

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. 20773
20774
20777

APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC, FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO:

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

October 17, 2019

Santa Fe, New Mexico

BEFORE: LEONARD LOWE, HEARING EXAMINER
PHILLIP GOETZE, EXAMINER
DEAN MCCLURE, EXAMINER
BILL BRANCARD, LEGAL EXAMINER

ALSO PRESENT: Marlene Salvidrez

This matter came on for hearing before the New Mexico Oil Conservation Division, Leonard Lowe, Chief Examiner; Phillip Goetze, Technical Examiner; and Dean McClure, Examiner, on Thursday, October 17, 2019, 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: Belen A. Soto, CSR, RMR
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APPEARANCES

FOR THE APPLICANT FRANKLIN MOUNTAIN ENERGY:

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I N D E X

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1 (Commenced at 8:36 a.m.)

2 EXAMINER LOWE: We will now call cases
3 Number 207 -- we will consolidate these cases, 20773,
4 20774 and 20777.

5 Call for appearance.

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

9 MR. BRUCE: Jim Bruce of Santa Fe
10 representing BTA Oil Producers, LLC.

11 MR. FELDEWERT: And Mr. Examiner, Michael
12 Feldewert with the Santa Fe Office of Holland & Hart,
13 appearing on behalf of XTO Energy, Inc.

14 EXAMINER LOWE: Okay. You may proceed.

15 MS. BENNETT: Thank you.

16 Mr. Examiner, these cases were
17 consolidated for hearing on September 5th and were
18 continued for the limited purpose of completing notice.
19 We needed to notify the overwriting royalty interest
20 owners. There was a title issue that was resolved. And
21 so we asked that these cases be continued to today's
22 date for us to complete notice.

23 And so what you have in front of you is an
24 affidavit that I prepared that includes the list of the
25 names of the overwriting royalty interest owners. The

1 next sheets are the certified mailing lists that we
2 prepare and take to the post office. The next sheet are
3 the status of the deliveries. And then finally, at the
4 very end, is an affidavits of publication showing that
5 notice of this hearing today was published.

6 And so with that, I would ask that Exhibit
7 Number 10Supp be admitted into the record in Case
8 Number 20773, 20774 and 20777?

9 EXAMINER LOWE: Exhibit 10?

10 MS. BENNETT: Yes.

11 EXAMINER LOWE: Okay. Exhibit 10 will be
12 accepted for the cases.

13 (Exhibit Number 10, marked for
14 identification.)

15 MS. BENNETT: Thank you.

16 EXAMINER LOWE: Any questions? Any --

17 MALE: No objection.

18 EXAMINER LOWE: We will be taking this
19 case under advisement.

20 MS. BENNETT: Thank you.

21 And, actually, I should note that when I
22 put these cases on, the landman testified that Franklin
23 Mountain Energy's anticipation is to begin drilling
24 these wells in December. And at that hearing I also
25 agreed to prepare the Exhibit As for the orders, which I

1 emailed to Kathleen Murphy yesterday. And so, again, I
2 would request that these orders be issued as quickly as
3 possible to accommodate the drilling schedule for
4 Franklin Mountain energy.

5 EXAMINER LOWE: Okay. We will try our
6 best to meet those --

7 MS. BENNETT: Definitely appreciate that.

8 EXAMINER LOWE: -- meet that request.

9 EXAMINER GOETZE: After all, it Mr. Jones
10 who heard them so --

11 MS. BENNETT: Yes, it was. Yes.

12 EXAMINER LOWE: Okay. Well, we will take
13 the following case under advisement 20773, 20774 and
14 20777.

15 MS. BENNETT: Thank you.

16 EXAMINER LOWE: Thank you.

17 (Concluded at 8:40 a.m.)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, BELEN A. SOTO, New Mexico Certified Court
6 Reporter No. 106, and Registered Merit Reporter, do hereby
7 certify that I reported the following proceedings in
8 stenographic shorthand and that the foregoing pages are a
9 true and correct transcript of those proceedings that were
10 reduced to printed form by me to the best of my ability.

11 I FURTHER CERTIFY that the Reporter's Record of
12 the Proceedings truly and accurately reflects the exhibits,
13 if any, offered by the respective parties.

14 I FURTHER CERTIFY that I am neither employed by
15 nor related to any of the parties or attorneys in this case
16 and that I have no interest in the final disposition of
17 this case.

18 DATED THIS 31st day of October, 2019.

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BELEN A.SOTO, CSR, RMR
Certified Court Reporter
New Mexico CCR No. 106
Date of CCR Expiration: 12/31/2019
Paul Baca Professional Court Reporters

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