

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: 20286  
20287  
20288  
20289  
20290

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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

MAY 30, 2019

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, Examiners Michael McMillan and Leonard Lowe, and Legal Examiner David Brooks, on Thursday, May 30, 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: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

APPEARANCES

For the Applicant: JAMES BRUCE  
P.O. Box 1056  
Santa Fe, NM 87504-1056

INDEX

CASE NOS: 20286 through 20290 CALLED 03  
CONTINUED 05

1                   EXAMINER McMILLAN:   Okay.   I would like to now  
2   call Case 20286, application of Kaiser-Francis for  
3   compulsory pooling, Eddy County.   Call for appearances.

4                   MR. BRUCE:   Mr. Examiner, Jim Bruce of Santa Fe  
5   representing the applicant.   You had -- and I think what I  
6   would ask is that all of my -- you'd indicated that  
7   Mr. Brooks had said something about some notice issues.

8                   EXAMINER McMILLAN:   But that's not for Mosaic, so  
9   we are just talking about the 11 townsites.

10                  MR. BRUCE:   But there are some outstanding notice  
11   things on those, so I would ask that all of those  
12   Kaiser-Francis cases, which go from case 14 through 21 be  
13   continued to June 27.

14                  MR. BROOKS:   There was only one that I objected  
15   to.

16                  MR. BRUCE:   What's that?

17                  MR. BROOKS:   There was only one case that I  
18   objected to.

19                  MR. BRUCE:   Just so I know what the notice issue  
20   is, what is it?

21                  MR. BROOKS:   Do you have the number?   I don't  
22   have it, and I don't remember it, which is not strange  
23   because I don't remember things.

24                  EXAMINER McMILLAN:   This is case Number 20293.

25                  MR. BRUCE:   Correct.

1 EXAMINER McMILLAN: Okay. The proposed said Bone  
2 Spring but the application was Wolfcamp.

3 MR. BRUCE: Okay. I will change that since it's  
4 being continued anyway.

5 EXAMINER McMILLAN: Right.

6 MR. BROOKS: Right. Well, I can't remember which  
7 one was which, but the notice and other documents referred  
8 to different pools, different --

9 MR. BRUCE: Yeah, these are prefix W, so they are  
10 Wolfcamp, so I will correct that.

11 MR. BROOKS: Not just a different pool, that  
12 might have been dismissed as de minimis, but it was a  
13 different formation.

14 MR. BRUCE: Yeah, okay.

15 EXAMINER McMILLAN: Okay. So let me ask you a  
16 question then, 286 through 290, you already present --  
17 those are simple amendments; right?

18 MR. BRUCE: Well, they are pooling additional  
19 unleased mineral --

20 EXAMINER McMILLAN: But you are going to  
21 incorporate the geology?

22 MR. BRUCE: When I put them on, I just will do  
23 land, and will incorporate the geology that was presented a  
24 year or so ago.

25 EXAMINER McMILLAN: Yeah, I couldn't believe that

1 a year ago, you kind of put that on way too premature.

2 MR. BRUCE: There was about 400 plus interest  
3 owners, as I said, so -- people keep creeping up out of the  
4 woodwork.

5 EXAMINER McMILLAN: So cases 20286, 20287, 20288,  
6 20289, and 20290 shall be continued; correct?

7 MR. BRUCE: Correct.

8 (Cases continued.)

9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Irene Delgado, NMCCR 253  
Expires: 12-31-19