pay. It's located 12 miles to
3 the east. There are others wells. The next closest is
4 about 25 miles to the east and horizontal San Andres
5 activity. And that's in the West Sawyer [phonetic]
6 Field in Lea County, by NEMO and Apache.

7 Q. And those are also San Andres horizontals?

8 A. That's correct, San Andres horizontals.

9 Q. And what is the target of Rockcliff's
10 development strategy?

11 A. Well, our objective here is a big step out.
12 And we have these Legacy fields that Tomahawk --
13 applying around us that are very good fields in the San
14 Andres vertically. In between that poor reservoir rock,
15 lower porosities and permeabilities, we plan to come in
16 between these fields and drill horizontal wells to try
17 to extract economically and efficiently.

18 Q. And what does the structure map tell you about
19 the prospects for San Andres horizontal wells in the
20 unit area?

21 A. Well, the -- yeah. The wells in the unit
22 area -- could you ask the question again, please?

23 Q. Sure. What does the structure map tell you
24 about the prospects for drilling San Andres horizontals
25 in the unit area?

1 A. Okay. I appreciate that.

2 Well, you look at the structure map. You
3 have one to two degrees structural dip to the southeast,
4 with contours of at least -- 50-foot contours. And so
5 you have a gentle dip across there. And the structure
6 doesn't really have much to do with controlling
7 production within that -- within the proposed unit area.
8 And so -- and we also see that the San Andres is
9 covering the entire unit. The wells you see inside the
10 unit have been plugged out in the 1990s. They were
11 vertical wells and some in a deeper zone.

12 Q. And has Rockcliff analyzed the issue of
13 faulting in the San Andres interval?

14 A. Yes. We looked at the vertical well control in
15 here and correlated that. And we also have 2D seismic
16 data, and we see no faulting in this area -- in this
17 unit area.

18 Q. Would you next identify the document marked as
19 Exhibit 6?

20 A. Yes. This is the type log of the Apache State
21 28-1 that we saw on the previous exhibit. What we're
22 seeing here is two logs here. One is a porosity log,
23 and resistivity and gamma ray on the left, and it
24 identifies the San Andres definition of top -- top of
25 the San Andres there down to the pi marker, which is

1 what the structure map was drawn on. And San Andres pay
2 is indicated there between blue lines, the P1 [sic] and
3 the first limestone. So the pay interval is between
4 those two. The standard above by the interbedded
5 anhydrites and dolomites and by tight limestone in the
6 area.

7 Q. Would you next identify the document marked as
8 Exhibit 7?

9 A. This is a cross section -- a
10 north-south-oriented cross section from the top of the
11 unit to the bottom of the unit. And, once again, it
12 illustrates the top of the base of the pay in the San
13 Andres and also the mapping pi marker on there as well.

14 Q. So it would be fair to say this cross section
15 identifies the proposed unitized interval in the north
16 half of the unit?

17 A. That's right. The unit interval -- the silt
18 [sic; phonetic] you see is the top of the San Andres.
19 It's also the base of the Grayburg and then down to the
20 top of the Glorieta. The base, that's in green --
21 marker at the base and purple marker at the top. That's
22 the proposed unit -- unitized interval.

23 Q. And does it identify the potentially productive
24 zones?

25 A. Yes, it does. The T1 [sic] interval in there,

1 the top of the page, that's the pay.

2 Q. And how thick is the pay.

3 A. The pay across the proposed unit varies from
4 about 100 to 200 feet thick.

5 Q. It would be closer to 200 in the north half?

6 A. That's true. It's thicker on the north half,
7 closer to 200, and then as you approach the southern end
8 of the unit, it's under 2-.

9 Q. Would you next identify the document marked as
10 Exhibit 8?

11 A. Exhibit 8 is another cross section traversing
12 the unit in an east-west direction. And, again, it
13 shows the defined proposed unitized interval, top of the
14 San Andres in purple, top the Glorieta in green; the pay
15 interval identified, again, P1 interval.

16 Q. And what would you say is the average pay in
17 the productive interval in the south half of the unit?

18 A. In this cross section here, in the south half,
19 is about 100 feet.

20 Q. And what are the porosities values in the
21 productive interval in the proposed unit?

22 A. In the proposed unit, we're seeing 8 to 10
23 percent porosity.

24 Q. And would you identify the final exhibit, which
25 is Number 9?

1 A. Yes. Exhibit Number 9 is PhiH Map of the
2 pay interval -- of the San Andres pay interval as
3 previously defined.

4 Q. And what is Exhibit 9 intended to depict?

5 A. It depicts that the -- this pay interval we saw
6 on the cross section and also here on the map covers the
7 entire unit boundaries within the unit.

8 Q. And are there lower PH numbers in the center to
9 the southern area of the proposed unit?

10 A. Yes, there are. The center of the unit that
11 you see there has lower PH numbers. There are several
12 reasons for that -- really three reasons, probably. The
13 first is that you are expecting higher PH numbers
14 naturally in your -- fields where you have the vertical
15 fields, the Chavaroo and Flying M to the south.

16 The second reason is there is a number of
17 wells in here that didn't actually penetrate, but the
18 logs didn't see the whole pay interval itself. So that
19 would be a conservative number in itself because you
20 don't have the whole section to add up.

21 And the third reason is that as we see in
22 this interval, it's made up of these dolomites, and the
23 pay interval has a chance to wash out. We have a whole
24 rugosity issue. I did see the pad contact with the
25 borehole, so you have invalid density readings in there.

1 So what we did was we took the density readings and used
2 those numbers that were valid and disregarded the
3 invalid, which resulted in more conservative number.

4 Q. And in your opinion, is the target San Andres
5 interval prospective for recovery of oil and gas
6 throughout the unit acreage?

7 A. Yes, it is.

8 Q. And is the pay relatively equivalent throughout
9 the proposed unit?

10 A. Absolutely. Yes.

11 Q. And in your opinion, will the unit development
12 result in the efficient recovery of hydrocarbons?

13 A. Yes.

14 Q. And in your opinion, will the granting of
15 Rockcliff's application serve the interest of
16 conservation, the prevention of waste and the protection
17 of correlative rights?

18 A. Yes, it will.

19 Q. And were Exhibits 5 through 9 prepared by
20 Rockcliff's Geology Department?

21 A. Yes.

22 MR. LARSON: I move the admission of
23 Exhibits 5 through 9.

24 EXAMINER McMILLAN: Exhibits 5 through 9
25 may now be accepted part of the record.

1 (Rockcliff Operating New Mexico, LLC
2 Exhibit Numbers 5 through 9 are offered and
3 admitted into evidence.)

4 MR. LARSON: Pass the witness.

5 CROSS-EXAMINATION

6 BY EXAMINER McMILLAN:

7 Q. I know a little bit about the San Andres.
8 Legacy fields produce out of the dolomite, right?

9 A. That's correct.

10 Q. Yeah. And the Slaughter Field produces out of
11 the dolomite. And you're saying it's the limestone
12 here?

13 A. In the -- in the San Andres pay interval here
14 itself, it's a dolomite. I'm sorry. I may have
15 misspoke. I was getting ahead of myself. I meant to
16 say the boundary unit of the base of it, the top of the
17 first lime is the lime. The San Andres above it, yes,
18 it's a --

19 Q. I'm familiar with the Slaughter pay and
20 dolomite, anhydrite.

21 A. Yes.

22 Q. I think it's a great idea. San Andres is
23 notorious for variability and porosity.

24 A. That's right.

25 Q. I've seen a lot of that in the Slaughter Field.

1 A. We've seen a lot of that out here, where you
2 have one good well right next to a poor well. So the
3 technology of drilling horizontal seems like a good
4 idea.

5 Q. Makes absolute sense to me.

6 By pi marker, that's the original pi marker
7 they talk about?

8 A. It is. It's a silty, radioactive gamma ray.
9 That's what we're using in mapping. It carries over into
10 quite a few counties.

11 Q. Okay.

12 CROSS-EXAMINATION

13 BY EXAMINER WADE:

14 Q. I have a question. I don't know if you can
15 answer this or if we should bring your first witness
16 back.

17 There was no discussion as to setbacks from
18 the external boundary of the project area?

19 A. I'll defer to Mr. Holt on that.

20 Q. So I have no questions of you.

21 A. All right. Thank you.

22 EXAMINER McMILLAN: Thank you very much.

23 MR. LARSON: Would you like Mr. Holt to
24 come back up?

25 EXAMINER WADE: Sure.

1 MARK S. HOLT,
2 after having been previously sworn under oath, was
3 questioned and testified as follows:

4 CROSS-EXAMINATION

5 BY EXAMINER WADE:

6 Q. I don't know if you heard or understood the
7 question I had previously and that's just: Are you
8 asking for 330 setbacks from the external boundary of
9 the project area?

10 A. Yeah. That's the current field rules. Yes,
11 sir. Uh-huh.

12 Q. So nothing would change?

13 A. No.

14 Q. Okay. That's the only question I had.

15 A. Yeah.

16 Q. Thank you very much.

17 EXAMINER McMILLAN: Thank you very much.

18 THE WITNESS: You bet.

19 MR. LARSON: Nothing further, Mr. Examiner.
20 Ask that this case be taken under
21 advisement.

22 EXAMINER McMILLAN: Case Number 15587 will
23 be taken under advisement.

24 MR. LARSON: Thank you.

25 EXAMINER McMILLAN: Okay. Let's take a

1 ten-minute break.

2 (Recess 9:25 a.m. to 9:38 a.m.)

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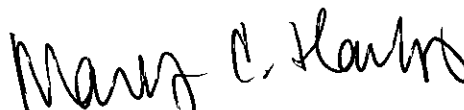
1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO
3

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 
21

22 MARY C. HANKINS, CCR, RPR
23 Certified Court Reporter
24 New Mexico CCR No. 20
25 Date of CCR Expiration: 12/31/2016
Paul Baca Professional Court Reporters