## 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: 22235 - 22240

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

APRIL 21, 2022

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINER DYLAN ROSE-COSS on Thursday, April 21, 2022, through the Webex Platform.

Reported by: PAUL BACA PROFESSIONAL COURT REPORTERS

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1	APPEARANCES	
2	For Applicant:	
3	JAMES BRUCE	
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- 1 HEARING EXAMINER BRANCARD: I still do not see
- 2 Mr. Parrot. So short of dismissing his cases, we will move
- 3 forward with hearings then. Mr. Bruce, are you available?
- 4 (No audible response.)
- 5 HEARING EXAMINER BRANCARD: Mr. Bruce, are you
- 6 on?
- 7 MR. BRUCE: Yes. Can you hear me?
- 8 HEARING EXAMINER BRANCARD: Now I can, yes.
- 9 Thank you. You really need to get a camera, Mr. Bruce. If
- 10 we all assume you have been growing this bodacious beard
- 11 during the pandemic, we want to see it.
- 12 MR. BRUCE: Okay. Well, this won't take long.
- 13 HEARING EXAMINER BRANCARD: Let me call the cases
- 14 then. Cases 22235, 22236, 22237, 22238, 22239 and 22240,
- 15 Mewbourne Oil Company.
- 16 MR. BRUCE: Mr. Examiner, Jim Bruce representing
- 17 Mewbourne.
- 18 HEARING EXAMINER BRANCARD: Thank you. We have
- 19 no other entries of appearances. Are there other entries of
- 20 appearances on this case? This is a continued case from
- 21 March 17.
- (No audible response.)
- 23 HEARING EXAMINER BRANCARD: Hearing none, Mr.
- 24 Bruce, I believe you have a whole list of things you were
- 25 supposed to supply us with.

1 MR. BRUCE: Yes. Mr. Examiner, I presented the

- 2 cases, but that was where I had a three- or four-day period
- 3 of computer and printer problems, and I was able to get all
- 4 the stuff, plus I couldn't find the publication notice.
- 5 So what I have submitted a couple of days ago was
- 6 a notice of filing additional exhibits, but exhibit -- so I
- 7 have submitted Exhibit 4-A which is an additional green card
- 8 received after the original hearing.
- 9 Exhibit 5, I had not received the affidavit of
- 10 publication. I contacted the Carlsbad Current Argus --
- 11 actually it's part of the chain and you have to go back to
- 12 Wisconsin to try to get ahold of them, and I never heard
- 13 back from them, so I did republish notice and that is
- 14 submitted as Exhibit 5. And I believe it was timely -- I'm
- 15 positive it was.
- 16 And then the Division requested the spreadsheet,
- 17 which I'm not much on spreadsheets, but I did submit the
- 18 list of the parties pooled as Exhibit 6, and I highlighted
- 19 enlarged those who had not returned the green card, but
- 20 there were multiple addresses for a number of the people, so
- 21 some of them did receive notice at a different address and
- 22 that was noticed by a green highlighting so at least the
- 23 Division can see who -- who did and did not receive actual
- 24 certified notice.
- 25 Exhibit 7 regarding case 22235, the original

1 C-102 for the E2IL Fed Com Well Number 1 was incorrect as to

- 2 the first and last take points, and Exhibit 7 is a corrected
- 3 C-102, the -- which agrees with the footages put forth in
- 4 the proposal letter and the AFE.
- 5 And Exhibit 8 in Case 22237, which is a proximity
- 6 tract, two of the wells were in that 640 proximity tract,
- 7 two of the wells -- the C-102 indicated they were spaced on
- 8 320 acres, so submitted as a new -- a new C-102s for those
- 9 two wells showing it is a 640 acre unit.
- 10 And then finally Exhibit 9 is a pooling
- 11 application checklist in all of the cases. And there is one
- 12 other item which neither of us caught, but in Case 22240 I
- 13 noticed on Tuesday that the footages on that proximity well
- 14 were incorrect. They did not comply with what the AFE and
- 15 the well proposal letter showed.
- 16 So -- and actually the -- a C-102 submitted with
- 17 that complies with the proximity tract well, so I have
- 18 submitted a correct -- I will submit to the state
- 19 (inaudible) on the phone a revised C-102 showing the correct
- 20 footages.
- 21 With that I would ask for -- I will mark that one
- 22 exhibit, and I would move the admission of the exhibits and
- 23 request that the matters be taken under advisement.
- 24 HEARING EXAMINER BRANCARD: Thank you.
- 25 Mr. Rose-Coss, any questions?

1 TECHNICAL EXAMINER ROSE-COSS: No questions from

- 2 me. (Inaudible) a lot of details that you drifted through
- 3 potentially manually, so that's it for me.
- 4 HEARING EXAMINER BRANCARD: Thank you. Okay, so
- 5 Mr. Bruce, you also had a geologic log.
- 6 MR. BRUCE: Oh, yes, yes. And I think it was
- 7 Monday I -- I requested it from my geology twice. I do not
- 8 know how to get that filed through the Division's system,
- 9 and so I e-mailed it, I think, to you, but also to Mr. Lowe.
- 10 I'm afraid that to get it in my system I would have to scan
- 11 it in and it would not be an expandable cross-section,
- 12 actually two cross-sections.
- If there is another way I can get it to you, but
- 14 it has been submitted to the engineering department. I
- 15 believe Mr. Lowe was the engineer at the original hearing,
- 16 and if Mr. Rose-Coss would like a copy of that -- of those
- 17 expandable cross-sections, I can e-mail those to him, too.
- 18 HEARING EXAMINER BRANCARD: We did receive that,
- 19 Mr. Bruce. Mr. Lowe has reviewed it and found it
- 20 acceptable, but you do need to submit some version of it
- 21 into the portal.
- MR. BRUCE: Oh, okay, I will do so.
- 23 HEARING EXAMINER BRANCARD: Since you are already
- 24 going to submit the revised C-102, you can include that as
- 25 Exhibit 11 or whatever.

Page 7 MR. BRUCE: Okay, thank you. 1 2. TECHNICAL EXAMINER ROSE-COSS: Mr. Bruce, is this a PDF? I don't understand the scanning problem. Is it an 3 4 image file? 5 MR. BRUCE: I'm unfortunately my own IT department here, and -- let me see what I can do. 6 7 HEARING EXAMINER BRANCARD: Okay. Thank you. 8 Are there any other comments on case -- Cases 22235 through 9 22240? 10 (No audible response.) HEARING EXAMINER BRANCARD: Hearing none, the 11 12 exhibits will be admitted into the record and the record 13 will be left open to submit a revised C-102 and the geologic 14 exhibits. Other than that, Cases 22235, 36, 37, 38, 39 and 40 will be taken under advisement. Thank you. 15 16 (Exhibits admitted.) (Taken under advisement.) 17 18 19 20 2.1 22 23 2.4 25

Page 8 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I do hereby certify that I reported the 6 7 foregoing virtual proceedings in stenographic shorthand and 8 that the foregoing pages are a true and correct transcript 9 of those proceedings to the best of my ability. 10 I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case 11 12 and that I have no interest in the final disposition of this 13 case. 14 I FURTHER CERTIFY that the Virtual Proceeding was 15 of poor to good quality. 16 Dated this 21st day of April 2022. 17 /s/ Irene Delgado 18 Irene Delgado, NMCCR 253 License Expires: 12-31-22 19 20 2.1 22 23 2.4 25