

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                   CASE NO. 15689  
TO RE-OPEN CASE NO. 15689 FOR A  
NONSTANDARD SPACING AND PRORATION UNIT  
AND COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

October 26, 2017

Santa Fe, New Mexico

BEFORE:   SCOTT DAWSON, CHIEF EXAMINER  
          DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Scott Dawson,  
Chief Examiner, and David K. Brooks, Legal Examiner, on  
Thursday, October 26, 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:

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EXHIBITS OFFERED AND ADMITTED

(No exhibits.)

1 (8:24 a.m.)

2 EXAMINER DAWSON: So what we'll do now is  
3 we'll go to Case Number 15689, which is number 24 on the  
4 list.

5 Can I call for appearances, please?

6 And Case Number -- let me see. Case number  
7 24 is 15689, re-opened. This is continued from the  
8 October 12th, 2017 Examiner Hearing. It's the  
9 application of Mewbourne Oil Company to re-open Case  
10 Number 15689 for a nonstandard spacing and proration  
11 unit and compulsory pooling, Eddy County, New Mexico.

12 And I understand, Mr. Bruce, that that  
13 case -- the only thing lacking on that case was the  
14 notice?

15 MR. BRUCE: Yes, Mr. Examiner. In that  
16 case -- it has been presented. And in that case,  
17 Mewbourne seeks to form a nonstandard unit, the  
18 southeast quarter of Section 23 and the south half of  
19 Section 24 in 24 South, 28 East.

20 After the hearing was originally taken  
21 under advisement, Mr. Brooks informed me that I --  
22 rather than offset operators, I had to notify all of the  
23 interest owners in the northeast quarter of Section 23  
24 and the southwest quarter of Section 23. However -- and  
25 I don't have copies of the C-102s. However, after

1 further research, there is an existing well in the north  
2 half of Section 23 operated by Marathon. It has been  
3 drilled and, I believe, completed. So, therefore, I did  
4 not give notice to the northeast quarter Section 23  
5 interest owners.

6 And, likewise, in the southwest quarter of  
7 Section 23 and the west half of Section 26, Mewbourne  
8 has filed an APD and will be drilling a separate well,  
9 so those interest owners are also taken care of.

10 So -- and I would just ask you to take  
11 administrative notice of the Division's well records.  
12 And with that, I would just ask that the case be taken  
13 under advisement.

14 EXAMINER DAWSON: Okay.

15 EXAMINER BROOKS: I have no -- with that,  
16 we will proceed as you recommend.

17 EXAMINER DAWSON: So number 24, which is  
18 Case Number 15689, re-opened, will at this time be taken  
19 under advisement.

20 (Case Number 15689 concludes, 8:27 a.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.

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