

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:

CASE NO. 21464

Application of Kaiser-Francis Oil Company
for compulsory pooling, Lea County,
New Mexico

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS.

EXAMINER HEARING

THURSDAY, OCTOBER 22, 2020

This matter came on for hearing before the
New Mexico Oil Conservation Division, Felicia Orth,
Hearing Examiner, Leonard Lowe, Technical Examiner,
via Cisco Webex Virtual Meeting Platform

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
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1 A P P E A R A N C E S

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7 C O N T E N T S

8	CASE NO. 21464	PAGE
9	Case called:	3
10	Presentation by Mr. Bruce:	4
11	Inquiry by Technical Examiner Lowe:	5
12	Taken under advisement:	5
13		
14	KAIER-FRANCIS WITNESSES (BY AFFIDAVIT)	
15	David Hamiltion (Landman)	4
16	Chris Miller (Geologist)	4

17

18 I N D E X O F E X H I B I T S

19	EXHIBIT NO.	PAGE
20	1 Application and proposed ad	5
21	2 Affidavit of David Hamilton (Landman)	5
22	3 Affidavit of Chris Miller (Geologist)	5
23	4 Affidavit of Notice	5
24	5 Pooling checklist	5

25

1 (Time noted 8:18 a.m.).

2 HEARING EXAMINER ORTH: Let's turn then to the
3 worksheet.

4 We have a number of affidavit cases and
5 status conferences and a hearing there at the end.

6 So the first is Case No. 21464. The
7 applicant is Kaiser-Francis. This is a compulsory pooling
8 application. The well name is Red Hills.

9 Mr. Bruce, are you on the line?

10 (Note: No response.)

11 Let's see here. Mr. Bruce? He may be one
12 of these that have -- I tried to unmute everyone.

13 MR. BRUCE: I'm here.

14 HEARING EXAMINER ORTH: Oh, you're here. Okay.
15 Terrific.

16 You are Call-in User No. 6. Now I
17 understand that.

18 Okay. Thank you, Mr. Bruce. If you would
19 enter your your appearance.

20 MR. BRUCE: Yes. I'm entering an appearance on
21 behalf of Tap Rock -- oh, excuse me, got the wrong client
22 here -- Kaiser Francis Oil Company.

23 HEARING EXAMINER ORTH: All right. Thank you.
24 Let me pause a moment to ask if there are any other
25 appearances this morning. (Note: Pause.)

1 All right. As I understand it, you will be
2 presenting the case by affidavit. Is that correct?.

3 MR. BRUCE: Yes, Madam Examiner

4 In this case Kaiser-Francis seeks to force
5 pool the Wolfcamp Formation in the east half of Section
6 31, 25 South, 33 East, and the east half of Section 5 in
7 26 South, 33 East. There is only one party who is sought
8 to be pooled, and that's a company called Atlas OBO
9 Energy, LP.

10 The case is pretty simple. Actually, this
11 acreage and this Formation was force pooled and an Order
12 was issued early this year, Order R-21152, but that was
13 under the old form where you were supposed to send out
14 well proposals within 30 days of the entry of the Order.
15 That did not occur and therefore the Order lapsed, so this
16 acreage is simply being repooled.

17 The exhibit package contains the
18 application and proposed ad; a landman's affidavit and a
19 geologist's affidavit; my Affidavit of Notice, there was
20 no Publication Notice necessary; and the pooling
21 checklist. I believe the Division has everything, and I
22 would simply ask that Exhibits 1 through 5 be taken under
23 advisement and be admitted into the record, and the case be
24 taken under advisement.

25 HEARING EXAMINER ORTH: All right. Thank you,

1 Mr. Bruce.

2 Mr. Lowe, do you have any questions of Mr.
3 Bruce?

4 TECHNICAL EXAMINER LOWE: You did indicate that
5 you did submit the checklist; is that correct?

6 MR. BRUCE: That I what now? Excuse me.

7 TECHNICAL EXAMINER LOWE: You submitted a
8 checklist?

9 MR. BRUCE: Yes, the pooling checklist is in the
10 exhibit package.

11 TECHNICAL EXAMINER LOWE: Okay. I'm still
12 slowly going through the packet. Okay.

13 MR. BRUCE: Yeah, it's the final few pages.

14 TECHNICAL EXAMINER LOWE: Okay. And you're
15 basically consolidating the east half of both those two
16 sections you indicated?

17 MR. BRUCE: Of two sections, yes.

18 MR. LOWE: Okay. I have no other questions at
19 this time. Thank you.

20 HEARING EXAMINER ORTH: All right. Thank you
21 Mr. Lowe and Mr. Bruce. Exhibits 1 through 5 are admitted
22 and the matter will be taken under advisement.

23 MR. BRUCE: Thank you.

24 (Time noted: 8:21 a.m.)

25

1 STATE OF NEW MEXICO)
2 : SS
3 COUNTY OF TAOS)

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5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday, October
8 22, 2020, the proceedings in the above-captioned matter
9 were taken before me; that I did report in stenographic
10 shorthand the proceedings set forth herein, and the
11 foregoing pages are a true and correct transcription to
12 the best of my ability and control.

13 I FURTHER CERTIFY that I am neither employed
14 bynor related to nor contracted with (unless excepted by
15 the rules) any of the parties or attorneys in this case,
16 and that I have no interest whatsoever in the final
17 disposition of this case in any court.

18 /s/ Mary MacFarlane
19

20 _____
21 MARY THERESE MACFARLANE, CCR
22 NM Certified Court Reporter No. 122
23 License Expires: 12/31/2020

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