

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

Nos. 22837, 22838, 22839, 22840

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
July 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
LEONARD LOWE on Thursday, July 21, 2022, through the
Webex Platform.

Reported by: PAUL BACA COURT REPORTERS
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1 HEARING OFFICER BRANCARD: All right. With
2 that, we're at Items 41, I believe, through 44. These
3 are cases 22837, 22838, 22839, 22840, Mewbourne Oil
4 Company.

5 MR. BRUCE: Mr. Examiner, Jim Bruce,
6 representing Mewbourne.

7 HEARING OFFICER BRANCARD: Thank you.
8 I have entries from Coterra Energy.

9 MR. SAVAGE: Good morning, Darin Savage with
10 Abadie and Schill on behalf of Coterra Energy and
11 Cimarex Energy Company.

12 HEARING OFFICER BRANCARD: And then Fasken
13 Oil & Ranch.

14 MR. BRUCE: Mr. Examiner, Mr. Feldewert did
15 enter an appearance on behalf of Fasken, but Mewbourne
16 is not seeking to force pool Fasken, so that's probably
17 why he's not appearing today. But it's been stated on
18 the record that we're just not force pooling Fasken.

19 HEARING OFFICER BRANCARD: Thank you.
20 V-F Petroleum?

21 MS. HARDY: Good morning, Dana Hardy with
22 Hinkle Shanor on behalf of the V-F Petroleum entities.

23 HEARING OFFICER BRANCARD: COG Operating?

24 MS. MUNDS-DRY: Ocean Munds-Dry with COG
25 Operating, LLC and Concho Oil & Gas.

1 HEARING OFFICER BRANCARD: Okay. Any other
2 entries, 22837, 838, 839, 840?

3 Hearing none, Mr. Bruce, I believe this was
4 again an overlapping spacing unit and we also needed
5 some green cards?

6 MR. BRUCE: Correct.

7 Mr. Examiner, I submitted two packages of
8 supplemental exhibits. The first one, and I
9 apologize to my -- the other counsel in these cases.
10 I may have neglected to send them these.

11 But the first one that was filed about two
12 weeks ago contains additional green cards that were
13 received after the prior hearing. It also contains the
14 letter from Mewbourne to the interest owners in the
15 N/2N/2 cases or case in this matter, which is Case
16 22837. It's the only one that involved an overlap.

17 This is a letter to the interest owners and
18 that letter was mailed June 7, so the time period has
19 elapsed and Mewbourne has not raised any objection to
20 the overlap.

21 I also submitted earlier this week a
22 replacement Exhibit 6 in each case simply because in
23 looking at this matter, I had not -- I had given an
24 incomplete well name for each well.

25 And in addition, I added some language in the

1 pooling checklist for Case 22837 to make clear why only
2 the third Bone Spring was being pooled in this
3 particular case because of overlap. The well -- the
4 other well is a second Bone Spring in the well site in
5 Case 22837 to be pooled is a third Bone Spring well.

6 And then finally, I did do a spreadsheet on
7 the notice and all of the green cards were returned.
8 So everyone received actual notice of this matter so
9 I'd move the -- in addition of those subsequently filed
10 exhibits and ask that the matters be taken under
11 advisement.

12 HEARING OFFICER BRANCARD: Thank you.

13 Well, let's go around and see if anybody
14 has any questions.

15 Mr. Savage, did you have any questions?

16 MR. SAVAGE: No questions this morning.
17 Thank you.

18 HEARING OFFICER BRANCARD: Thank you.

19 Ms. Hardy?

20 MS. HARDY: No questions. Thank you.

21 HEARING OFFICER BRANCARD: Ms. Munds-Dry?

22 MS. MUNDS-DRY: No questions, Mr. Brancard.

23 We'd just like the record to reflect that
24 COG has signed a JOA with Mewbourne so we believe we
25 should no longer be a pooled party.

1 MR. BRUCE: I agree with that, Mr. Examiner.

2 HEARING OFFICER BRANCARD: Okay. All right.

3 So, Mr. Lowe, questions?

4 TECHNICAL EXAMINER LOWE: I have no
5 questions. Thank you.

6 HEARING OFFICER BRANCARD: Thank you.

7 So, Mr. Bruce, it is only 22837 that is
8 limited to the third Bone Spring; is that correct?

9 MR. BRUCE: Correct.

10 HEARING OFFICER BRANCARD: Thank you. All
11 right. Do you need to correct anything to indicate
12 that COG is not a pooled party?

13 MR. BRUCE: I tell you what, I will file a
14 brief motion today stating that COG is dismissed as a
15 pooled party.

16 HEARING OFFICER BRANCARD: Okay, or you can
17 just update wherever your list of pooled parties are in
18 your exhibits.

19 MR. BRUCE: Oh, okay. I'll do either one.
20 Thank you.

21 HEARING OFFICER BRANCARD: Yeah, motion, so I
22 have to rule on those.

23 All right. So with that, any other
24 objections in cases 22837, 838, 839, 840?

25 Supplemental exhibits will be admitted into

1 the record. These cases will be taken under advisement
2 and the record left open to clarify who the pooled
3 parties are.

4 MR. BRUCE: Thank you.

5 MS. HARDY: Thank you.

6 MS. MUNDS-DRY: Thank you.

7 (Proceedings concluded.)
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REPORTER'S CERTIFICATE

I, EDWINA CASTILLO, DO HEREBY CERTIFY that I did, in stenographic shorthand, transcribe the Zoom Hearing set forth herein, and the foregoing pages are a true and correct transcription to the best of my ability. The Zoom Hearing was of poor quality due to internet interference.

I FURTHER CERTIFY that I am neither employed by nor related to nor contracted with any of the parties or attorneys in this matter, and that I have no interest whatsoever in the final disposition of this matter.



EDWINA CASTILLO, RPR, CCR
Certified Court Reporter #407
License Expires: 12-31-2022

[& - court]

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