

1 NEW MEXICO OIL CONSERVATION DIVISION

2 STATE LAND OFFICE BUILDING

3 STATE OF NEW MEXICO

4 CASE NO. 10557

5  
6 IN THE MATTER OF:

7  
8 The Application of Hallwood Petroleum,  
9 Inc., for an Unorthodox Coal Gas  
10 Well Location, San Juan County,  
11 New Mexico

12  
13 BEFORE:

14 DAVID R. CATANACH

15 Hearing Examiner

16 State Land Office Building

17 October 15, 1992

18  
19  
20  
21 REPORTED BY:

22 CARLA DIANE RODRIGUEZ  
23 Certified Shorthand Reporter  
24 for the State of New Mexico  
25

ORIGINAL

## A P P E A R A N C E S

FOR THE APPLICANT:

KELLAHIN & KELLAHIN  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265  
BY: W. THOMAS KELLAHIN, ESQ.

1                   EXAMINER CATANACH: Call the hearing  
2 back to order at this time, and at this time  
3 we'll call Case 10557, the Application of  
4 Hallwood Petroleum, Incorporated, for an  
5 unorthodox coal gas well location, San Juan  
6 County, New Mexico.

7                   This case was originally heard  
8 September 17th and continued for purpose of  
9 readvertisement.

10                  Are there appearances at this time?

11                  MR. KELLAHIN: Mr. Examiner, I'm Tom  
12 Kellahin of the Santa Fe law firm of Kellahin &  
13 Kellahin appearing on behalf of the Applicant.

14                  EXAMINER CATANACH: Any other  
15 appearances?

16                  Mr. Kellahin?

17                  MR. KELLAHIN: Mr. Examiner, the  
18 changed location was due to an archaeological  
19 survey. The testimony back on September 17th  
20 referred to the amended location that you now see  
21 on the docket.

22                  The well is unorthodox insofar as we're  
23 in the southeast quarter as opposed to the  
24 northeast or southwest quarter section. The  
25 original footage location was 818 from the south

1 line and 1099 from the east line, so we were  
2 moving slightly closer to the south boundary,  
3 farther away from the east boundary.

4 It was a material change, and so we  
5 renotified all the parties that might be  
6 affected. I have a copy of our supplemental  
7 certificate of mailing. Those parties were  
8 Southland Royalty, Meridian Oil Company and  
9 Robert Click. All those parties have waived any  
10 objection to our amended location, and I have  
11 that certificate for you.

12 EXAMINER CATANACH: Okay. The  
13 certificate will be entered as evidence in this  
14 case.

15 MR. KELLAHIN: That concludes our  
16 presentation in this case, Mr. Examiner.

17 EXAMINER CATANACH: There being nothing  
18 further, Case 10557 will be taken under  
19 advisement.

20 (And the proceedings concluded.)

21

22

23

24

25

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 10557  
heard by me on October 15, 1992.  
David R. Catanach, Examiner  
Oil Conservation Division


## 1 CERTIFICATE OF REPORTER

2  
3 STATE OF NEW MEXICO )  
4 COUNTY OF SANTA FE ) ss.  
5

6 I, Carla Diane Rodriguez, Certified  
7 Shorthand Reporter and Notary Public, HEREBY  
8 CERTIFY that the foregoing transcript of  
9 proceedings before the Oil Conservation Division  
10 was reported by me; that I caused my notes to be  
11 transcribed under my personal supervision; and  
12 that the foregoing is a true and accurate record  
13 of the proceedings.

14 I FURTHER CERTIFY that I am not a  
15 relative or employee of any of the parties or  
16 attorneys involved in this matter and that I have  
17 no personal interest in the final disposition of  
18 this matter.

19 WITNESS MY HAND AND SEAL November 2,  
20 1992.

21  
22  
23   
24 CARLA DIANE RODRIGUEZ, RPR  
25 CSR No. 4

NEW MEXICO OIL CONSERVATION DIVISION  
STATE LAND OFFICE BUILDING  
STATE OF NEW MEXICO  
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IN THE MATTER OF:

The Application of Hallwood Petroleum,  
Inc., for an Unorthodox Coal Gas  
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BEFORE:

DAVID R. CATANACH

Hearing Examiner

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September 17, 1992

REPORTED BY:

CARLA DIANE RODRIGUEZ  
Certified Shorthand Reporter  
for the State of New Mexico

COPY

## A P P E A R A N C E S

FOR THE NEW MEXICO OIL CONSERVATION DIVISION:

ROBERT G. STOVALL, ESQ.

General Counsel  
State Land Office Building  
Santa Fe, New Mexico 87504

FOR THE APPLICANT:

KELLAHIN & KELLAHIN  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265  
BY: W. THOMAS KELLAHIN, ESQ.

ALSO APPEARING:

MR. ROBERT CLICK

## I N D E X

## Page Number

## Appearances

2

## WITNESSES FOR THE APPLICANT:

1.	ROBERT O'DONNELL	
	Examination by Mr. Kellahin	5
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	Examination by Mr. Stovall	18
2.	KATHLEEN VOLK	
	Examination by Mr. Kellahin	19
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## Certificate of Reporter

24

## E X H I B I T S

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Exhibit No. 5	20
Exhibit No. 5A	22

1                   EXAMINER CATANACH: At this time we'll  
2 call Case 10557.

3                   MR. STOVALL: The application of  
4 Hallwood Petroleum, Inc., for an unorthodox coal  
5 gas well location, San Juan County, New Mexico.

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

8                   MR. KELLAHIN: Yes, Mr. Examiner. I'm  
9 Tom Kellahin of the Santa Fe law firm of Kellahin  
10 & Kellahin, appearing on behalf of Hallwood  
11 Petroleum, Inc., and I have two witnesses.

12                  EXAMINER CATANACH: Any other  
13 appearances?

14                  Will the witnesses please stand to be  
15 sworn in.

16                  [The witnesses were duly sworn.]

17                  MR. KELLAHIN: Mr. Examiner, I would  
18 also like to introduce to you, although he's not  
19 a witness, Mr. Robert Click who is in the room.  
20 He's one of the participants and a working  
21 interest owner in the section, and is  
22 participating with Hallwood in the development of  
23 the coal gas well.

24                  The application, Mr. Examiner, has been  
25 amended. Just about the time we got this filed,

1 we had a surface problem with an archaeological  
2 issue on the surface, and the location has been  
3 moved. That request has already been placed on  
4 the Examiner's docket for the October 15th  
5 docket.

6 We would like to go ahead and have Mr.  
7 O'Connell and Ms. Volk testify today with regards  
8 to the amended location, recognizing that it will  
9 again appear on the October 15th docket, and if  
10 there's no opposition, then, we would like to be  
11 excused from bringing them back. But there is a  
12 change from this docket, and Mr. O'Connell will  
13 identify and explain the change for you.

14 EXAMINER CATANACH: Okay..

15 KEVIN E. O'CONNELL

16 Having been first duly sworn upon his oath, was  
17 examined and testified as follows:

18 EXAMINATION

19 BY MR. KELLAHIN:

20 Q. For the record, sir, would you please  
21 state your name and occupation?

22 A. My name is Kevin E. O'Connell. I'm a  
23 drilling and production supervisor for Hallwood  
24 Petroleum, Inc.

25 Q. Have you testified on prior occasions

1 before the Oil Conservation Commission?

2 A. Yes, sir.

3 Q. In what capacity?

4 A. As a petroleum engineer, registered.

5 Q. With regards to this application by  
6 your company, you have made an engineering, as  
7 well as a geologic review of the location of a  
8 coal gas well in the Basin Fruitland Coal Gas  
9 Pool?

10 A. Yes, sir.

11 Q. Having made that review and study, have  
12 you come to engineering conclusions about the  
13 optimum place in which to locate this well in the  
14 spacing unit for Section 24 of 32 North, 13 West?

15 A. Yes, sir.

16 MR. KELLAHIN: We tender Mr. O'Connell  
17 as an expert petroleum engineer.

18 EXAMINER CATANACH: Mr. O'Connell is so  
19 qualified.

20 Q. Let me have you orient us as to where  
21 we are in the coal pool. If you'll turn to  
22 Exhibit 1 and identify that for us?

23 A. Exhibit No. 1 is just an outline of the  
24 San Juan Basin and the Fruitland Coal area. I've  
25 identified with a circle Hallwood's quote-unquote

1 La Plata Area, where we currently have seven  
2 Fruitland Coal wells. It's in the extreme  
3 northwest edge of the basin.

4 Exhibit 1 is just a map to orient you  
5 to where we are in the basin in the Fruitland  
6 Coal play. I've identified with a circle  
7 Hallwood's area. We just called it quote-unquote  
8 the La Plata Area. We're three and a half miles  
9 northeast of La Plata, New Mexico, along the  
10 Plata River and just south of the Colorado, New  
11 Mexico state line. But we are on the extreme  
12 northwest edge of the Fruitland Coal play,  
13 outside of the majority of the activity. Our  
14 wells are currently about five miles from any  
15 existing producing coal wells.

16 Q. Let's turn to Exhibit No. 2. Identify  
17 and describe this display.

18 A. Exhibit No. 2 is a portion of our  
19 larger structure map. It covers the nine-section  
20 area surrounding Section 24 where we're  
21 requesting the location exception in the  
22 southeast quarter of Section 24.

23 It's a structure map on the base of the  
24 Fruitland Coal, which is the top of the Pictured  
25 Cliffs. Two things of note on here. The lines

1 shown on there are a four-well cross-section that  
2 we'll discuss that go from south to north, from A  
3 to A'.

4 It goes through--the first well is  
5 Hallwood's Montoya, 25-2, a Fruitland Coal well.  
6 The next well is Hallwood's Montoya 25-1, a  
7 Fruitland Coal well. It comes up through the  
8 southeast quarter of Section 24 and picks up a  
9 Dakota Mesaverde well, and then it continues on  
10 up into the northeast quarter of Section 24 to a  
11 well that was P & A'd. Never produced.

12 Q. When we look at Section 24, are there  
13 currently any coal gas wells in that section?

14 A. No, sir.

15 Q. What is the orientation of the 320 gas  
16 spacing unit that you're proposing for the well?

17 A. It would be a stand-up 320, comprising  
18 the east half of Section 24, and that is  
19 consistent with the deeper existing 320 for the  
20 Mesaverde Dakota.

21 The other thing I wanted to mention on  
22 there, this is a rather unusual structure map as  
23 we're going to discuss more in detail, but you  
24 can see the coal rises tremendously across  
25 Section 24, and actually in the far northwest

1 corner of this map in Section 14, the coal  
2 outcrops and is surface mined by BHP about two to  
3 three miles roughly from where we're producing.

4 Q. The location is going to necessitate an  
5 exception from Rule 7 of the pool rules because  
6 you are in the wrong quarter section?

7 A. That's correct. The legal location  
8 would be in the northeast quarter of Section 24  
9 as prescribed by the current Basin Fruitland Coal  
10 field rules.

11 Q. Or, in the alternative, in the  
12 southwest quarter?

13 A. Yes, sir.

14 Q. The original location of the well on  
15 the docket was 818 feet from the south line,  
16 1,099 from the east line, and that now has been  
17 moved to a surface location 947 feet from the  
18 south line and 800 feet from the east line?

19 A. Yes, that's correct.

20 Q. So you're still standard as to the 790  
21 footage setback of the spacing unit, but you're  
22 in the wrong quarter section?

23 A. That's correct. We just had to move  
24 about 175 feet to the northeast due to  
25 archaeological reasons.

1 Q. Does this amended surface location now  
2 satisfy all the surface constraints or  
3 limitations for approval of this location?

4 A. Yes, sir.

5 Q. Why the southeast quarter and not one  
6 of the other quarter sections?

7 A. We feel, as we'll discuss more in  
8 detail, that literally because the coal is, as we  
9 referred to it, it's an elbow, is rising so fast  
10 in outcrop, that literally as you go from the  
11 southeast quarter of Section 24 to the northwest  
12 quarter, you go from productive coal to  
13 nonproductive coal and actually go through the  
14 trap mechanism in the Fruitland Coal here.

15 Q. What kind of rates are you achieving on  
16 the other wells in this area that you operate?

17 A. The closest well due south in Section  
18 25, that Montoya 25-1 that I referred to in the  
19 northeast quarter, it was a recompletion to the  
20 Fruitland Coal. It's currently producing at  
21 about 600 to 700 Mcf a day, with about 250  
22 barrels of water. And then the 25-1 well is  
23 making about 800 Mcf a day and 250 barrels of  
24 water.

25 Q. Are you seeing any appreciable change

1 in those rates over time?

2 A. No. In fact, our Montoya 25-1 well up  
3 in the northeast again, has been essentially  
4 flat. We've seen no evidence to date of what you  
5 could pinpoint as D watering, as per normal coal  
6 wells. The water production has been very flat  
7 over time, between 250 and 400 barrels a day.

8 Q. Let me have you continue with your  
9 justifications for being in the southeast quarter  
10 of the section, and have you now turn to Exhibit  
11 No. 3.

12 A. Exhibit No. 3, because this is a rather  
13 complex area and looking at that structure map  
14 doesn't do complete justice to what we're trying  
15 to illustrate, Exhibit No. 3 is a  
16 three-dimensional interpretation, that was  
17 prepared under my supervision, of what's  
18 physically happening as you move through the  
19 section there.

20 This would be looking towards the  
21 northwest corner of the section, or basically you  
22 could take that outline of that coal there and  
23 that would be, essentially, the section.

24 We are proposing to drill in the  
25 southeast, which is basically the same structural

1 elevation as the existing producing coal wells,  
2 but then, to the northwest of that, the coal  
3 increases to about a 27-degree slope.

4           There's fracturing associated with the  
5 coal, but as you move up the limb of the coal you  
6 have compaction that has closed the fracture  
7 system and actually provided the trap that we  
8 know has to exist. Otherwise there would be no  
9 gas in the coal, it would have migrated out  
10 through the adjacent outcrop over geologic time.

11           So we feel that the coal just becomes  
12 so tight that if we drilled at the legal location  
13 in the northeast quarter, we would just have a  
14 well that would probably only produce 20 or 30  
15 Mcf a day and be a--would be too risky of a  
16 location to drill and probably be too marginal of  
17 a well to ever economically produce.

18           Q.     Does your proposed location in the  
19 southeast quarter provide you the opportunity to  
20 test for coal gas production in your spacing unit  
21 that will put you at a point that is down  
22 structure of this point of flexure in the coal?

23           A.     Yes, and that's what we tried to  
24 illustrate with Exhibit 3 and also Exhibit 4.

25           Q.     Let's go to Exhibit 4 and you have a

1 copy of that on the hearing room wall, if you'll  
2 simply describe it and illustrate for us the  
3 point that you want to make?

4 A. Exhibit 4 is just a structural  
5 cross-section on the Basin Fruitland Coal.  
6 Again, as you move from A to A', which is south  
7 to north, the furthest well on the left is our  
8 Montoya 25-2. It was just recently drilled in  
9 July and completed. It's now producing at, oh,  
10 approximately 800 Mcf a day and 250 barrels of  
11 water.

12 The next well is the Montoya 25-1. It  
13 was recompleted in 1989 and not produced until  
14 1991 due to construction of an evaporation pond,  
15 gathering facilities, gas contract, et cetera.

16 The third well is an existing Mesaverde  
17 Dakota dual completion well that has a log across  
18 the coal. And then we've also illustrated our  
19 proposed location because we're essentially 150  
20 to 250 feet away from the existing well.

21 As you move through the last well, the  
22 furthest well on the right, the USA 1M, that well  
23 was drilled as a Dakota test and dry hole, and  
24 you can see the graphic illustration of how high  
25 and abruptly you come up on the structure, about

1 800 feet, and the coal is illustrated there.

2 And basically that dry hole--that well  
3 would constitute a legal location, but, as we  
4 discussed, it would be about 800 feet higher and  
5 we believe structurally tight and nonproductive.

6 Q. Summarize for us your conclusions about  
7 this location, Mr. O'Connell.

8 A. We feel, Hallwood and its partners feel  
9 that the southeast quarter is really the only  
10 feasible and economical location for a coal well  
11 to be drilled in the entire Section 24. And  
12 that's it. A well, in our opinion, has to be  
13 drilled at the southeast or unorthodox location  
14 or one will probably not be drilled in this  
15 section.

16 MR. KELLAHIN: That concludes my  
17 examination of Mr. O'Connell. We move the  
18 introduction of his Exhibits 1 through 4.

19 EXAMINER CATANACH: Exhibits 1 through  
20 4 will be admitted as evidence.

21 EXAMINATION

22 BY EXAMINER CATANACH:

23 Q. The well in the northwest quarter of  
24 Section 24, that was drilled to what formation?

25 A. It was a dual Mesaverde Dakota well.

1 The northeast of 25?

2 Q. Northeast of 24.

3 A. That was drilled to the Mesaverde. It  
4 tested Mesaverde, and I think they may have  
5 tested the PC, but it was never produced. It was  
6 a dry hole.

7 Q. You've examined the logs in that well  
8 and you feel it would be nonproductive in the  
9 coal?

10 A. Yes, because we are up so high that the  
11 coal has got to be tighter and provide the  
12 trapping mechanism.

13 Q. There are no fractures in the coal when  
14 it reaches that height?

15 A. Well, there may be some fracturing, but  
16 somewhere between the proposed location and the  
17 outcrop there's got to be a sealing of those  
18 fractures to inhibit the gas from flowing out to  
19 the Fruitland Coal.

20 MR. STOVALL: You indicated it was  
21 following its own tracks right to the surface?

22 THE WITNESS: Right. There would be no  
23 gas in the Fruitland Coal.

24 Q. What you're essentially saying is  
25 there's no porosity or permeability in that

1 northeast quarter?

2 A. Yeah, or that it would be so tight it  
3 would be nonproductive and noneconomical.  
4 Because some of our other wells, we have some  
5 wells in the section just south of here, and some  
6 of those only started out at 60 to 80 Mcf a day  
7 wells, and luckily they have increased a little  
8 bit and we've got marginal wells now.

9 That's the problem with this area.  
10 They're not super economically attractive wells  
11 to go after, and we feel that it would be too  
12 risky to go that high structurally. We want to  
13 stay at the same basic structural elevation as  
14 the other wells in the field.

15 Q. Have you actually been able to look at  
16 the log on that well and obtained some of the  
17 properties? permeability? porosity?

18 A. We can't get permeability. The  
19 porosity tools don't work, per se, in the coal.  
20 You can just get a density log. It's got  
21 comparable looking coal, but we have no  
22 indication of how tight or productive it could  
23 be.

24 Q. So you're, in essence, just estimating  
25 that that's in the area that it's starting to

1 tighten up?

2 A. Yes, because we're literally only--at  
3 that point we're only about a mile and a half  
4 from the mine. In fact, where we staked the  
5 well, you can stand there and see the mine just  
6 to the northwest.

7 MR. STOVALL: Is the mine there just  
8 below the outcrop? Is that where it is?

9 THE WITNESS: It's at the outcrop.  
10 They're mining that whole outcrop there. BHP has  
11 a mine.

12 MR. STOVALL: Is that the new La Plata  
13 Mine?

14 THE WITNESS: Yes, just about four  
15 miles north of La Plata, right near the state  
16 line.

17 MR. STOVALL: Where they built a whole  
18 new highway and all that to get down to the power  
19 plant, right?

20 THE WITNESS: Yes. And they've got the  
21 rail line that runs in and out of there.

22 Q. (BY EXAMINER CATANACH) Who operates  
23 the Mesaverde and Dakota in the east half of that  
24 section?

25 A. In the southeast quarter section?

1 Q. The well in the southeast quarter.

2 A. That's Robert R. Click.

3 Q. Has your new location been approved, as  
4 far as--has it been cleared as far as  
5 archaeological and surface?

6 A. Yes, sir.

7 EXAMINER CATANACH: Okay. I believe  
8 that's all I have at this point.

9 MR. STOVALL: I do want to ask one more  
10 question.

11 EXAMINATION

12 BY MR. STOVALL:

13 Q. Actually where they're mining, can you  
14 see the slope of it in the mine?

15 A. I've never physically been to the mine,  
16 and they've-- You can't really tell from a  
17 distance because there's just, you know--

18 Q. You have lots of dirt around and all  
19 the other stuff?

20 A. Yes. But it has to be--

21 Q. I wondered if you could see the  
22 structure in the seam at all?

23 A. No. In fact, we have a larger map.  
24 That elbow or that limb is confirmed because  
25 there's dry holes all around there, Mesaverde dry

1 holes and deeper wells, and it's well-known that  
2 outcrop exists, and that slope has to be 27 to 30  
3 degrees.

4 FURTHER EXAMINATION

5 BY EXAMINER CATANACH:

6 Q. Mr. O'Connell, one more question. Is  
7 it your opinion this will be the only well  
8 drilled in Section 24?

9 A. Yes. I believe, in our discussions  
10 with Meridian, who has the west half, they  
11 basically said they have no interest in the  
12 coal. It's too risky where they're at, so, yes,  
13 I think so.

14 EXAMINER CATANACH: Thank you.

15 MR. KELLAHIN: Call at this time Ms.  
16 Kathleen Volk.

17 KATHLEEN VOLK

18 Having been first duly sworn upon her oath, was  
19 examined and testified as follows:

20 EXAMINATION

21 BY MR. KELLAHIN:

22 Q. Would you please state your name and  
23 occupation?

24 A. My name is Kathleen Volk. I'm the  
25 western district land manager for Hallwood

1       Petroleum, Inc., in Denver.

2           Q.       On prior occasions have you testified  
3       as a landman before the Division?

4           A.       Yes, I have.

5           Q.       Pursuant to your employment, are you  
6       knowledgeable about the ownership of your spacing  
7       unit and the ownership of the working interest in  
8       the offsetting spacing units?

9           A.       Yes, I am.

10           MR. KELLAHIN: We tender Ms. Volk as an  
11       expert petroleum landman.

12           EXAMINER CATANACH: Ms. Volk is so  
13       qualified.

14           Q.       Let me ask you to turn to what has been  
15       marked as Exhibit 5, and identify that display  
16       for me.

17           A.       Exhibit No. 5 is a map showing Section  
18       24 in the center. The east half is where  
19       Hallwood has proposed to place its unorthodox  
20       well location. In the southeast quarter it  
21       indicates that the offset owners to our proposed  
22       southeast quarter location are Meridian Oil,  
23       Southland Royalty and Robert R. Click and  
24       Hallwood Petroleum, Inc. I haven't put that on  
25       the map, but Hallwood is the operator to the

1 south.

2 Q. Section 25, that's Hallwood?

3 A. Yes.

4 Q. West half of 24 is Meridian?

5 A. Yes.

6 Q. Section 19 is Southland Royalty?

7 A. Yes.

8 Q. What about Section 30?

9 A. I believe Section 30 is also Southland  
10 Royalty. I don't think that they were notified,  
11 though, under ours for Section 30.

12 Q. I did.

13 A. Okay. I guess they were.

14 Q. I wanted you to verify the ownership  
15 and not the notification.

16 A. Okay.

17 Q. So those represent all the operators  
18 that are offsetting the 160-acre tract that the  
19 well will be located in?

20 A. That's correct.

21 Q. Have you had discussions with Meridian  
22 or Southland with regard to any possible  
23 objection to the location?

24 A. Yes, I have, and they have stated that  
25 they do not have any objections, and I have a

1 letter to that effect.

2 MR. STOVALL: Mr. Examiner, as we all  
3 know, Meridian and Southland are the same people;  
4 isn't that correct?

5 THE WITNESS: That is correct.  
6 Basically, the notifications were sent to the  
7 same address.

8 MR. KELLAHIN: Mr. Examiner, I move the  
9 introduction of Exhibit 5, which is the plat,  
10 Exhibit 5A is my certificate of mailing of  
11 notification to Mr. Click, Meridian and to  
12 Southland Royalty Company.

13 MR. STOVALL: I guess we can assume  
14 that Mr. Click has no objection to this location,  
15 is that fair to say?

16 MR. CLICK: That's fair to say, yes.

17 MR. KELLAHIN: We move the introduction  
18 of Exhibits 5 and 5A.

19 EXAMINER CATANACH: Exhibits 5 and 5A  
20 will be admitted as evidence.

21 MR. KELLAHIN: That concludes my  
22 examination of Mrs. Volk.

23 EXAMINATION

24 BY EXAMINER CATANACH:

25 Q. Mrs. Volk, just one question. The

1 relationship between Robert Click and Hallwood is  
2 what?

3 A. We're partners in the drilling or what  
4 we hope to be the drilling of the Fruitland Coal  
5 well in the southeast quarter of Section 24.

6 EXAMINER CATANACH: Okay. Nothing  
7 further. Is there anything further in this case?

8 MR. KELLAHIN: Nothing further.

9 EXAMINER CATANACH: There being nothing  
10 further, Case 10557 will be taken under  
11 advisement.

12 (And the proceedings concluded.)  
13  
14  
15  
16  
17

18 I do hereby certify that the foregoing is  
19 a complete and correct transcript of the  
20 the Examination of Case 10557  
21 heard by me on September 17, 1992  
22 David R. Catanch  
23 Oil Conservation Division  
24  
25


## CERTIFICATE OF REPORTER

STATE OF NEW MEXICO     )  
                                      ) ss.  
COUNTY OF SANTA FE     )

I, Carla Diane Rodriguez, Certified  
Shorthand Reporter and Notary Public, HEREBY  
CERTIFY that the foregoing transcript of  
proceedings before the Oil Conservation Division  
was reported by me; that I caused my notes to be  
transcribed under my personal supervision; and  
that the foregoing is a true and accurate record  
of the proceedings.

I FURTHER CERTIFY that I am not a  
relative or employee of any of the parties or  
attorneys involved in this matter and that I have  
no personal interest in the final disposition of  
this matter.

WITNESS MY HAND AND SEAL September 28,  
1992.

  
CARLA DIANE RODRIGUEZ, RPR  
CSR No. 4