

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 KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.                      CASE NOS. 20050,  
20051

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

January 24, 2019

Santa Fe, New Mexico

BEFORE:   MICHAEL McMILLAN, CHIEF EXAMINER  
          KATHLEEN MURPHY, TECHNICAL EXAMINER  
          TERRY WARNELL, TECHNICAL EXAMINER  
          DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Michael McMillan, Chief Examiner; Kathleen Murphy and Terry Warnell, Technical Examiners; and David K. Brooks, Legal Examiner, on Thursday, January 24, 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:   Mary C. Hankins, CCR, RPR  
                  New Mexico CCR #20  
                  Paul Baca Professional Court Reporters  
                  500 4th Street, Northwest, Suite 105  
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                  (505) 843-9241

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APPEARANCES

FOR APPLICANT KAISER-FRANCIS OIL COMPANY:

JAMES G. BRUCE, ESQ.  
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EXHIBITS OFFERED AND ADMITTED

Kaiser-Francis Oil Company Exhibit Number 6	3
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1 (9:19 a.m.)

2 EXAMINER McMILLAN: I'd like to call Case  
3 20050.

4 MR. BRUCE: Mr. Examiner, Jim Bruce of  
5 Santa Fe representing the Applicant. I ask that this be  
6 combined with Case 20051.

7 EXAMINER McMILLAN: Okay. 20050 and 20051  
8 shall be combined.

9 MR. BRUCE: Mr. Examiner, these cases  
10 involve Bone Spring and Wolfcamp wells in the west  
11 half-southwest quarter of 31 of 25-33 and the west  
12 half-west half Section 6 of 26-33. These cases were  
13 presented a couple of weeks ago. There was one -- one  
14 envelope -- one mailing that came back, and that was to  
15 Royalty Clearinghouse. But we got a new address, and I  
16 remailed notice to Royalty Clearinghouse and got the  
17 green card back. So submitted as Exhibit 6 is my notice  
18 letter to Royalty Clearinghouse showing that they did  
19 receive actual notice. So all the parties in this case  
20 received actual notice.

21 And I move the admission of Exhibit 6 and  
22 ask that the cases be taken under advisement.

23 (Kaiser-Francis Oil Company Exhibit Number  
24 6 is offered into evidence.)

25 EXAMINER McMILLAN: Well, looking at this,

1 there is no -- there's no date.

2 MR. BRUCE: No --

3 EXAMINER McMILLAN: I don't see a date on  
4 this (indicating).

5 MR. BRUCE: Well, Mr. Examiner --

6 EXAMINER McMILLAN: You see what I'm  
7 talking about?

8 MR. BRUCE: I see what you're saying, but  
9 I'm not in charge of that. This is --

10 EXAMINER McMILLAN: Well, then, get --

11 MR. BRUCE: I will get you a date, I hope,  
12 off the post office website, but that site is almost  
13 useless anymore. I know they're supposed to assign a  
14 date, but --

15 EXAMINER McMILLAN: I know. But you  
16 understand our problem?

17 MR. BRUCE: Yeah. But I will get that to  
18 you.

19 EXAMINER McMILLAN: Okay.

20 EXAMINER BROOKS: Well, you're saying that  
21 the recipient did not date the return receipt.

22 EXAMINER McMILLAN: We have no idea of the  
23 date. That's what scares me about this.

24 EXAMINER BROOKS: Yes. But our rule of  
25 return receipts says evidence of delivery "will be

1 provided if available."

2 MR. BRUCE: And I will check.

3 EXAMINER McMILLAN: Okay. That's fine.

4 EXAMINER BROOKS: If it's not available, we  
5 can take it under advisement because it says --

6 MR. BRUCE: I will check that this  
7 afternoon.

8 EXAMINER McMILLAN: Okay. Then Cases 20050  
9 and 20051 shall be taken under advisement under the  
10 contingency you'll attempt to find that information out.

11 (Case Numbers 20050 and 20051 conclude,  
12 9:22 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, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
7 and Registered Professional Reporter, do hereby certify  
8 that I reported the foregoing proceedings in  
9 stenographic shorthand and that the foregoing pages are  
10 a true and correct transcript of those proceedings that  
11 were reduced to printed form by me to the best of my  
12 ability.

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

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

20 DATED THIS 8th day of February 2019.

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23 MARY C. HANKINS, CCR, RPR  
24 Certified Court Reporter  
New Mexico CCR No. 20  
Date of CCR Expiration: 12/31/2019  
Paul Baca Professional Court Reporters

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