

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 NOS: 20966, 20967, 20968

APPLICATION OF KAISER-FRANCIS OIL COMPANY  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

FEBRUARY 6, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH and DYLAN COSS on Thursday, February 6, 2020, 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.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
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505-843-9241

1 A P P E A R A N C E S

2 For the Applicant:

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 4 P.O. Box 1056  
 5 Santa Fe, NM 87504-1056  
 6 505-982-2151  
 7 jamesbruce@aol.com

8 For WTG Exploration and BTA Oil Producers:

9 DANA HARDY  
 10 HINKLE SHANOR LLP  
 11 P.O. Box 0268  
 12 Santa Fe, NM 87504  
 13 505-982-4554

14 For COG Operating:

15 MICHAEL FELDEWERT  
 16 HOLLAND & HART  
 17 110 North Guadalupe, Suite 1  
 18 Santa Fe, NM 87501  
 19 505-954-7286

20 I N D E X

21 CASE CALLED

22 SUMMARY OF CASE AND EXHIBITS 20966	03
23 SUMMARY OF CASE AND EXHIBITS 20967, 968	04
24 TAKEN UNDER ADVISEMENT 20966	04
25 TAKEN UNDER ADVISEMENT 20967, 968	05
REPORTER CERTIFICATE	06

26 E X H I B I T I N D E X

27	Admitted
28 Exhibits 1 through 5 Case 20966	04
29 Exhibits 1 through 5 Cases 20967 and 20968	05

1                   HEARING EXAMINER ORTH: Let's move next to 20966,  
2   67 and 68, Kaiser-Francis. The well is Redhills. Call for  
3   appearances.

4                   MR. BRUCE: Jim Bruce of Santa Fe representing  
5   the applicant and submitting the case by affidavit.

6                   HEARING EXAMINER ORTH: All right. Ms. Hardy.

7                   MS. HARDY: Good morning. Dana Hardy with the  
8   office of Hinkle Shanor on behalf of WTG Exploration and BTA  
9   Oil Producers in Case 20966, and on behalf of BTA Oil  
10   Producers in 20967 and 20968.

11                  HEARING EXAMINER ORTH: Mr. Feldewert?

12                  MR. FELDEWERT: May it please the Examiners,  
13   Michael Feldewert of the Santa Fe office of Holland & Hart  
14   appearing in all three cases for COG Operating.

15                  HEARING EXAMINER ORTH: COG, all right. Thank  
16   you. Let me ask first, Ms. Hardy and Mr. Feldewert, do you  
17   object to the matter being presented by affidavit?

18                  MR. FELDEWERT: I do not.

19                  MS. HARDY: No, we do not, thank you.

20                  HEARING EXAMINER ORTH: Thank you. Mr. Bruce?

21                  MR. BRUCE: In Case 20966, the applicant seeks to  
22   force pool two mile-long Bone Spring laterals in the W/2 of  
23   Section 31, 25 South, 33 East, and the W/2 of Section 6  
24   immediately below that in 26, 33 East.

25                  The exhibit package contains the usual landman's

1 affidavit, geologist affidavit, notice of pooling checklist,  
2 et cetera. And if there is no objection, I would move that  
3 the exhibits be admitted and the case be taken under  
4 advisement.

5 HEARING EXAMINER ORTH: This is 20966?

6 MR. BRUCE: Yes.

7 HEARING EXAMINER ORTH: Questions?

8 EXAMINER COSS: I probably just missed it, but  
9 the notice was timely?

10 MR. BRUCE: Yes.

11 EXAMINER COSS: Then no questions.

12 HEARING EXAMINER ORTH: All right. The packet is  
13 accepted, and the matter will be taken under advisement.

14 (Exhibits 1 through 5 admitted.)

15 (Case 20966 taken under advisement.)

16 MR. BRUCE: In all of these, there is no  
17 published notice. That was not necessary in these cases.

18 HEARING EXAMINER ORTH: Not necessary because  
19 there were no unknown persons?

20 MR. BRUCE: Correct. In Cases 20967 and 20968,  
21 the applicant seeks to force pool two mile laterals in the  
22 E/2 of Section 31 and the E/2 of Section 6.

23 20967 is for the Bone Spring, 20968 is for the  
24 Wolfcamp. Interest ownership is common throughout the well  
25 units, and these are proximity tracts, so the exhibit pack

1 contains all the requirements of the Division, and if there  
2 is no objection, move the admission of Exhibits 1 through 5  
3 in each case.

4 HEARING EXAMINER ORTH: Questions?

5 EXAMINER COSS: I don't have any questions.

6 HEARING EXAMINER ORTH: All right. Thank you  
7 very much, Mr. Bruce. Both packets will be accepted in  
8 matters 20967 and 20968 and the matters will be taken under  
9 advisement.

10 (Exhibits admitted.)

11 (Cases 20967 and 20968 taken under advisement.)

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1 STATE OF NEW MEXICO )  
 )SS  
2 COUNTY OF SANTA FE )

3 I, IRENE DELGADO, certify that I reported the  
4 proceedings in the above-transcribed pages, that pages  
5 numbered 1 through 5 are a true and correct transcript of my  
6 stenographic notes and were reduced to typewritten  
7 transcript through Computer-Aided Transcription, and that on  
8 the date I reported these proceedings I was a New Mexico  
9 Certified Court Reporter.

10 Dated at Santa Fe, New Mexico, this 6th day of  
11 February 2020.

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Irene Delgado, NMCCR 253  
Expires: 12-31-20

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