

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:

Application of FRANKLIN MOUNTAIN	Case No. 22445
ENERGY, LLC for Compulsory Pooling,	Case No. 22449
Lea County, New Mexico	Case No. 22450
Case No. 22446	

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, JANUARY 6, 2022

EXAMINER HEARING

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Hearing Examiner, John Garcia Technical Examiner, on Thursday, January 6, 2022, via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department

Reported by: Mary Therese Macfarlane
New Mexico CCR #122
PAUL BACA COURT REPORTERS
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A P P E A R A N C E S

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C O N T E N T S

CASE NOS.	22445, 22449, 22450	PAGE
CASE CALLED:		3
TAKEN UNDER ADVISEMENT:		5

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

FRANKLIN MOUNTAIN ENERGY EXHIBITS		ADMITTED
A	Compulsory Pooling Checklist	5
B	Declaration of Lee Zink (Landman)	5
	1 Development Overview	
	2 Overview	5
	3 C-102	5
	4 Lease Tract Map/Summary of Interests	5
	5 Notice Affidavit	5
C	Affidavit of Ben Kessel (Geologist)	5
	6 Locator Map	5
	7 Wellbore Schematic	5
	8 Prevail Fed Com 602H Geology Study	5
	9 Regional Stress Orientation Justification	5

1 (Time noted 11:01 a.m.)

2 EXAMINER BRANCARD: With that I will call Items
3 71 through 74, and we can deal with these issues here
4 where we are now with Franklin Mountain Energy.

5 So these are Cases 22445, 22446, 22449 and
6 22450, Franklin Mountain Energy.

7 MS. BENNETT: Good morning, Mr. Examiner. Deana
8 Bennett from Modrall Sperling on behalf of Franklin
9 Mountain Energy.

10 EXAMINER BRANCARD: Ms. Shaheen, do you want to
11 enter an appearance in any of these cases?

12 MS. SHAHEEN: No. No, thank you, Mr. Examiner.
13 We've clarified that Tap Rock has no interest in these two
14 cases. Thank you

15 EXAMINER BRANCARD: Thank you. Any other
16 interested persons, then, for Cases 22445, -446, -449-450?

17 Hearing none, you may proceed, Ms. Bennett.

18 MS. BENNETT: Thank you very much.

19 If possible I would like to split the cases
20 out just a little bit and move forward first with
21 Case No. 22446. Case No. 22446 involves the east
22 half/west half of these sections, whereas the other three
23 cases involve the east half, so I would like to divide
24 them that way, if possible, for the Division's convenience

25 EXAMINER BRANCARD: That's fine. We will

1 proceed on Case 22446.

2 MS. BENNETT: Thank you very much.

3 In Case No. 22446 Franklin Mountain Energy
4 is seeking to pool overrides only, and it's in the Bone
5 Spring spacing unit covering the east half/west half of
6 Sections 14 and 23, Township 24 South, Range 35 East.

7 I timely submitted the exhibits for
8 Franklin Mountain Energy on Tuesday January 4th. In the
9 exhibit packet you will find the usual suite of exhibits.

10 Exhibit A is the Compulsory pooling
11 checklist.

12 Exhibit B is the Affidavit of the
13 Self-Affirmed declaration of Lee Zink. Lee Zink is a
14 landman at Franklin Mountain Energy. He is new to
15 Franklin Mountain Energy but not new as a landman, and has
16 previously testified before the Division and his
17 credentials have been accepted as a matter of record.

18 Behind his Declaration we've included a
19 modified packet of exhibits, since in this case Franklin
20 Mountain Energy is only seeking to pool overrides. We've
21 included the Application, the C-102 for the well, and the
22 Lease Tract Maps and Unit Recapitulationm and the List of
23 Owners. And you can see Franklin Mountain Energy and its
24 affiliate Franklin Mountain Energy II own 100 percent of
25 working interests in this unit. And the parties to be

1 pooled are only overrides and those are listed behind
2 Exhibit 4.

3 Exhibit 5 is the Notice Affidavit prepared
4 by my office which shows that Notice of this hearing was
5 timely sent and that Notice of Publication was timely
6 made.

7 Behind that is the are the geology exhibits
8 of Ben Kessel. Mr. Kessel has previously testified before
9 the Division and his credentials have been accepted as
10 amatter of record, and he includes the usual suite of
11 geology exhibits demonstrating that this unit is justified
12 from his perspective.

13 With that I would ask that the exhibits in
14 Case 22446 be admitted into the record and this case be
15 taken under advisement.

16 EXAMINER BRANCARD: Mr. Garcia, questions?

17 EXAMINER GARCIA: No questions.

18 EXAMINER BRANCARD: Any other persons wanting to
19 comment on Case 22446, Franklin Mountain Energy?

20 Hearing none, your exhibits will be
21 admitted into the record and Case 22446 will be taken
22 under advisement. Again, this is only overriding royalty
23 interests, correct?

24 MS. BENNETT: That's correct.

25 (Time noted 11:05.m.)

1 STATE OF NEW MEXICO)

2 : ss

3 COUNTY OF TAOS)

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REPORTER'S CERTIFICATE

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I, MARY THERESE MACFARLANE, New Mexico Reporter

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CCR No. 122, DO HEREBY CERTIFY that on Thursday,

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January 6, 2022, the proceedings in the above-captioned

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matter were taken before me; that I did report in

10

stenographic shorthand the proceedings set forth herein,

11

and the foregoing pages are a true and correct

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transcription to the best of my ability and control.

13

I FURTHER CERTIFY that I am neither employed by

14

nor related to nor contracted with (unless excepted by the

15

rules) any of the parties or attorneys in this case, and

16

that I have no interest whatsoever in the final

17

disposition of this case in any court.

18

/s/ Mary MacFarlane

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MARY THERESE MACFARLANE, CCR
NM Certified Court Reporter No. 122
License Expires: 12/31/2022

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