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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: 21372, 21373

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

AUGUST 6, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, DEAN McCLURE, JOHN GARCIA and KATHLEEN MURPHY on Thursday, August 6, 2020, hosted by the New Mexico Energy, Minerals, and Natural Resources Department, through Cisco Webex electronic platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

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Albuquerque, NM 87102

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1	APPEARANCES	
2	For the Applicant:	
3	JAMES BRUCE P.O. Box 1056	
4	Santa Fe, NM 87504-1056 505-982-2151	
5	jamesbruce@aol.com	
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1 HEARING EXAMINER ORTH: We will move to 21372 and

- 2 21373. The applicant is Kaiser-Francis, compulsory pooling
- 3 application, and the well is Mosaic. Mr. Bruce, are you
- 4 here for Kaiser-Francis?
- 5 MR. BRUCE: Yes, I am.
- 6 HEARING EXAMINER ORTH: All right. I don't see
- 7 another appearance, but let me pause a moment to see if
- 8 there are any others this morning?
- 9 (No response.)
- 10 HEARING EXAMINER ORTH: No, hearing nothing,
- 11 please go ahead, Mr. Bruce.
- 12 MR. BRUCE: Yes. In these cases Kaiser-Francis
- 13 seeks to force pool collectively the N/2 N/2 of Section 24,
- 14 23 South, 28 East, and the N/2 of Section 19, 23, 29 East
- 15 for two Second Bone Spring wells. They are force pooling
- 16 the entire Bone Spring formation, but this is for the
- initial wells are Second Bone Spring wells.
- 18 The only party being pooled is Chevron USA Inc.
- 19 which owns approximately 78 acres of fee land collectively
- 20 in the two well units. Notice has been given and the
- 21 landman's affidavit contains the usual proposal letters and
- 22 AFEs, et cetera, and a geologic presentation is made with
- 23 each, with each case.
- 24 And I was just checking to make sure I attached
- 25 the, the pooling checklist, which I did. There is no --

Page 4 since actual notice was received by Chevron, there is no 2 affidavit of publication. And with that, I move the admission of exhibits 1 3 through 5 in each case and as that the two cases be taken under advisement. 5 6 HEARING EXAMINER ORTH: All right. Thank you, Mr. Bruce. Mr. McClure, do you have any questions of Mr. 8 Bruce. 9 EXAMINER McCLURE: No, ma'am, I have no questions 10 at this time. 11 HEARING EXAMINER ORTH: Thank you. Mr. Garcia? 12 EXAMINER GARCIA: I do not, either. 13 HEARING EXAMINER ORTH: All right. Thank you. 14 Exhibits 1 through 5 in each matter are admitted, and the matter is taken under advisement. 15 16 (Exhibits 1 through 5 admitted in each case.) (Taken under advisement.) 17 (Adjourned.) 18 19 20 2.1 22 23 24 25

Page 5 STATE OF NEW MEXICO COUNTY OF BERNALILLO 2. 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 7 Reporter, do hereby certify that I reported the foregoing 8 proceedings in stenographic shorthand and that the foregoing 9 pages are a true and correct transcript of those proceedings 10 that were reduced to printed form by me to the best of my ability. 11 I FURTHER CERTIFY that I am neither employed by 12 13 nor related to any of the parties of attorneys in this case 14 and that I have no interest in the final disposition of this 15 case. 16 I FURTHER CERTIFY that the Virtual Proceeding was of fair quality. 17 18 Dated this 6th day of August 2020. 19 /s/ Irene Delgado 20 Irene Delgado, NMCCR 253 2.1 License Expires: 12-31-20 22 23 2.4 25