

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: 21553

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

FEBRUARY 18, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER FELICIA ORTH and TECHNICAL EXAMINERS LEONARD LOWE and BAYLEN LAMKIN on February 18, 2021, as hosted by the New Mexico Energy, Minerals, and Natural Resources Department, Santa Fe, New Mexico.

Reported by: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
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A P P E A R A N C E S

For the Applicant:

JAMES BRUCE
P.O. Box 1056
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505-982-2151
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I N D E X

CASE CALLED

TAKEN UNDER ADVISEMENT 05

REPORTER CERTIFICATE 06

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

Admitted

All Exhibits and Attachments 05

1 HEARING EXAMINER ORTH: We move then to the next
2 case, 21553. Kaiser-Francis is the applicant, compulsory
3 pooling matter. Loving Townsite is the name of the well.
4 Mr. Bruce, are you one of our call-in users?

5 MR. BRUCE: Yes. Do you hear me?

6 HEARING EXAMINER ORTH: Yes, I do. Good morning.

7 MR. BRUCE: Good morning.

8 HEARING EXAMINER ORTH: Let me see if there are
9 any entries of appearance this morning. I didn't see any in
10 the file.

11 (No audible response.)

12 HEARING EXAMINER ORTH: No? If you would,
13 please, go ahead.

14 MR. BRUCE: In this case applicant seeks to force
15 pool the SE/4 of Section 20 and the SW/4 of Section 21 of 23
16 South, 28 East for Wolfcamp wells, Purple Sage Wolfcamp.

17 The reason for the odd shape of the unit is all
18 of the adjoining quarter sections were drilled by other
19 operators, so they tag together two quarter sections from
20 two -- from two different sections.

21 The application and the ad are in Exhibit 1.

22 Exhibit 2 is the landman's affidavit. It
23 contains all the usual information. In going through that,
24 if you get to Exhibit 2-C, which contains the list of the
25 parties being pooled, the total interests being force pooled

1 is about, oh, about .35 percent. So it's -- they are just
2 cleaning up title on this matter.

3 The geologist affidavit is marked Exhibit 3 and
4 it contains the usual isopach and cross section and the
5 usual wellbore diagrams.

6 And Exhibit 4 is the affidavit of the notice.
7 There was one person, actually a deceased person, an estate
8 that -- the estate of Mary Jean Uriquidez, and that was --
9 we never got a green card back from that estate, but
10 published notice took care of that, and that is marked
11 Exhibit 5.

12 And finally, finally the pooling checklist is
13 marked Exhibit 6. I think the package is complete, and I
14 would move the admission of Exhibits 1 through 6 and ask
15 that the case be taken under advisement.

16 HEARING EXAMINER ORTH: Thank you, Mr. Bruce.
17 Exhibits 1 through 6 are admitted. Mr. Lowe, do you have
18 questions of Mr. Bruce?

19 TECHNICAL EXAMINER LOWE: Just one question,
20 Mr. Bruce. All right. Good morning. I don't have access
21 to the exhibits, so I just want to get an understanding.
22 The spacing unit that is being sought here is basically two
23 quarter sections; right?

24 MR. BRUCE: Correct.

25 TECHNICAL EXAMINER LOWE: Are the quarter

1 sections stand-up or lay-down?

2 MR. BRUCE: They are standard quarter sections,
3 yes.

4 TECHNICAL EXAMINER LOWE: Okay.

5 MR. BRUCE: And actually, probably a year and a
6 half ago, at the time, I can't remember when the unit was
7 originally formed, it was considered a non-standard unit,
8 and a non-standard unit order was approved for the two
9 different quarter sections from two different sections.

10 TECHNICAL EXAMINER LOWE: Oh, okay. All right.
11 That's all I have for now. Thank you.

12 HEARING EXAMINER ORTH: Thank you, Mr. Lowe, and
13 thank you, Mr. Bruce. 21553 will be taken under advisement.

14 (Exhibits admitted.)

15 (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 virtual proceedings in stenographic shorthand and
9 that the foregoing pages are a true and correct transcript
10 of those proceedings to the best of my ability.

11 I FURTHER CERTIFY that I am neither employed by
12 nor related to any of the parties or attorneys in this case
13 and that I have no interest in the final disposition of this
14 case.

15 I FURTHER CERTIFY that the Virtual Proceeding was
16 of poor to good quality.

17 Dated this 18th day of February 2021.

18

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-21

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