

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: 21492 21493

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

NOVEMBER 5, 2020

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 DYLAN ROSE-COSS on
Thursday, November 5, 2020, through the Webex Platform.

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
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For EOG:

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I N D E X

CASE CALLED

SUMMARY OF CASE	03
TAKEN UNDER ADVISEMENT	05
REPORTER CERTIFICATE	06

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

Exhibits and All Attachments	05
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Admitted

1 HEARING EXAMINER ORTH: Let's move to the next
2 cases which are affidavit cases, and Mr. Bruce has a lot of
3 heavy lifting here. So you can have --

4 MR. BRUCE: I'm here.

5 HEARING EXAMINER ORTH: Hello, Mr. Bruce. We
6 have 21492 and 21493, Mewbourne Oil is the applicant. These
7 are compulsory pooling applications. The well name is Knox.
8 Mr. Bruce, you are here for the applicant?

9 MR. BRUCE: I am.

10 HEARING EXAMINER ORTH: Thank you. I see an
11 appearance for EOG by Holland & Hart.

12 MR. RANKIN: Good morning, Madam Hearing
13 Examiner, Adam Rankin appearing on behalf of EOG Resources,
14 the law firm of Holland & Hart.

15 HEARING EXAMINER ORTH: Good morning, Mr. Rankin.
16 Let me pause a moment to see if there are any other
17 appearances.

18 (No audible response.)

19 HEARING EXAMINER ORTH: I hear nothing.
20 Mr. Rankin, do you object to Mr. Bruce presenting the matter
21 by affidavit.

22 MR. RANKIN: EOG does not object.

23 HEARING EXAMINER ORTH: Thank you, Mr. Bruce.

24 MR. BRUCE: Yes. In these two cases Mewbourne
25 seeks to force pool the Bone Spring Formation in two well

1 units collectively covering the S/2 of Sections 13 and 14,
2 18 South, 30 East. The first case is for the Knox 13/14
3 B2IL 1H well, which is in the N/2 S/2 of those two sections.

4 And then the second case, 21493 is for the Knox
5 13/14 B2PM Number 1H, and that covers the S/2 S/2 of
6 Sections 13 and 14.

7 Affidavit of the landman is attached. He has
8 previously been qualified by the Division as an expert as
9 petroleum landman in a live, so to speak, hearing at the
10 Division. And it contains all the usual information, the
11 land plats, the C-102s, information on the tracts involved
12 and the ownership of the tracts. The only party being
13 pooled is EOG in this matter. A proposal letter to EOG is
14 included along with the AFEs for the wells.

15 Then the normal geologic affidavit setting forth
16 the necessary information, there's a structure map, gross
17 thickness map and cross section, plus data on nearby wells
18 showing that lay-down wells are favored in this particular
19 area of Eddy County.

20 I have the notice affidavit. Since everybody's
21 pretty sure of COG's location, I did not publish notice in
22 the newspaper as against COG -- against EOG.

23 And then I have the pooling checklist marked 5A
24 and 5B.

25 I would move the admission of Exhibits 1 through

1 5-B and ask that the matters be taken under advisement.

2 HEARING EXAMINER ORTH: Thank you, Mr. Bruce.

3 Mr. Rankin, do you have questions?

4 MR. RANKIN: No questions, Madam Examiner, and no
5 objections to the admission of the exhibits into the record.

6 HEARING EXAMINER ORTH: Thank you. Mr.
7 Rose-Coss, questions?

8 TECHNICAL EXAMINER COSS: I realized I was on
9 mute, excuse me. No questions for me.

10 HEARING EXAMINER ORTH: All right, thank you. In
11 that case, Mr. Bruce, these matters, 21492 and 21493 are
12 taken under advisement and the exhibits are admitted.

13 MR. BRUCE: Thank you.

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 5th day of November 2020.

18

/s/ Irene Delgado

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Irene Delgado, NMCCR 253
License Expires: 12-31-20

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