

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 MEWBOURNE OIL COMPANY FOR A NONSTANDARD  
PROJECT AREA AND AN UNORTHODOX  
GAS WELL LOCATION, EDDY COUNTY,  
NEW MEXICO. CASE NO. 15681

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

May 11, 2017

Santa Fe, New Mexico

BEFORE: MICHAEL McMILLAN, CHIEF EXAMINER  
WILLIAM V. JONES, TECHNICAL EXAMINER  
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Michael McMillan,  
Chief Examiner, William V. Jones, Technical Examiner,  
and David K. Brooks, Legal Examiner, on Thursday,  
May 11, 2017, 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

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APPEARANCES

FOR APPLICANT MEWBOURNE OIL COMPANY:

JAMES G. BRUCE, ESQ.  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043  
jamesbruc@aol.com

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EXHIBITS OFFERED AND ADMITTED

Mewbourne Oil Company Exhibit Numbers 13 and 14	4
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1 (1:13 p.m.)

2 EXAMINER McMILLAN: I'd like to call the  
3 hearing back to order.

4 We are going to call Case Number 15681,  
5 application of Mewbourne Oil Company for a nonstandard  
6 project area and an unorthodox gas well location, Eddy  
7 County, New Mexico.

8 Call for appearances.

9 MR. BRUCE: Mr. Examiner, Jim Bruce of  
10 Santa Fe representing the Applicant. This case was  
11 heard two weeks ago, and I'm just submitting a couple of  
12 additional materials.

13 EXAMINER McMILLAN: Any other appearances?  
14 Please proceed.

15 MR. BRUCE: The Applicant is seeking a  
16 two-section project area in the Wolfcamp Formation.

17 Mr. Brooks, you will recall your  
18 questioning about the well-unit orientation since this  
19 is in that 320-acre Purple Sage; Wolfcamp Gas Pool.

20 EXAMINER BROOKS: Right.

21 MR. BRUCE: And so Exhibit 13 is just a  
22 revised C-102 submitted to the Division for approval.  
23 If you'll recall, the well is a north-south well that  
24 we're trying to --

25 EXAMINER BROOKS: Well, I don't know that I

1 recall, but I do -- okay. This is -- how long is the  
2 well actually?

3 MR. BRUCE: Two miles.

4 EXAMINER BROOKS: Two miles. That's what I  
5 was going to say. It looks like it was two miles on  
6 here, but I didn't know if this was a diagram done in a  
7 preset form to the actual --

8 MR. BRUCE: Yeah. So anyway, that's what  
9 has been submitted at the suggestion of the Division  
10 after the last go-around now.

11 And then Exhibit 14 is simply -- I received  
12 five green cards back, and Exhibit 14 is copies of the  
13 remaining five green cards. Compare that to the prior  
14 affidavit -- notice affidavits. It notices -- all  
15 offsets to the proposed project area have received  
16 actual notice of the application.

17 So I would just simply ask that Exhibits 13  
18 and 14 be admitted to the record and -- into the record  
19 and that the case be taken under advisement.

20 EXAMINER McMILLAN: Exhibits 13 and 14 may  
21 now be accepted as part of the record.

22 (Mewbourne Oil Company Exhibit Numbers 13  
23 and 14 are offered and admitted into  
24 evidence.)

25 EXAMINER McMILLAN: Case Number 15681 shall

1 be taken under advisement.

2 Thank you.

3 (Case Number 15681 concludes, 1:16 p.m.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
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  
10 a true and correct transcript of those proceedings that  
11 were reduced to printed form by me to the best of my  
12 ability.

13 I FURTHER CERTIFY that the Reporter's  
14 Record of the proceedings truly and accurately reflects  
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither  
17 employed by nor related to any of the parties or  
18 attorneys in this case and that I have no interest in  
19 the final disposition of this case.

20

21

22 MARY C. HANKINS, CCR, RPR  
23 Certified Court Reporter  
24 New Mexico CCR No. 20  
25 Date of CCR Expiration: 12/31/2017  
Paul Baca Professional Court Reporters