

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: 21430 - 21432

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

FEBRUARY 18, 2021

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 LEONARD LOWE and BAYLEN LAMKIN on February 18, 2021, 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
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A P P E A R A N C E S

For the Applicant:

JAMES BRUCE
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505-982-2151
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For Colgate Operating LLC:

LANCE HOUGH
MODRALL SPERLING ROEHL HARRIS & SISK PA
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I N D E X

CASE CALLED

TAKEN UNDER ADVISEMENT 06

REPORTER CERTIFICATE 07

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

Admitted

All Exhibits and Attachments 06

1 HEARING EXAMINER ORTH: All right. Let's move
2 then to three cases, 21430, 21431 and 21432, Mewbourne Oil
3 is the applicant. These are compulsory pooling
4 applications. Iron Horse is the name of the well.

5 Mr. Bruce?

6 MR. BRUCE: Yes, I'm here for Mewbourne.

7 HEARING EXAMINER ORTH: Thank you. Let me pause
8 for a moment in the event there are other entries of
9 appearance.

10 MR. HOUGH: Good morning, Madam Examiner. Lance
11 Hough on behalf of Colgate Operating LLC.

12 HEARING EXAMINER ORTH: All right. I saw that
13 Colgate had been a part of these three matters, but I also
14 believe I saw a dismissal last Friday. Is that correct?

15 MR. HOUGH: That's correct (unclear) competing
16 cases this morning. At this point Colgate has just entered
17 an appearance to preserve its rights to raise a de novo
18 appeal.

19 HEARING EXAMINER ORTH: Thank you. So you don't
20 object to Mr. Bruce proceeding by affidavit?

21 MR. HOUGH: That is correct.

22 HEARING EXAMINER ORTH: Thank you. Mr. Bruce, if
23 you would please go ahead.

24 MR. BRUCE: I presented you the usual package of
25 exhibits in this case, three cases, they all involve the N/2

1 of Section 35 and N/2 of Section 36, 19 South, 29 East. The
2 first case is for pooling the Bone Spring formation in the
3 N/2 N/2 of those sections, the second case pooling the S/2
4 N/2 in those sections. And then the third case is pooling
5 the two N/2s for a Wolfcamp well, and it is a proximity
6 tract well.

7 The landman's affidavit contains the usual land
8 plat, C-102s, a list of the interest owners being pooled and
9 their percentage interests, as well as the proposal letters
10 and AFEs, and I think everything that you normally want is
11 in there.

12 The geologist affidavit is marked Exhibit 3 and
13 it contains information on both the, the Third Bone Spring
14 Sand, which is the target of the Bone Spring wells, and the
15 Wolfcamp Y Sand, which is the Wolfcamp target. And I think
16 it contains all the usual information.

17 Exhibit 4 is my affidavit of notice.

18 And Exhibit 5 is a publication affidavit, so
19 everyone, either by certified mail or publication, received
20 notice.

21 And finally the pooling checklists are attached
22 as Exhibit 6.

23 I think the package is complete, and I would ask
24 that Exhibits 1 through 6 be admitted and the cases be taken
25 under advisement.

1 HEARING EXAMINER ORTH: All right. Thank you,
2 Mr. Bruce. Exhibits 1 through 6 are admitted.

3 Mr. Hough, do you have questions of Mr. Bruce?

4 MR. HOUGH: No questions and no objections.

5 HEARING EXAMINER ORTH: Thank you. Mr. Lowe, do
6 you have questions of Mr. Bruce?

7 TECHNICAL EXAMINER LOWE: Morning, Mr. Hough.
8 Morning, Mr. Bruce. One question for Lance. Were you --
9 was Colgate's objection or wanted input on all of three
10 cases or just the one initial one?

11 MR. HOUGH: It would be entering for all three of
12 the cases, but not entering an objection to any one case.

13 TECHNICAL EXAMINER LOWE: Okay. Well, I guess I
14 misspoke by saying objection. I guess, is your input for
15 all the three cases then?

16 MR. HOUGH: That is correct, just for an entry of
17 appearance.

18 TECHNICAL EXAMINER LOWE: That's all I have.
19 Thank you.

20 MR. HOUGH: Thank you.

21 HEARING EXAMINER ORTH: Thank you, Mr. Lowe,
22 Mr. Bruce, Mr. Hough.

23 These three matters will be taken under
24 advisement.

25 MR. BRUCE: Thank you.

1 MR. HOUGH: Thank you.
2 (Exhibits admitted.)
3 (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 18th day of February 2021.

18

/s/ Irene Delgado

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

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