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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: 22033, 22282

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

DECEMBER 2, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINERS DEAN McCLURE and DYLAN ROSE-COSS on Thursday, December 2, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

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505-843-9241

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1	APPEARANCES	
2	For the Applicant:	
3	JAMES BRUCE P.O. Box 1056	
4	Santa Fe, NM 87504-1056	
5	505-982-2151 jamesbruce@aol.com	
6	For MRC Permian and Matador:	
7	MICHAEL FELDEWERT HOLLAND & HART	
8	110 North Guadalupe, Suite 1 Santa Fe, NM 87501	
9	505-954-7286	
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11	I N D E X	
12	CASE CALLED	
13	STATUS CONFERENCE 0	3
14	REPORTER CERTIFICATE 0	6
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1 HEARING EXAMINER BRANCARD: Cases nine and ten,

- 2 Kaiser-Francis 22033, 22282.
- 3 MR. BRUCE: Mr. Examiner, Jim Bruce representing
- 4 Kaiser-Francis Oil Company.
- 5 HEARING EXAMINER BRANCARD: We have entries from
- 6 MRC Permian and Matador.
- 7 MR. FELDEWERT: May it please the Examiner,
- 8 Michael Feldewert with the Santa Fe office of Holland &
- 9 Hart.
- 10 HEARING EXAMINER BRANCARD: All right. Mr.
- 11 Bruce, you very recently told us there is a change in the
- 12 status here in these cases.
- 13 MR. BRUCE: That's correct. The parties have
- 14 been in negotiations in this general area on development of
- 15 the reservoir and have come to a written agreement. And so
- 16 insofar as these two cases, Kaiser-Francis will be the
- 17 operator, and there were some counter-applications filed by
- 18 Matador which have been dismissed.
- 19 So what I would like is to put on the first case,
- 20 22033, as soon as possible, and then I would continue the
- 21 second case into either mid, mid January or early February.
- 22 I think there is some issues that need to be addressed
- 23 before that case is heard, and I -- I would, I don't -- my
- 24 continuing 22033 as long as it's not for long, they just
- 25 want to get moving on the case.

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1 HEARING EXAMINER BRANCARD: Is that okay with

- you, Mr. Feldewert?
- 3 MR. FELDEWERT: Yes, Mr. Examiner, Mr. Bruce is
- 4 correct, the parties have an agreement and we have no
- 5 objection to Kaiser-Francis proceeding with these two cases.
- 6 HEARING EXAMINER BRANCARD: Are there any other
- 7 persons for these cases 22033, 22282?
- 8 (No audible response.)
- 9 HEARING EXAMINER BRANCARD: Mr. Bruce, I believe
- 10 you already filed a prehearing statement and exhibits on
- 11 22033.
- 12 MR. BRUCE: Yes, yes, and if it can be heard
- 13 today, just put it toward the end of the hearing matters. I
- 14 would be glad to do it then.
- 15 HEARING EXAMINER BRANCARD: I don't think you met
- 16 the deadline for the prehearing statement, so why don't we
- 17 do it the next hearing, December --
- 18 MR. BRUCE: 16?
- 19 HEARING EXAMINER BRANCARD: -- 16.
- 20 MR. BRUCE: Thank you. And I will continue the
- 21 other one to I think January or February.
- 22 HEARING EXAMINER BRANCARD: And that's just --
- 23 again, that's uncontested; is that correct?
- 24 MR. BRUCE: That one is uncontested also.
- 25 HEARING EXAMINER BRANCARD: Well, why don't we

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     just come up with a date then for that. Why don't we do
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     February 3.
                MR. BRUCE: Okay. Thank you.
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                (Concluded.)
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Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 7 Reporter, CCR 253, do hereby certify that I reported the 8 foregoing virtual proceedings in stenographic shorthand and 9 that the foregoing pages are a true and correct transcript 10 of those proceedings to the best of my ability. I FURTHER CERTIFY that I am neither employed by 11 nor related to any of the parties or attorneys in this case 12 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of reasonable quality. 16 Dated this 2nd day of December 2021. 17 18 /s/ Irene Delgado 19 Irene Delgado, NMCCR 253 20 License Expires: 12-31-21 2.1 22 23 2.4 25