

STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 21419

APPLICATION OF KAISER-FRANCIS OIL OMPANY  
FOR COMPULSORY POOLING IN EDDY COUNTY  
NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS.

EXAMINER HEARING

THURSDAY, SEPTEMBER 10, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Felicia Orth,  
Hearing Examiner, Scott Cox Technical Examiner, on  
Thursday, September 10, 2020 via Webex Event Virtual  
Platform

Reported by: Mary Therese Macfarlane  
New Mexico CCR NO. 122  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street NW, Suite 105  
Albuquerque, New Mexico 87102  
(505) 843-9241.

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A P P E A R A N C E S

FOR THE APPLICANT KAISER-FRANCIS OIL COMPANY:

James Bruce, Esq.  
P.O. Box 1056.  
Santa Fe, NM 87504.  
(505) 982-2043  
jamesbruc@aol.com

C O N T E N T S

CASE NUMBER 21419	PAGE
CALLED:	3
APPLICANT WITNESSES BY AFFIDVIT:	
BRENDON KUSHNERICK, (Landman)	4
LEE J. LINDMAN (Geologist)	4
TAKEN UNDER ADVISEMENT:	5

E X H I B I T I N D E X

APPLICANT KAISER-FRANCIS OIL COMPANY EXHIBITS	ADMITTED
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2	5
3	5
4	5
5	5
6	5

1 (Time noted 9:15 a.m.)

2 HEARING EXAMINER ORTH: Let's move then to  
3 matter -- I'm sorry, did someone speak? No. All right.

4 All right. Let's move then to Matter  
5 21419. The Applicant is Kaiser Francis, Compulsory  
6 Pooling Application. The well name is Loving Townsite.

7 Mr. Bruce, you're here for the Applicant?

8 MR. BRUCE: Yes, I am.

9 HEARING EXAMINER ORTH: All right. Pause a  
10 moment to check if there are other appearances this  
11 morning.

12 No. Please go ahead.

13 MR. BRUCE: Madam Examiner, this is seeking to  
14 force pool for four Wolfcamp wells in a Purple Sage  
15 Wolfcamp gas pool; spacing unit comprised of the southeast  
16 quarter of Section 20 and the southwest quarter of 21 in  
17 23 South, 28 East.

18 There was a prior hearing on this a couple  
19 of years ago. At that point this was a nonstandard unit;  
20 a nonstandard unit was granted. The reason for two  
21 quarter sections in different lands is that all of the  
22 acreage around there had been drilled out by other  
23 operators. So that's one thing I'd point out.

24 The exhibit package contains all of the  
25 normal exhibits. The landman's affidavit identifies the

1 people being pooled, and that, would be Exhibit No. 2-C. I  
2 forget the exact number. It's about 11 or 12 people.

3                   And it shows letters that have gone out to  
4 these people. They are all unleased mineral interest  
5 owners within the small or partial city tracts or town  
6 tracts within the Town of Loving.

7                   Geologic data is included, and there are  
8 two different Wolfcamp zones being tested, the Wolfcamp A  
9 and the Wolfcamp C, and there's geology on both of those  
10 zones.

11                   Notice was sent by certified mail to all  
12 the parties. Actually when the application was filed  
13 there were quite a few additional parties other than the  
14 ones where -- who are being pooled here today, or at least  
15 a handful of them. But I think a few of these parties  
16 have come to terms with Kaiser Francis and therefore, as I  
17 said, the exact list of the parties being pooled is  
18 Exhibit 2-C.

19                   Some of these Notices were returned as  
20 undeliverable, some of the green cards never came back,  
21 but Exhibit 5 is an Affidavit of Publication showing that  
22 all the parties were given Notice, Constructive Notice by  
23 Publication.

24                   One thing. I filed this exhibit package  
25 twice. The first time at about -- I think it transmitted

1 to the OCD hearings site at about 4:59 1/2 on Tuesday  
2 afternoon. I was rushing to get this one done, and I  
3 omitted the pooling checklist, but I re-sent it yesterday  
4 with the pooling checklist attached, and I would ask that  
5 that be deemed sufficient compliance.

6 And with that I would move the admission of  
7 Exhibits 1 through 6 and ask that the matter be taken  
8 under advisement.

9 HEARING EXAMINER ORTH: All right. Thank you,  
10 Mr. Bruce.

11 Mr. Cox, do you have questions of Mr.  
12 Bruce?

13 MR. COX: I'm just looking real quick for the  
14 exhibit you sent with the checklist, make sure I have  
15 that.

16 HEARING EXAMINER ORTH: All right. We will take  
17 a moment while you do that.

18 MR. COX: I see it here. Okay. We should be  
19 good to go.

20 HEARING EXAMINER ORTH: All right. Thank you.

21 Mr. Bruce, your exhibits are admitted and  
22 the matter will be taken under advisement.

23 MR. BRUCE: Thank you very much.

24 (Note: Time noted.)

25

1 STATE OF NEW MEXICO )  
2 : SS  
3 COUNTY OF TAOS )

4  
5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter  
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday, September  
8 10, 2020, the proceedings in the above-captioned matter  
9 were taken before me; that I did report in stenographic  
10 shorthand the proceedings set forth herein, and the  
11 foregoing pages are a true and correct transcription to  
12 the best of my ability and control.

13 I FURTHER CERTIFY that I am neither employed by  
14 nor related to nor contracted with (unless excepted by the  
15 rules) any of the parties or attorneys in this case, and  
16 that I have no interest whatsoever in the final  
17 disposition of this case in any court.

18 /s/ Mary Macfarlane  
19 \_\_\_\_\_

20 MARY THERESE MACFARLANE, CCR  
21 NM Certified Court Reporter No. 122  
License Expires: 12/31/2020

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