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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:

APPLICATION OF KAISER-FRANCIS OIL CASE NO. 20052 COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

February 21, 2019

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER TERRY WARNELL, TECHNICAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, Michael McMillan, Chief Examiner, Terry Warnell, Technical Examiner, on Thursday, February 21, 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 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 APPEARANCES FOR APPLICANT KAISER-FRANCIS OIL COMPANY: JAMES G. BRUCE, ESQ. Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043 jamesbruc@aol.com INDEX PAGE Case Number 20052 Called Exhibit Offered Proceedings Conclude Certificate of Court Reporter EXHIBITS OFFERED AND ADMITTED Kaiser-Francis Oil Company Exhibit Number 4

Page 3 1 (11:45 a.m.) 2 EXAMINER McMILLAN: Do you have any cases, Jim, that can be done by affidavit --3 MR. BRUCE: Two quick ones. 4 5 EXAMINER McMILLAN: -- simple ones? Then that's what we're going to do. 6 7 MR. BRUCE: The first one, Mr. Examiner, is 8 Kaiser-Francis, Case 20052, which is the 29th case on the docket. 9 10 EXAMINER McMILLAN: What's the name of it? 11 MR. BRUCE: Kaiser-Francis, Bell Lake-South Unit 212H well. 12 13 EXAMINER McMILLAN: Call Case Number 20052, application of Kaiser-Francis Oil Company. 14 15 Call for appearances. 16 MR. BRUCE: Mr. Examiner, Jim Bruce of 17 Santa Fe representing the Applicant. 18 EXAMINER McMILLAN: Are there any other 19 appearances? 20 Please proceed. MR. BRUCE: Mr. Examiner, this case was 21 submitted a month ago by affidavit, and I was missing a 22 23 green card or so. Story of my life. And so notice was 24 published in the Hobbs newspaper, again Burlington 25 Resources, ConocoPhillips and, my usual suspect, EOG

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1	Resources, which means that all parties either received
2	actual notice or notice by publication, so I would move
3	the admission of Exhibit 4 and ask that the case be
4	taken under advisement.
5	EXAMINER McMILLAN: Exhibit 4 may now be
6	accepted as part of the record, and Case 20052 shall be
7	taken under advisement.
8	(Kaiser-Francis Oil Company Exhibit Number
9	4 is offered and admitted into evidence.)
10	(Case Number 20052 concludes, 11:46 a.m.)
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Page 5 1 STATE OF NEW MEXICO 2 COUNTY OF BERNALILLO 3 CERTIFICATE OF COURT REPORTER 4 5 I, MARY C. HANKINS, Certified Court Reporter, New Mexico Certified Court Reporter No. 20, 6 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 a true and correct transcript of those proceedings that 10 were reduced to printed form by me to the best of my 11 12 ability. 13 I FURTHER CERTIFY that the Reporter's Record of the proceedings truly and accurately reflects 14 the exhibits, if any, offered by the respective parties. 15 16 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or 17 18 attorneys in this case and that I have no interest in 19 the final disposition of this case. 20 DATED THIS 27th day of March 2019. 21 22 MARY C. HANKINS, CCR, RPR 23 Certified Court Reporter New Mexico CCR No. 20 Date of CCR Expiration: 12/31/2019 24 Paul Baca Professional Court Reporters 25