

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 NOS. 21390, 21391

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR A COMPULSORY POOLING APPLICATION,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING  
(Status conference)

THURSDAY, SEPTEMBER 10, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, Felicia Orth, Examiner, Scott Cox, Technical Examiner, on Thursday, September 10, 2020, by Webex Videoconferencing Platform.

Reported by: Mary Therese Macfarlane  
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A P P E A R A N C E S

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C O N T E N T S

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1 (Time noted 8:38 a.m.)

2 HEARING EXAMINER ORTH: Let's move then to  
3 Matters 21390 and 21391. The Applicant is Mewbourne Oil,  
4 Compulsory Pooling application. The well in each case is  
5 named Eastwatch.

6 Mr. Feldewert, are you here again for the  
7 Applicant?

8 Oh, no, sorry. It's Hinkle, Shanor.

9 MS. HARDY: Yes. Good morning. Dana Hardy from  
10 the Santa Fe office of Hinkle, Shanor on behalf of  
11 Mewbourne Oil Company.

12 HEARING HEARING EXAMINER ORTH: All right.  
13 Thank you. Mr. Feldewert, I trust you are here for MRC  
14 Permian.

15 MR. FELDEWERT: Yes, Madam Examiner.

16 HEARING EXAMINER ORTH: Let me pause a moment to  
17 see if there are any other appearances. No.

18 Ms. Hardy.

19 MS. HARDY: Thank you, Madam Examiner.

20 We requested a status conference in these  
21 matters because MRC Permian has filed applications this  
22 week that compete with Mewbourne's applications, so it  
23 looks like at this point we need to get a date for a  
24 contested hearing. I know that MRC's applications aren't  
25 set currently for today, but we are hoping to get the

1 Eastwatch applications set and then be able to have the  
2 MRC applications added to that hearing, if possible.

3 HEARING EXAMINER ORTH: Okay. So I'm looking at  
4 the calendar.

5 Mr. Feldewert, when do you anticipate the  
6 MRC cases? They have already been filed but not set? Is  
7 that my understanding?

8 MR. FELDEWERT: Madam Examiner, they were filed  
9 on Tuesday of this week so they will be listed on the  
10 October 8th docket.

11 Uhm, the current -- I mean, just to blur  
12 the line here, Mewbourne's Eastwatch wells I think involve  
13 Sections 3 and 4, so they are lay down wells. MRC is what  
14 they call their deep wells, which are stand up wells  
15 involving Sections 3 and 10, that's the first group, and  
16 then the second group involves Sections 4 and 9. So they  
17 overlap at Sections 3 and 4, which creates the conflict.

18 So I anticipate if the parties cannot reach  
19 an agreement that we are going to need a hearing date, and  
20 it will be your typical debate over whether the wells  
21 should be stand up or lay down, and how it should be  
22 oriented.

23 So I suspect each party will have three  
24 WITNESSES, and so it could take perhaps a day.

25 So again, ours will be on the docket on

1     October 8th.

2                   HEARING EXAMINER ORTH:   Okay.   So I'm looking at  
3     the calendar for that -- for October 8th.   I have a line  
4     drawn through most of the week there to handle the Ridge  
5     Runner hearings.

6                   And then the following session is October  
7     the 22nd.   We have two special hearings already set there.  
8     We already have a special hearing set November 5th from --  
9     two special hearings set in connection with the November  
10    19th hearing.

11                   The next hearing date would be December  
12    3rd.   There are no special hearings set in connection with  
13    the December 3rd docket.

14                   We do already have a special hearing set in  
15    connection with December 17th.

16                   What do you think about December 3rd for  
17    all of these matters?

18                   MS. HARDY:   Madam Examiner, we think that if  
19    that's the earliest date that we could get, then I think  
20    that would work.   I'll have to confirm my WITNESSES'  
21    availability, but that sounds reasonable to me.

22                   HEARING EXAMINER ORTH:   Okay.   Mr. Feldewert?

23                   MR. FELDEWERT:   We too will endeavor to make  
24    that work.

25                   HEARING EXAMINER ORTH:   All right.   So I will

1 talk with Marlene about what that means for the MRC  
2 Permian matters.

3 Is there any reason then to have it on the  
4 October 8th docket, or should we just set it on the  
5 December 3rd?

6 MR. FELDEWERT: Well, let me suggest as  
7 applications that were filed and in the course of Notice  
8 that will go out will reflect a hearing date of October  
9 the 8th, so I think probably they should remain on the  
10 October 8th docket, and then can be called, and at that  
11 time we will be able to then I think effectively move it  
12 to the hearing date that's available.

13 HEARING EXAMINER ORTH: Okay. All right. Let's  
14 see.

15 Mr. Cox, do you have any questions about  
16 our discussion here?

17 MR. COX: No, ma'am.

18 HEARING EXAMINER ORTH: Okay. Anything further,  
19 Mr. Feldewert or Ms. Hardy?

20 MS. HARDY: Not for me, Madam Examiner.

21 MR. FELDEWERT: No, Madam Examiner. Thank you  
22 very much.

23 HEARING EXAMINER ORTH: All right. Thank you.

24 (Time noted 8:43 a.m.)

25

1 STATE OF NEW MEXICO )

2 : SS

3 COUNTY OF TAOS )

4 REPORTER'S CERTIFICATE

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

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

17 /s/ Mary Macfarlane

18 \_\_\_\_\_  
19 MARY THERESE MACFARLANE, CCR  
20 NM Certified Court Reporter No. 122  
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