Page 1 STATE OF NEW MEXICO 1 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT 2 OIL CONSERVATION DIVISION 3 4 IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR 5 THE PURPOSE OF CONSIDERING: CASE NO. 14608 6 APPLICATION OF MEWBOURNE OIL COMPANY TO 7 AMEND THE SPECIAL RULES FOR THE SANTO NINO-BONE SPRING POOL. 8 EDDY COUNTY, NEW MEXICO, 9 10 REPORTER'S TRANSCRIPT OF PROCEEDINGS 11 EXAMINER HEARING 12 DOCKET NO. 6-11 13 MARCH 3, 2011 10:55 AM Santa Fe, New Mexico BEFORE: DAVID K. BROOKS, Hearing Examiner 14 15 16 17 18 19 This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Hearing Examiner, and WILLIAM V. JONES, Technical 20 Examiner, on THURSDAY, MARCH 3, 2011, at the New Mexico 21 Energy, Minerals and Natural Resources Department, 1220 South Street Francis Drive, Room 102, Santa Fe, 22 New Mexico. 23 REPORTED BY: Lisa Reinicke 24 PAUL BACA PROFESSIONAL COURT REPORTERS 500 Fourth Street, NW, Suite 105 25 Albuquerque, NM 87102

Page 2 APPEARANCES 1 2 For the Applicant Mewbourne Oil Company: 3 JAMES BRUCE, Attorney at Law 369 Montezuma, No. 213 4 Santa Fe, New Mexico 87501 5 (505) 982-2043 6 INDEX 7 PAGE DIRECT EXAMINATION OF PAUL HADEN 3 8 9 DIRECT EXAMINATION OF NATE CLESS 7 10 DIRECT EXAMINATION OF BRYAN MONTGOMERY 12 CERTIFICATE OF COMPLETION OF HEARING 11 MARKED/IDENTIFIED EXHIBITS 12 13 1. Pool Rules 6 6 14 2. Plat Map 15 3. Operators List 6 4. Affidavit of Notice 16 6 17 5. Type Log 10 18 6. Type Log 10 19 7. Structure Map 10 20 8. Structure Map 10 21 9. Structure Map 20 22 10. Production Table 20 23 11. Santo Nino 29 #3 20 24 12. Bradley 29 #1H 20 25

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Page 3 1 EXAMINER BROOKS: Okay. At this time we 2 call Case Number 14608, the application of Mewbourne Oil Company to amend the special rules for the Santo 3 Nino-Bone Spring Pool, Eddy County, New Mexico. 4 Call for appearances. 5 MR. BRUCE: Mr. Examiner, Jim Bruce of 6 7 Santa Fe representing the applicant. I have three witnesses all of whom have been previously sworn and 8 qualified. 9 EXAMINER BROOKS: You say all have been 10 previously sworn? 11 12 MR. BRUCE: Yes, sir. EXAMINER BROOKS: Okay. Any other 13 14 appearances? You may proceed. 15 PAUL HADEN after having been first duly sworn under oath, 16 17 was questioned and testified as follows: 18 DIRECT EXAMINATION BY MR. BRUCE: 19 Will you please state your name for the record? 20 Q. Paul Haden. 21 Α. 22 Q. And you are a landman for Mewbourne? That's correct. 23 Α. And you are familiar with the land matters 24 Q. involved in this case? 25

A. Yes, sir, I am.

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MR. BRUCE: Mr. Examiner, we have a package 2 of exhibits I put in front of you. Exhibit 1 is simply 3 the pool rules for the Santo Nino Bone Spring Pool, 4 which established 80-acre spacing. And also in Rule 4 5 it required each well to be located within 150 feet of 6 the center of a governmental quarter quarter section or 7 It's that rule that we seek to change to make it 8 lot. like the statewide rules, 330 feet from a quarter 9 quarter section of a lot. 10

Q. (By Mr. Bruce) Mr. Haden, what is Exhibit 2? A. Exhibit Number 2 is a plat. It shows the boundaries of the Santo Nino pool. That's indicated in blue. In red is the outline of the area in which we had made or notified the offset owners who had production in the Bone Spring in this area.

Q. And how now looking at the blue, the acreage to the north in Section 19, 29, and 30, that is currently within the defined limits of the Santo Nino Bone Spring Pool?

A. Yes, that is absolutely correct.

22 Q. And why did you include the acreage in

23 Sections 31 and 32?

A. The acreage in 31 and 32 shaded in blue is to be in a projected pool boundary.

	Page 5
1	Q. And you were informed by the division's district
2	office that they were going to include that acreage; is
3	that correct?
4	A. That's correct.
5	Q. And is page 2 simply a Midland Map Company plat
6	showing the area?
7	A. Yes, it is.
8	Q. And for purposes of this case, we needed to
9	notify offset operators of existing bone spring wells
10	within a mile. Does Exhibit 3 accurately list all of
11	those operators?
12	A. It does.
13	Q. And was notice given to all of those operators?
14	A. Notice was given.
15	Q. And was that reflected in my affidavit of notice
16	marked as Exhibit 4?
17	A. That's correct.
18	MR. BRUCE: And, Mr. Examiner, all of the
19	offset operators or operators within the pool did
20	receive actual notice.
21	Q. (By Mr. Bruce) Were Exhibits 1 through 4
22	prepared by you or compiled by company business records?
23	A. Yes, they were.
24	MR. BRUCE: Mr. Examiner, I move the
25	admission of Exhibits 1 through 4.

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T	Exhibits 1 through 4 admitted]
2	[Exhibits I through 4 admitted.]
3	MR. BRUCE: I have no further questions of
4	the witness.
5	EXAMINER BROOKS: I guess I don't have any
6	either.
7	EXAMINER JONES: Did you determine the
8	reason for this 150 setback that was the previous or
9	the existing rule right now?
10	MR. HADEN: Originally, Manzano Oil
11	Corporation instigated that rule. And temporary pool
12	rules were established for the Santo Nino for 80-acre
13	spacing in this 150-foot rule. We later went to hearing
14	and testified to the fact that we thought it would in
15	fact drain 80 acres. As far as the 150 feet, I'll have
16	to defer that onto our engineering witness.
17	MR. BRUCE: Mr. Examiner, probably until
18	15 years ago that was just the standard for 80-acre
19	spacing to require it to be within 150 feet.
20	EXAMINER JONES: So 180-acre spacing but one
21	well per 40?
22	MR. BRUCE: One well per 40, yes.
23	EXAMINER JONES: And in this case you're
24	asking for
25	MR. BRUCE: Just to change the footage

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Page 7 requirements, the footage setbacks. We're not asking to 1 change the number of wells or the spacing itself. 2 EXAMINER BROOKS: And what you're proposing 3 would be not less than 330 feet from the quarter quarter 4 section boundary. 5 MR. BRUCE: That is correct. 6 EXAMINER BROOKS: If you do a horizontal it 7 8 would be not less than 330 from the outer boundary spacing. 9 MR. BRUCE: That is correct. 10 EXAMINER JONES: 11 Thank you. 12 NATE CLESS 13 after having been first duly sworn under oath, was questioned and testified as follows: 14 DIRECT EXAMINATION 15 16 BY MR. BRUCE: 17 Q. Mr. Cless, you are a geologist from Mewbourne? 18 Α. Yes, sir. 19 Ο. And this is the same area that you just testified about in the previous case? 20 21 Yes, sir. Α. 22 Q. What are Exhibits 5 and 6? 23 Α. Exhibits 5 and 6 are type logs of the first bone 24 spring sand and the second bone spring sand in this 25 area. They come from the same well, which if you look

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at Exhibit 7, is 29E, well 29E. In the first bone spring sand -- I guess the reason we were originally asking for 80-acre spacing was the first bone spring sand was the primary vertical target or vertical objective in this area. And we believed that it had a high porosity and high permeability and it would drain a larger area.

8 So if you look at Exhibit Number 5, the average 9 porosity throughout the first bone spring sand. And in 10 the upper part is 16 to 18 percent porosity and in the 11 lower part you're looking at 16 to 14 percent porosity.

12 Also if you look at the resistivity in the upper 13 part of the first bone spring sand you can see some 14 separation between the deep and the shallow resistivity 15 curves. This is caused by mud invasion into the 16 formation, which is a good indicator of increased 17 permeability within that formation.

Now if you'll look down at Exhibit 6, this is the type log of the second bone spring sand. And looking at the porosity, you're averaging about 12 to 14 percent porosity throughout that interval. So you're at a little lower porosity and also you do not have the separation and the resistivity curve indicating a little bit lower or a decreased permeability.

Q. And what is Exhibit 7?

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Page 9 Exhibit 7 is a structure map on top of the lower 1 Α. second bone spring sand. Again, it has a dipping 2 slightly to the southeast. 3 4 Q. And looking at the wells in this map, there's a well over to the east of Section 33. Is that in a 5 separate pool? 6 Yes, sir, it is. 7 Α. And what is that pool? Q. 8 9 Α. I believe it's the South Leo Pool. 10 Q. And is that pool statewide 40 acres? 11 Α. Yes, sir, it is. With 330-foot setbacks? 12 Q. Yes, sir, it is. 13 Α. Is there also another pool to the north? 14 Q. The Santo Nino Pool is to the north. 15 Α. Yes. Or the sand tank? 16 Ο. 17 Α. The sand tank. I apologize. The Sand Tank Pool is to the north in Section 20. And there's a well 1.8 that's not on this map, but it's in the north half of 19 20 the north half of Section 20 that is a horizontal second bone springs sand well. And it is also spaced on 330 21 setbacks. 22 Okay. Statewide rules? 23 Q. Yes, sir. 24 Α. 25 And what is Exhibit 8? Q.

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Page 10 1 Α. Exhibit 8 is a gross isopach of the lower second bone spring sand. 2 And looking at this, there's really no reason to 3 0. differentiate geology between the three bone spring 4 5 pools you just mentioned, is there? 6 Α. No, sir. 7 Ο. And in looking at this from a geologic standpoint, if this is granted, Mewbourne won't have 8 to -- or other operators won't have to ask for specific 9 unorthodox locations depending on what pool they're in? 10 Yes, sir, that is correct. 11 Α. 12 Q. Were Exhibits 5 through 8 prepared by you or 13 under your supervision or compiled from company business records? 14 Yes, sir, they were. 15 Α. And in your opinion, is the granting of this 16 Q. application in the best interest of conservation and the 17 prevention of waste? 18 19 Α. Yes, sir. 20 MR. BRUCE: Mr. Examiner, I move the admission of Exhibits 5 through 8. 21 22 EXAMINER BROOKS: 5 through 8 are admitted. 23 [Exhibits 5 through 8 admitted.] 24 MR. BRUCE: I have no further questions of 25 the witness.

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Page 11 EXAMINER BROOKS: I have no questions. 1 Mr. Jones? 2 EXAMINER JONES: So this upper bone spring 3 was the original vertical target? 4 MR. CLESS: Yeah. For the most part, they 5 6 would drill throughout both the first and second sand. The first sand was just more prolific of the vertical 7 completion. And our engineer will get more into the 8 production side of that. 9 EXAMINER JONES: And it's reactive or 10 11 something? I mean, it's a real high gamma ray. 12 MR. CLESS: Yeah. For the most part the 13 gamma ray reads roughly 90 units. And that's fairly similar to other parts of the area. 14 15 EXAMINER JONES: I quess it's a scale I was just looking at. 16 MR. CLESS: Yeah. It's a 0 to 100 gamma ray 17 18 scale. 19 EXAMINER JONES: Okay. So in your geologic opinion, there's no reason to change the rule to allow 20 more than one well per 40? 21 MR. CLESS: No, sir. 22 23 EXAMINER JONES: You just didn't want to do that in this case? 24 25 MR. CLESS: Yes, sir.

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	Page 12
1	EXAMINER JONES: Okay. Sounds good.
2	EXAMINER BROOKS: You may step down.
3	Call your next witness.
4	BRYAN MONTGOMERY
5	after having been first duly sworn under oath,
6	was questioned and testified as follows:
7	DIRECT EXAMINATION
8	BY MR. BRUCE:
9	Q. Mr. Montgomery, you're a petroleum geologist for
10	Mewbourne?
11	A. A petroleum engineer.
12	Q. A petroleum engineer. And you are familiar with
13	the engineering related to this pool?
14	A. Yes.
15	Q. What does Exhibit 9 reflect?
16	A. Exhibit 9 is a production map that is centered
17	around the Santo Nino Pool. And if we go through that
18	for clarification, you'll see two different colors
19	represented in the bubbles. As is previously testified,
20	the first sand and the second sand both produce in the
21	Santo Nino Pool. The yellow bubble would show a well
22	that is produced in the second sand. And closer to the
23	orange color would be a first sand.
24	Many of the wells in fact all of the Mewbourne
25	vertical wells that were producers were commingled in
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Page 13 And there are some horizontal first sand 1 both sands. wells and some horizontal second sand wells that have 2 been drilled in the last few years. 3 And what is Exhibit 10? 4 0. Exhibit 10 is a table that goes with this map. Α. 5 Now, is this the same exhibit that was prepared 6 Ο. by Mr. Cless and submitted in the prior hearing? 7 Yes, with the pooling of Section 30. Yes. This 8 Α. table is the same and it shows which wells are vertical 9 and which wells are horizontal, which zone they're in 10 11 and the cumulative recoveries for oil, gas, and water for each well as long as the operator. 12 And why don't you go through this and discuss the 13 Ο. production characteristics and the length of some of 14 15 these horizontals. 16 Α. Okay. The production characteristics, as we heard from the geologist, show that the first sand will 17 18 produce a much higher rate in a vertical well. The vertical wells will be drilled down through both sands. 19 And we would stimulate the second sand first, the lower 20 21 zone. And in some instances -- and I have an exhibit to show this in a minute -- we would produce just that sand 22 to see how that sand would produce for rates and ratios 23 and fluids. 24 25 Then we'd set a plug and come up to the first

1 sand and let that produce by itself a while. And then 2 we would commingle the two. We didn't do that on every 3 well. But on two or three wells we did that to try to 4 ascertain where the oil was coming from. We were making 5 good wells. As you see from the cumulative production 6 on some of this from the table, some of these are very 7 good wells.

8 And so what happened was we also began to see 9 other companies, including ourselves, drill horizontally 10 into the bone spring into these sands. At the time it 11 was Marbob to the south in Section 32 trying to develop 12 on first sand as it went down dip. Those wells are 13 decent horizontal wells but they make a lot of water.

And then to the north, EOG in the sand tank 14 15 field, began to drill horizontal second sand wells where the water was much less and yet the oil results were 16 very good. And we've had a few years of production on 17 those wells. So we felt confident that we had similar 18 geology. Even though we had completed the second sand 19 20 vertically, we wanted to maybe drill through those sand 40s with horizontals in the second sand and also into 21 22 the new 40s that had no vertical production at all where we mapped the second sand to go. And I suppose the 23 first sand may come at some point. But right now we're 24 25 really focused on the second sand.

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Page 15 And that may take me to next exhibit. 1 Yeah. Move ahead to 11 and 12 and discuss the 2 Ο. productivity of some of these sands. 3 Okay. 11 is the one that has the highlights in 4 Α. yellow. And what this is, is to show an example of one 5 of our vertical wells that were tested in both sands 6 7 individually. And if you'll note, in March of 1995 for

8 the Santo Nino 29, Number 3, we had fracked the second 9 bone spring sand. And after our first partial month we 10 began to produce this sand by itself fully everyday of 11 the month pretty much to where by June of 1995 the well 12 had gone from around 1500 barrels of oil per month down 13 to 800 barrels of oil per month.

We then set a plug, came up the hole, and stopped production on this zone and stimulated the first sand. And in the same three month time frame, we noticed a much higher initial rate, 2500 barrels of oil per month. And after three months we were at 2200 barrels of oil per month. So almost threefold better producing characteristics.

Then we did commingle the wells you see down in January of 1996 with a slight increase. And as I look at the decline curves on these I see that this well and others would give me almost an 80/20 or a 25/75 split between first sand and second sand where the first sand

would dominate the production. And with draining a
larger area, these are sort of a similar thickness.
Although as was testified, the porosities are much
better in the first sand.

5 So the question is, what is left to do as we 6 drill through here to get all the production. And that 7 takes us to our next exhibit. Since these sands are not 8 perfectly homogeneous and continuous, but in general 9 they're very continuous, horizontal technology has 10 helped us to go back in and drill and recover reserves.

This Exhibit 12 is for the Bradley 29, 1H. 11 And it's an interesting well for a few reasons. It's a 12 second sand horizontal well. And you see it on the map 13 14 on Exhibit 9. In the south half of 29 is actually the 15 south half of the southwest quarter. It's an 80-acre horizontal that was actually drilled and fracked and 16 17 produced in an area where we already had vertical production that had taken out some oil in the second 18 19 sand.

And we also, on Exhibit 12, have another well, the Aries 20, 1H, which is a full 160-acre lateral that is drilled in Section 20, the north half of the north half that just recently has been on for a few months now. And I have four months here to talk about. And if we look and compare the two we see some interesting

things. The first well, the 29, Number 1H, didn't have as high rates probably because it's only half a mile long instead of a full mile long and partly because it's going through an area where the 40-acre units had some recovery from the second sand already.

I've studied those original vertical wells and I 6 see no detriment. There's no reduction in their oil 7 rates even after these few months. So we just don't 8 9 believe that they were draining large areas around their single frac that they put out there. We certainly 10 believe there is some drains because we would have hoped 11 our 29 well would have been a little better, maybe half 12 as good as the area well that I'm going to talk about 13 next. But instead, it may be slightly less than half as 14 15 qood. It's only half as long so we knew it would only 16 be half as good.

17 Q. And, Mr. Montgomery, this Bradley 29 was 18 originally drilled as a Morrow well, was it not? 19 Α. Thank you. That's correct. We drilled it down 20 to the Morrow with the intention of completing in the 21 Morrow but found it to be a dry hole in the Morrow. And at the time we're already interested in horizontal 22 23 technology and drilling horizontal in this sand and so we made the necessary arrangements to turn and complete 24 25 it as a horizontal bone spring well.

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Page 18 And that is the reason why it's only an 80-acre 1 Ο. lateral as opposed to a Morrow? 2 That's correct, yes. Yeah, we plan them all to 3 Α. try to make them all one full mile. 4 And then the areas 20? 5 Ο. And then the areas 20 to finish out that 6 Α. 7 Exhibit 12. It was in the sand tank pool so we did not have to ask for the exception to the setback. We were 8 9 able to perforate our foot ports at 330 from the line, both at the toe and the heel, and drill that just how we 10 11 wanted to. We actually surfaced the well such that we didn't quite get it on the heel side, the initial part. 12 But we certainly went to the toe at 330. 13 And what we found was after fracking that with 14 several frac jobs, I think maybe 20 is how many 15 different ports we had in there, and spaced 250 to 16 220 feet apart, we made a nice well. You see the peak 17 rate at 13,000 barrels of oil a month. Well, none of 18 the vertical wells ever did that. Of course, none of 19 20 the horizontal wells that we talked about here have either. There have been others that have been that 21 good. 22 And what happens is you're able to drain, at the 23 same time, four 40s at one time, which really multiplies 24

what that well can produce and really frac each 40 four

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times at 250 feet apart so you have a better recovery 1 It would be almost like drilling multiple 2 factor. 3 vertical wells in those 40s. And it's just the best way 4 to prevent waste really. And we worry that if we don't get to go to the 330 line we really won't get reserves 5 from there to the section line recovered as easily if we 6 can go to 330. Right now we stop at about 10 unless we 7 get an exception. 8

9 Q. And eventually, in your opinion, Mr. Montgomery, 10 won't these existing pools, the south Leo and the Sand 11 Tank and the Santo Nino, they will all merge sooner or 12 later, will they not? I mean, in so far as they will 13 abut each other?

A. Yes, that's correct. We think the sand is throughout this whole region. Other operators are permitting wells and so they will all come up continuous. And we feel that having everybody at 330 is the right way to go.

Q. Were Exhibits 9 through 12 prepared by you orcompiled from company business records?

21 A. Yes, they were.

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

25 A. Yes, it is.

	Page 20
1	MR. BRUCE: Mr. Examiner, I move the
2	admission of Exhibits 9 through 12.
3	EXAMINER BROOKS: 9 through 12 are admitted.
4	[Exhibits 9 through 12 admitted.]
5	EXAMINER BROOKS: A number of these wells
6	have been drilled pursuant to the exceptions of
7	inspecting spacing, have they not?
8	MR. MONTGOMERY: All the horizontal wells in
9	the Santo Nino Pool have been.
10	EXAMINER BROOKS: Okay. That's what I
11	thought. So the recent development has been essentially
12	de facto going to the rules that you propose to adopt.
13	MR. MONTGOMERY: That's correct.
14	EXAMINER BROOKS: Mr. Jones?
15	EXAMINER JONES: Yeah, this is amazing. It
16	seems that, you know, if there's other look-alikes like
17	this up and down the hole it would be great. And it
18	does seem like along the section lines there's an
19	undrained area, you know, maybe that somebody could work
20	partners out or something and just drill right along the
21	section line.
22	MR. MONTGOMERY: Right.
23	EXAMINER JONES: But I guess that's a land
24	issue or something. But, yeah, I think this is I was
25	going to ask you real quickly, this bone spring, I saw

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Page 21 the water production here, but it looks like the 1 water -- does it increase per barrel of water, per 2 barrel of oil? Or is it pretty much just the water 3 4 that's there that's movable is coming out and you drain 5 it just like you do the oil? MR. MONTGOMERY: That's more the case, 6 It will be a depletion-type of drive. So you'll 7 right. have good, high water and sometimes it's the first month 8 9 we'll mask because of frac water. But eventually when 10 you get into the future months you'll see the water 11 productions start high and go low from depletion. And 12 sometimes you have a water cut with the oil that is high 13 or low. There's variability there. But the water has 14 not been a significant issue here as far as cost or disposal. 15 EXAMINER JONES: Do you have trouble washing 16 17 that four and a half down to the place of your hole? 18 MR. MONTGOMERY: No. Many times we drill a seven through the curve, you know, and then cement back 19 20 up through all the legal setbacks we have to cement back 21 up through. So we have pipe all the way to 90 degrees. And then, yeah, we run the four and a half with packers, 22 which is tricky. But they'll go through and condition 23 the hole once with the drill first and then run in. 24 And 25 every once in a while we have to wash down.

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Page 22 But the formation usually hangs in there just 1 fine and we're able to get to the bottom with no problem 2 and then set the packers. And then one by one frac 3 those ports from the very toe back to the heel. And 4 it's an all-day job, but we can usually do it in a day. 5 EXAMINER JONES: Well, do you tie your frac 6 simulators in with your reservoir simulators nowadays? 7 MR. MONTGOMERY: We try a little of that. 8 And getting back to your question about how do you get 9 all the oil out of the toe in the end, since we're 10 fracking every 250 feet, if you go from 330 off each 11 line there's a 660-foot gap there. And you'll drain 12 some of that, of course, from that very last port. And 13 the simulators just aren't good enough to be absolutely 14 confident on how to get that out. 15 16 But what we found is ports closer together will

17 do a better job. Let's say you want to get a recovery factor out of a 40-acre unit and you drill a vertical 18 well with one frac. And you do enough of them where you 19 20 say I have a 10 percent recovery factor, you're likely going to have high recovery factor even though it's the 21 same the fluid, the same sand with multiple ports. 22 Ιt would be like drilling multiple wells. It may be 23 slightly more. There's some limits you can't get past. 24 25 You'll never get it all.

Page 23 So that's another great thing about the 1 horizontal and multi-frac technology as we go through 2 3 these 40s. 4 EXAMINER JONES: This horizontal that you drilled next to some of the verticals, you didn't see 5 any adverse effects on the vertical wells. But did you 6 7 see pressure differences? MR. MONTGOMERY: I don't recall. We didn't 8 see any frac water in the producing tank batteries. 9 10 Sometimes we do see things like that. You know, and then those wells usually recover quite quickly. 11 But these didn't see that to my recollection. And they 12 certainly have -- if you just look at the trend that 13 they were on, they're still on that same trend. 14 EXAMINER JONES: I don't have any other 15 16 questions. Thank you very much. 17 EXAMINER BROOKS: Very good. If there's nothing further then Case Number 14608 will be taken 18 under advisement. And I believe we established 14609 is 19 20 continued to March 17th, correct? That's the Devon 21 case. 22 That is correct. MR. BRUCE: It is continued. 23 I do hereby certify that the foregoing a a complete record of the proceedings 24 EXAMINER BROOKS: Okawa Examiner hearing of Case No. 14608. [The case was taken under advisem 25 ICI Oil Conservation Division

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1	REPORTER'S CERTIFICATE
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3	I, Lisa Reinicke, New Mexico Provisional
4	Reporter, License #P-405, working under the direction
5	and direct supervision of Paul Baca, New Mexico CCR
6	License #112, Official Court Reporter for the US
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9	stenographic shorthand and that the foregoing pages are
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11	was reduced to printed form under my direct supervision.
12	I FURTHER CERTIFY that I am neither employed by
13	nor related to any of the parties or attorneys in this
14	case and that I have no interest whatsoever in the final
15	disposition of this case in any court.
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