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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:

CASE NOS: 21271

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

May 14, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, BAYLEN LAMKIN, DYLAN COSS and SCOTT COX on Thursday, May 14, 2020, 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

Page 2 APPEARANCES For the Applicant: JAMES BRUCE P.O. Box 1056 Santa Fe, NM 87504-1056 505-982-2151 jamesbruce@aol.com INDEX CASE CALLED 11 SUMMARY OF CASE AND EXHIBITS TAKEN UNDER ADVISEMENT REPORTER CERTIFICATE EXHIBIT INDEX Admitted All Exhibits and Attachments

Page 3 1 HEARING EXAMINER ORTH: Let's move to case 21271. The applicant is Kaiser-Francis, compulsory pooling matter 2 for the well named Red Hills. Mr. Bruce? 3 4 MR. BRUCE: Yes. Submitted by affidavit, the package contains the application and proposed ad as Exhibit 5 1. Exhibits 2 and 3 are the landman's affidavit and 6 geologist affidavit. The landman, Mike Maxey, and the 7 8 geologist, Nick Sullivan, were previously gualified by the 9 Division as experts. 10 One thing I would note, I was not able to make color copies of the geology attachments, if you would like 11 12 those, I can e-mail them in color to you. I couldn't print 13 them off. 14 It contains an affidavit of notice as Exhibit 4. 15 When you go through the package you will see that COG Operating and Concho Oil & Gas were originally named as 16 17 pooled parties. They have come to terms with KFOC, Kaiser-Francis, so they are not being pooled, they are 18 dismissed from the case. There are two other small interest 19 owners who are being pooled, and then the pooling checklist 20 21 is attached. 22 And with that, I would move the admission of the five exhibits. 23 24 HEARING EXAMINER ORTH: Okay. Mr. Lamkin, do you 25 have any questions of Mr. Bruce?

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102

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1	EXAMINER LAMKIN: No, I do not.
2	HEARING EXAMINER ORTH: Mr. Cox?
3	EXAMINER COX: No, ma'am. Sounds good.
4	HEARING EXAMINER ORTH: All right. Thank you.
5	Thank you, Mr. Bruce. The exhibits are accepted and the
б	packet will be taken under advisement.
7	MR. BRUCE: Okay. Thank you very much.
8	(Exhibits admitted.)
9	(Taken under advisement.)
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1	STATE OF NEW MEXICO
2	COUNTY OF BERNALILLO
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4	REPORTER'S CERTIFICATE
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6	I, IRENE DELGADO, New Mexico Certified Court
7	Reporter, CCR 253, do hereby certify that I reported the
8	foregoing proceedings in stenographic shorthand and that the
9	foregoing pages are a true and correct transcript of those
10	proceedings that were reduced to printed form by me to the
11	best of my ability.
12	I FURTHER CERTIFY that the Reporter's Record of
13	the proceedings truly and accurately reflects the exhibits,
14	if any, offered by the respective parties.
15	I FURTHER CERTIFY that I am neither employed by
16	nor related to any of the parties of attorneys in this case
17	and that I have no interest in the final disposition of this
18	case.
19	Dated this 14 day of May 2020.
20	/s/ Irene Delgado
21	Irene Delgado, NMCCR 253
22	License Expires: 12-31-20
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