

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: 21330

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

FEBRUARY 4, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER FELICIA ORTH and TECHNICAL EXAMINER KURT SIMMONS on Thursday, February 4, 2021, via Webex virtual platform 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  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

A P P E A R A N C E S

For the Applicant:

JAMES BRUCE  
P.O. Box 1056  
Santa Fe, NM 87504-1056  
505-982-2151  
jamesbruce@aol.com

For EOG:

KAITLYN LUCK  
HOLLAND & HART  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501  
505-954-7286

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: Move to 21300, Mewbourne  
2 Oil is the applicant. It's a compulsory pooling  
3 application. The well name is Bonanza. Mr. Bruce, you are  
4 here for the applicant?

5                   MR. BRUCE: Yes, I am.

6                   HEARING EXAMINER ORTH: We did have an entry of  
7 appearance on behalf of EOG by Holland & Hart. Who is here  
8 for EOG?

9                   MS. LUCK: Good morning, Madam Examiner. Kaitlyn  
10 Luck with the Santa Fe office of Holland & Hart on behalf of  
11 EOG.

12                   HEARING EXAMINER ORTH: Good morning, Ms. Luck.  
13 Let me pause for a moment in the event there are other  
14 appearances.

15                   (No audible response.)

16                   HEARING EXAMINER ORTH: Do I understand, Ms.  
17 Luck, that you do not object to Mr. Bruce proceeding by  
18 affidavit this morning?

19                   MS. LUCK: No objection.

20                   HEARING EXAMINER ORTH: Thank you. Go ahead, Mr.  
21 Bruce.

22                   MR. BRUCE: In this matter Mewbourne seeks to  
23 pool the NW/4 of Section 22 and the W/2 quarter -- I mean  
24 W/2 of Section 15, 25 South, 28 East for the purpose of  
25 drilling four Wolfcamp wells identified in the application.

1           The landman's -- the application is submitted as  
2   Exhibit 1.

3           The landman's affidavit is Exhibit 2, contains  
4   all the usual materials.

5           The only party being pooled at this time is  
6   Chevron USA Inc. And the affidavit contains information on  
7   the well proposal summary of communications, and again  
8   negotiations have been ongoing with Chevron for over a year  
9   now, so I believe there has been sufficient contacts.

10          Exhibit 3 is the affidavit of Tyler Hill, the  
11   geologist, containing the same types of exhibits I have been  
12   discussing in other cases. I believe it shows all the usual  
13   information.

14          And I neglected to put an exhibit sticker on my  
15   notice affidavit, but that is Exhibit 4, and although three  
16   parties were notified of the pooling, only Chevron is being  
17   pooled at this time, and they did receive notice by  
18   certified mail a couple of months ago.

19          And then the pooling -- oops. I thought I had  
20   forgotten something, but I had forgotten to mention that at  
21   this time, although there are four wells mentioned in the  
22   application, at this time only the Bonanza 22/15 WO -- that  
23   should be WOED Fed Com 1H well is requested so that the  
24   pooling checklist only lists one well rather than four  
25   wells. I knew I had forgotten something.

1                   But other than that, I believe the package is  
2 complete. I would move the admission of Exhibits 1 through  
3 5, ask that the matter be taken under advisement. And  
4 one -- although I hate to ask for this, Mewbourne does have  
5 a rig coming within the next week, and so if an order could  
6 be expedited, that would be nice. Thank you.

7                   HEARING EXAMINER ORTH: Thank you, Mr. Bruce.  
8 Exhibits 1 through 5 are admitted. Mr. Simmons, do you have  
9 questions of Mr. Bruce?

10                  TECHNICAL EXAMINER SIMMONS: No. Everything  
11 appears to be in order, and I think we can probably  
12 accommodate his request.

13                  MR. BRUCE: Thank you.

14                  HEARING EXAMINER ORTH: Thank you, Mr. Simmons.  
15 And thank you, Mr. Bruce.

16                  (Exhibits admitted.)

17                  (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 reasonable quality.

17 Dated this 4th day of February 2021.

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/s/ Irene Delgado

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

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