

NEW MEXICO OIL CONSERVATION DIVISION
STATE LAND OFFICE BUILDING
STATE OF NEW MEXICO
CASE NO. 10459

IN THE MATTER OF:

The Application of Bright & Company
for a high angle/horizontal
directional drilling pilot project,
special operating rules therefor,
and an exception to the pool's
gas/oil ratio limitation factor,
Sandoval County, New Mexico.

BEFORE:

DAVID R. CATANACH

Hearing Examiner

State Land Office Building

April 2, 1992

REPORTED BY:

DEBBIE VESTAL
Certified Shorthand Reporter

ORIGINAL

1 for the State of New Mexico

2
3 A P P E A R A N C E S

4
5 FOR THE NEW MEXICO OIL CONSERVATION DIVISION:

6 ROBERT G. STOVALL, ESQ.

General Counsel

7 State Land Office Building

8 Santa Fe, New Mexico 87504

9
10 FOR THE APPLICANT:

11 HINKLE, CLOX, EATON, COFFIELD & HENSLEY

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BY: JAMES BRUCE, ESQ.

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1 EXAMINER CATANACH: Call Case 10459,
2 please.

3 MR. STOVALL: Application of Bright &
4 Company for a high angle/horizontal directional
5 drilling pilot project, special operating rules
6 therefor, and an exception to the pool's gas-oil
7 ratio limitation factor, Sandoval County, New
8 Mexico.

9 EXAMINER CATANACH: Are there
10 appearances in this case?

11 MR. BRUCE: Mr. Examiner, my name is
12 Jim Bruce from the Hinkle law firm in Albuquerque
13 representing the applicant. I have two witnesses
14 to be sworn.

15 EXAMINER CATANACH: Are there any other
16 appearances? Will the two witnesses, please,
17 stand to be sworn in.

18 [The witnesses were duly sworn.]

19 MR. BRUCE: Mr. Examiner, before we
20 begin, the applicant would like to dismiss that
21 portion of the application regarding the GOR
22 exception.

23 BRUCE GATES

24 Having been duly sworn upon his oath, was
25 examined and testified as follows:

EXAMINATION

BY MR. BRUCE:

Q. Would you, please, state your full name and city of residence?

A. Bruce Gates. I'm from San Antonio, Texas.

Q. What is your occupation, and who are you employed by?

A. I'm a geologist for Bright & Company.

Q. Have you previously testified before the OCD?

A. No.

Q. Would you, please, outline your educational and employment background?

A. I have a bachelor's and a master's degree in geology from the University of Texas, and I have worked as a geologist for Bright & Company for the last five years.

Q. Okay. And does your area of responsibility include southeast New Mexico?

A. Yes, it does.

Q. And are you familiar with the geological matters pertaining to this application?

A. Yes.

1 MR. BRUCE: Mr. Examiner, I tender Mr.
2 Gates as an expert geologist.

3 EXAMINER CATANACH: He is so
4 qualified.

5 Q. (BY MR. BRUCE) Mr. Gates, just
6 briefly, what does Bright & Company seek in this
7 application?

8 A. We seek to directionally drill a well
9 in the west half of Section 35, 21 North, 2 West,
10 with the well's producing interval no closer than
11 660 feet from the boundary of the well unit.

12 Q. It's your understanding that this well
13 is in the Rio Puerco-Mancos Pool?

14 A. That's right.

15 Q. Or within one mile of the pool?

16 A. Yes.

17 Q. Referring to Exhibit 1, would you,
18 please, describe its contents for the Examiner?

19 A. Yeah. This is a land plat showing our
20 proposed well location in the southwest corner of
21 Section 35. It also shows the offset operators
22 and the proposed well unit in the west half of
23 Section 35. You see our acreage is in the gray
24 stipple, the four sections, 25, 26, 35, and 36.

25 And we're also in the process of

1 unitizing or creating a federal unit encompassing
2 those four sections. I'm meeting in Farmington
3 tomorrow to discuss that with the BLM.

4 Q. Are there any other Mancos wells within
5 1800 feet of your proposal?

6 A. No, there's not.

7 Q. Were the offset operators notified of
8 this application?

9 A. Yes, they were. And Exhibit 2 is an
10 affidavit of notice containing copies of the
11 notice letter and certified return receipts.

12 Q. Now, would you refer to Exhibit 3 and
13 discuss the geology of your prospects?

14 A. This is a structure map on the top of
15 the Niobrara, or it's in the lower Mancos. It's
16 basically showing a monocline dipping to the
17 north.

18 You see -- our objective is the
19 anticlinal flexure is created by a change in dip
20 that you see approximately at the contour of a
21 plus-3,000. You have a general-sloping dip to
22 the north, and then at that point you have an
23 increase from about 2-1/2 degrees to 5 degrees in
24 dip. That, we think, will create the large
25 fractures and therefore be the most optimal

1 position for a horizontal wellbore.

2 Q. And Bright's acreage is outlined in
3 yellow?

4 A. That's right -- well, not on all of
5 them. Yeah. There's a gray stipple encompassing
6 the four sections.

7 Q. And you mentioned this increase in
8 flexure. Has that been shown by other operators
9 in the area to be necessary to be a good well?

10 A. Correct. The vertical production in
11 Rio Puerco, the best vertical production aligns
12 along that anticlinal flexure. There's also been
13 a couple of horizontal wells drilled there, the
14 San Isidro 10-12 and then, the most recently, the
15 Johnson 7-3. The 7-3 has been the best well
16 producing approximately, averaging 250 barrels a
17 day in the last quarter of 91.

18 Q. Would you, please, move on to Exhibit 4
19 and discuss that for me?

20 A. Yeah. Exhibit 4 is just a diagrammatic
21 cross-section. It basically illustrates our
22 concept. You see it extends from A to A prime,
23 which would be just to the west of our proposed
24 location. It depicts the increase in dip in the
25 anticlinal flexure that's the objective of this

1 horizontal well.

2 Q. Does Bright & Company plan to test all
3 the Mancos zones?

4 A. Yeah. What we intend to do is drill a
5 pilot hole, drilling through the -- a vertical
6 pilot hole -- drilling through the entire
7 Mancos. From that we'll produce certain log
8 suites to determine the zones that we think are
9 the -- will be the most prolific. From that we
10 will plug back and kick out in that zone.

11 Q. Okay. Were Exhibits 1 through 4
12 prepared by you or under your direction?

13 A. Yes, they were.

14 Q. And in your opinion is the granting of
15 this application in the interest of conservation
16 and the prevention of waste and the protection of
17 correlative rights?

18 A. Yes, it is.

19 MR. BRUCE: Mr. Examiner, I move the
20 admission of Exhibits 1 through 4.

21 EXAMINER CATANACH: Exhibits 1 through
22 4 will be admitted as evidence.

23 EXAMINATION

24 BY EXAMINER CATANACH:

25 Q. Mr. Gates, what is the nearest

1 producing Mancos well in this area?

2 A. It's in Section 34. It's a vertical
3 Mancos producer. It produced just under 27,000
4 barrels of oil. You see it on the map in the
5 southwest of Section 34.

6 Q. What zones within the Mancos do you
7 anticipate being productive at this point?

8 A. We call it the second bench. That's
9 based on the logs and surrounding area. It is
10 the zone that shows to be the less clay-rich
11 based on the gamma ray. Obviously, that can vary
12 from area to area, so we intend to drill our own
13 pilot hole and monitor our own suite of logs to
14 determine exactly for sure that that is the bench
15 that we want to be in.

16 Q. That is the B zone?

17 A. We call it the B. I'd say it's -- I
18 don't have the type section here. But I don't
19 think there's any formal nomenclature. It's
20 about 200 feet within the top of the Niobrara.

21 Q. You say there were certain geologic
22 factors in this area that would cause fractures
23 to occur in the Mancos?

24 A. Right.

25 Q. What were those factors?

1 A. It appears basically, looking at the
2 Rio Puerco Field, if you take a look at the
3 cumulative production data in the vertical wells,
4 that the best production lines are along a
5 flexure or a dip change along this overall --
6 along this monocline.

7 So along that flexure we think the
8 largest fractures will be generated or were
9 generated, therefore, will make the best well. I
10 think the vertical production depicts that very
11 nicely.

12 Q. And you do have this flexure dip change
13 in Section 35?

14 A. That's correct. If you look at the
15 map, it would be approximately at the plus-3,000
16 foot contours where that dip change occurs.

17 Q. Now, the presence of fractures in the
18 Mancos contributes significantly to the wells'
19 capability of producing oil?

20 A. Most definitely.

21 Q. Is there a significance as to how you
22 orientated the well within Section 35?

23 A. Yeah, I think it is. The fractures,
24 the most abundant fractures will be parallel to
25 the anticlinal flexure. Therefore we're drilling

1 a well that's as perpendicular to that as we can
2 to stay within 660 from our eastbound area.

3 Q. Okay. Run that by me again. The most
4 predominant fractures will be parallel?

5 A. Approximately northeast-southwest. So
6 we're aligning that borehole so they will be as
7 close to perpendicular to that line as we can but
8 at the same time stay within the 660 feet of our
9 lease boundaries.

10 Q. What is your fracture orientation or
11 your fracture direction? How was that
12 determined?

13 A. Well, I have not done anything here,
14 but I have done some field studies up in
15 northwest Colorado where there is an outcropping
16 of rock. And based on that, and I think it's
17 documented in the literature also, that that
18 would be the predominant fracture set. That's
19 not going to be the only one, but it will be the
20 dominant fracture set, the one we think will make
21 the most prolific well.

22 I do anticipate another set of
23 fractures that will run parallel to that. But by
24 encountering the fracture set, that we will
25 encounter, those will communicate with this other

1 fracture set, and we'll actually achieve -- hope
2 to achieve a three-dimensional communication
3 within the reservoir.

4 It's also gravity drainage, so I think
5 we will want to be drilling down-structure. Some
6 gas-driven, but mostly gravity drainage.

7 MR. STOVALL: Have you looked at any of
8 the San Isidro Unit wells to the west there that
9 have attempted to do the same thing?

10 A. Oh, yes. As much information as we can
11 get. The operators are not making everything
12 they know public. I'm aware of -- the most
13 up-to-date production I can get, as reported to
14 the Oil & Gas Commission, they, like I said, the
15 Johnson 7-3 was a successful well. I think it's
16 located in Section 7. Don't know everything, we
17 just are not privy to that information.

18 Q. (BY EXAMINER CATANACH) That well is
19 located where?

20 A. Section 7.

21 MR. BRUCE: Section 6 and 7 to the
22 west.

23 A. And it --

24 MR. BRUCE: Southwest.

25 A. Yes, 20 North, 2 West. I don't think I

1 have it shown on the map.

2 EXAMINATION

3 BY MR. STOVALL:

4 Q. It's actually just east of where you've
5 got the San Isidro 12; right?

6 A. Correct, up in the northern part of the
7 section. It essentially, from what I can tell,
8 tested the same concept that we're attempting or
9 proposing to test in Section 35.

10 Q. You think that the actual fractures,
11 the bulk of the fractures, are going to occur
12 above the 3,000-foot line just before it starts
13 to bend over?

14 A. Correct. I have other data that pins
15 that down exactly for us, primarily seismic data.

16 Q. Your control as to that 3,000-foot
17 line, are you comfortable with where you've
18 mapped that?

19 A. That's, what I say, I actually have
20 seismic data that I have not presented to this
21 hearing that defines exactly where that point
22 is. And it's pretty close to that 3,000-foot
23 line.

24 Q. I assume your seismic information is
25 going to show the structure rather than the

1 actual --

2 A. Correct. That's what we're looking
3 for. Seismic line would basically look something
4 like this cross-section. This is much more
5 simple, obviously, but it's something like that.
6 That's where we're using it for, only structure,
7 not anything else.

8 Q. I've just got a question on the --
9 you've identified this as the Cuba Mesa Unit 35-1
10 Well. Is that unitized?

11 A. We're having a meeting with the BLM
12 tomorrow to ask permission or to get that, to get
13 a federal unit for those four sections. So that
14 is not final yet.

15 Q. It's all federal lands?

16 A. It's all federal lands. 100 percent
17 owned by Bright, or leased by Bright.

18 Q. Now, one thing, I don't have your
19 notice thing with me right now. We're running it
20 through to make sure -- some of those names I've
21 recognized. Have you checked the OCD records,
22 the ones that did not receive or that were
23 returned to you?

24 A. We had six that were returned to
25 sender. They had changed their address. The

1 time frame had expired. They would not forward
2 it. One of those was EDC. We knew where they
3 were, so we in turn sent a new one to them. And
4 one other I can't remember. But I think there
5 was four that were returned to us, and we have
6 not been able to notify.

7 Q. Okay. You did check Division records
8 to look for those addresses?

9 A. Exactly. That's where -- we had a
10 person go into the records, and that's where we
11 got most of these addresses. So obviously some
12 of them were out-of-date.

13 Q. And I do want to check, reserve the
14 right to recall if we find anything in our
15 records. As I say, in this case there were some
16 familiar names, and I just wanted to back that up
17 to make sure.

18 MR. BRUCE: Okay.

19 EXAMINER CATANACH: I have nothing
20 further. The witness may be excused.

21 MIKE HUNT

22 Having been duly sworn upon his oath, was
23 examined and testified as follows:

24 EXAMINATION

25 BY MR. BRUCE:

1 Q. Would you, please, state your name and
2 city of residence?

3 A. My name is Mike Hunt from San Antonio,
4 Texas.

5 Q. What is your occupation, and who is
6 your employer?

7 A. I'm a division engineer with Bright &
8 Company.

9 Q. Have you previously testified before
10 the OCD?

11 A. No.

12 Q. Would you, please, discuss your
13 educational and employment background for the
14 Examiner.

15 A. I have a BS in petroleum engineering
16 from the University of Texas in 61 and a BBA from
17 the University of Texas in 62. Worked for --
18 I've been a petroleum engineer for 26 years and
19 worked for Bright & Company for the last 12
20 years. And I handle all aspects of drilling
21 completion facilities and reservoir engineering
22 for Bright & Company.

23 Q. And your area of responsibility
24 includes New Mexico?

25 A. Yes, sir.

1 Q. Are you familiar with the drilling
2 matters related to this application?

3 A. Yes.

4 MR. BRUCE: Mr. Examiner, I tender the
5 witness as an expert engineer.

6 EXAMINER CATANACH: He is so qualified.

7 Q. (BY MR. BRUCE) Mr. Hunt, would you
8 refer to Exhibit 5 and discuss how Bright &
9 Company proposes to drill the horizontal well?

10 A. Okay. We'll be setting 10-3/4-inch
11 surface casing at 250 feet. Then we'll drill a
12 9-7/8 vertical hole to 4950. We'll get to 4950,
13 we'll run a full suite of logs and evaluate the
14 Gallup Formation and determine which zone we want
15 to drill horizontal in.

16 Then we'll set a cement plug from, say,
17 4200 to about 3850 and dress it off. Then run
18 our intermediate pipe 7-5/8 inch intermediate
19 pipe down to about 3940. And on cement in the
20 7-5/8, it's not shown on the drawing, but we'll
21 be running a DV tool at about 1100 feet.

22 On stage 1 of the cementing, we'll
23 cement from 3940 up to the DV tool. On the
24 second stage we'll cement from the DV tool up to
25 the surface. And by doing this, we'll cover the

1 Lewis, the Pictured Cliffs, and the Fruitland,
2 and the Ojo Alamo with good cement.

3 After cementing the 7-5/8, we'll go
4 ahead and drill out and dress off that cement
5 plug and kick off that cement plug at about 4,000
6 feet. We'll build angle about 17-1/2 degrees per
7 100 feet until we reach an angle of 86.25
8 degrees, which is parallel to the dip of the
9 formation. We'll hold that angle.

10 And our total displacement on the well
11 will be around 3367 feet. Td on the well will be
12 7569 measured and 4536 true vertical depth. And
13 we'll be drilling this horizontal interval with
14 foam, which is what Veterans have been using on
15 their wells.

16 Q. In the San Isidro Unit?

17 A. Yes, sir.

18 Q. So, in other words, this is a standard
19 procedure for drilling the horizontal wells out
20 here?

21 A. Yes.

22 Q. Do you have anything else you'd like to
23 say on this exhibit?

24 A. That's all.

25 Q. Was Exhibit 5 prepared by you or under

1 your direction?

2 A. Yes.

3 Q. And in your opinion is the granting of
4 this application in the interests of conservation
5 and the prevention of waste?

6 A. Yes, sir.

7 MR. BRUCE: Mr. Examiner, I move for
8 the admission of Exhibit 5.

9 EXAMINER CATANACH: Exhibit 5 will be
10 admitted as evidence.

11 EXAMINATION

12 BY EXAMINER CATANACH:

13 Q. Mr. Hunt, the advertisement for this
14 case indicates the bottom-hole location will be
15 approximately 1250 feet from the north line?

16 A. 1200 from the north line.

17 Q. 1200 feet from the north line?

18 A. Yes, sir.

19 Q. That's not what the advertisement
20 says.

21 What are the setback requirements for
22 this pool? Do you know, Mr. Hunt?

23 A. 660.

24 Q. 660 setbacks?

25 A. Yes.

1 MR. STOVALL: All the way round?

2 MR. BRUCE: And, Mr. Examiner, you
3 can't be closer to the 330 to the quarter-quarter
4 section line, I believe.

5 EXAMINER CATANACH: Okay. So even with
6 the 1200 feet from the north line, you're still
7 not encroaching on the north line?

8 MR. BRUCE: That's right.

9 MR. STOVALL: Right. I don't think
10 that creates a notice problem. I think we
11 recognize that a horizontal well, you only
12 estimate where you're going to be on the initial
13 part of it; right?

14 THE WITNESS: Yes, sir.

15 EXAMINER CATANACH: No closer than 660
16 from the west line; is that also correct?

17 THE WITNESS: Right.

18 MR. STOVALL: Was that a yes?

19 THE WITNESS: Yes.

20 MR. STOVALL: The reporter cannot
21 report nods of heads.

22 MR. BRUCE: Mine?

23 MR. STOVALL: I see her nodding hers,
24 but it doesn't go down on paper.

25 So the real spacing exception

1 requirement is that quarter-quarter boundary
2 thing because you're crossing quarter-quarters.

3 MR. BRUCE: That's right.

4 Q. (BY EXAMINER CATANACH) The horizontal
5 displacement is approximately 3367 feet; is that
6 right?

7 A. Yes, sir.

8 Q. And is that from the time when you
9 reach an angle of 86 degrees?

10 A. No. That's from the surface location.

11 Q. That's from the surface location?

12 A. [Nodded.]

13 Q. Okay. What distance from the surface
14 location do you anticipate reaching an angle of
15 88 degrees or 86 degrees?

16 A. It will be about 300 feet.

17 Q. This is considered a high-angle well?

18 A. Yes, sir.

19 MR. STOVALL: Is there any problem
20 controlling the vertical portion of that well in
21 this area? Do you tend to get pushed a little
22 bit by the formation with that slope in there?

23 A. Looking at the offset wells, there's no
24 big deviation problem in there. You just have to
25 run stabilizers. And if you do start getting

1 deviation, lighten up on your weight and increase
2 your RPM and straighten it out.

3 Q. (BY EXAMINER CATANACH) Mr. Hunt, do
4 you propose or anticipate setting any casing
5 below the intermediate?

6 A. In the area that had been setting the
7 slotted liners, not cemented. And we'll be doing
8 that also.

9 Q. Throughout the horizontal extended oil
10 well?

11 A. Right. Yes, sir.

12 Q. So you don't have any definite plans at
13 this point to do that?

14 A. We will do it, right.

15 Q. You will do it?

16 A. Yes.

17 Q. Okay. What size would that be?

18 A. That would be 4-1/2-inch slotted line.

19 Q. Uncemented?

20 A. Yes, sir.

21 Q. Okay. Is this typical of the
22 horizontal wellbores that have been drilled in
23 this area, this method and this type of
24 completion?

25 A. Yes. This is similar to what Veterans

1 has been doing in the field, San Isidro Field.

2 Q. Have they had any problems with it, to
3 your knowledge?

4 A. As Mr. Gates stated, we're not privy to
5 what they've been doing. But from what we've
6 found out, this is pretty well standard with what
7 they've been doing as far as drilling the wells.

8 Q. As far as surveys, directional surveys,
9 and that type of thing, what do you propose
10 running on the well to determine the bottom-hole
11 locations and that type of thing?

12 A. We'll be running MWD in our drill
13 strength, measurement well drilling instrument,
14 which will give us a survey just on about
15 everything -- will give us a survey on every
16 connection as we drill.

17 Q. That's from surface to Td you're going
18 to run that?

19 A. Take it about every 30 feet, so you can
20 determine your bottom-hole location every 30 feet
21 as you drill.

22 Q. Okay. So you will be able to pinpoint
23 where the bottom-hole location terminates?

24 A. Right. Yes, sir.

25 Q. Has Bright & Company drilled any

1 horizontal wells?

2 A. We have drilled four horizontal wells
3 in the Austin Chalk in south Texas that we
4 operate.

5 Q. So you've got some experience at it?

6 A. Yes, sir.

7 EXAMINER CATANACH: I believe that's
8 all I have of the witness.

9 MR. BRUCE: I have nothing further.

10 EXAMINER CATANACH: We'd like to talk
11 to Mr. Gates for a couple minutes more.

12 BRUCE GATES

13 Having been previously duly sworn upon his oath,
14 was examined and testified further as follows:

15 EXAMINATION

16 BY MR. STOVALL:

17 Q. We just looked at our records, Mr.
18 Gates, and we do find that we have an address for
19 Pitco Production, which you had as a return. And
20 I don't know Tulsa very well, but you sent it to
21 101 East Second Street, and our address in our
22 bond records is 1791 Williams Center in Tulsa. I
23 don't know if those are the same addresses or
24 not, but you might --

25 A. We'll redirect it to that address.

1 Q. Okay. I've got a question. You sent
2 one to Mr. Chorney too. And it looks like you
3 may have sent it to two different addresses; is
4 that correct?

5 A. I believe the first one came back,
6 "return to sender," so we re-sent it to a new
7 address we determined.

8 Q. Have you gotten it back from the second
9 address yet?

10 A. If it's not an exhibit, then we have
11 not received it back.

12 Q. I can't -- it's hard to tell from
13 here. It looks like the stamp is over the 1860
14 Lincoln, and then there's a handwritten -- the
15 17th Street address. Mr. Chorney happens to be a
16 name I'm familiar with. I know he's in Denver,
17 so I was just curious.

18 A. We have a -- the letterhead is March
19 12th, "Return to sender."

20 MR. BRUCE: What address do you have
21 for Mr. Chorney, Mr. Stovall?

22 MR. STOVALL: We don't have one for
23 him. I don't think he operates in the state
24 actually. I was just curious. It appears that
25 the 17th Street address is the second address. I

1 can't tell whether the envelope came back from
2 that one or --

3 THE WITNESS: I have 1860 Lincoln
4 Street.

5 Q. (BY MR. STOVALL) You have 1860, then
6 below that, your copy has handwritten 555 17th?

7 A. Yeah, I see what you're saying.

8 Q. You apparently sent a second letter on
9 the 25th. I am assuming you have not received
10 anything back?

11 A. I do not believe we have. In fact, I
12 believe Mr. Chorney is now deceased.

13 Q. Is that right?

14 A. Yes.

15 Q. Okay.

16 A. If I have the right Raymond Chorney.

17 MR. BRUCE: We will review that.

18 MR. STOVALL: You might just check
19 that. As I say, I do know the names there. And
20 check that Pitco.

21 MR. BRUCE: We will.

22 Q. (BY MR. STOVALL) What's your timetable
23 for doing this, getting these wells spudded?

24 A. We're looking at June when we'd like to
25 be drilling. A couple months.

1 Q. So it wouldn't be a problem to leave
2 the record open for 20 days to give you a chance
3 to do that?

4 A. No. We have environmental assessments
5 and other things we're having to take care of
6 right now.

7 MR. STOVALL: I recommend we leave it
8 open for two hearing dates, which would give you
9 basically 28 days. Would that be acceptable, Mr.
10 Bruce? You may be able to send back and say that
11 these other addresses are no good.

12 MR. BRUCE: Yes.

13 MR. STOVALL: And we can't find them.

14 THE WITNESS: Okay.

15 MR. BRUCE: We'll check it out.

16 MR. STOVALL: As long as it doesn't put
17 you in a major bind, I'd just as soon leave it
18 open and give you a chance to do that.

19 EXAMINER CATANACH: Okay. We'll go
20 ahead and continue the case till --

21 MR. BRUCE: Could we ask to continue it
22 for two weeks? And then if the information has
23 to be submitted, we'll submit it and then it can
24 be continued for the next two weeks --

25 MR. STOVALL: Yes. I think that's --

1 MR. BRUCE: -- rather than continue it
2 for a month.

3 MR. STOVALL: Rather than automatically
4 lock you into the four.

5 EXAMINER CATANACH: Okay. Two weeks
6 would be what date?

7 MR. STOVALL: 16th.

8 EXAMINER CATANACH: We'll go ahead and
9 continue this case to April 16th, at which time
10 you can come in and advise us of the status of
11 what you're doing.

12 MR. BRUCE: Okay.

13 [And the proceedings were concluded.]

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 10459,
heard by me on April 2 1982.

David L. Catanch, Examiner
Oil Conservation Division

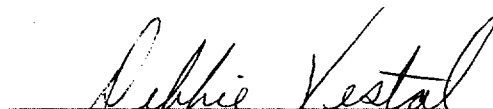
1 CERTIFICATE OF REPORTER

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

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

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

18 WITNESS MY HAND AND SEAL April 11,
19 1992.
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21

22 
23 _____
24 DEBBIE VESTAL, RPR
25 NEW MEXICO CSR NO. 3