

3 IN THE MATTER OF THE HEARING CALLED
4 BY THE OIL CONSERVATION DIVISION FOR
5 THE PURPOSE OF CONSIDERING:

6 APPLICATION OF MEWBOURNE OIL
7 COMPANY TO REOPEN CASE NO. 14554
8 TO MAKE THE SPECIAL RULES AND
9 REGULATIONS FOR THE NORTH SEVEN
10 RIVERS GLORIETA-YESO POOL PERMANENT,
11 AND TO EXPAND THE POOL, EDDY COUNTY,
12 NEW MEXICO.

Case No. 14554

ORIGINAL

13 REPORTER'S TRANSCRIPT OF PROCEEDINGS

14 EXAMINER HEARING

15 BEFORE: WILLIAM P. JONES, Chief Examiner
16 DAVID K. BROOKS, Legal Examiner

17 September 20, 2012

18 Santa Fe, New Mexico

19 This matter came on for hearing before the
20 New Mexico Oil Conservation Division, WILLIAM P. JONES,
21 Chief Examiner, and DAVID K. BROOKS, Legal Examiner, on
22 Thursday, September 20, 2012, at the New Mexico Energy,
23 Minerals and Natural Resources Department, 1220 South
24 St. Francis Drive, Porter Hall, Room 102,
25 Santa Fe, New Mexico.

26 REPORTED BY: Mary C. Hankins, CCR, RPR
27 New Mexico CCR #20
28 Paul Baca Professional Court Reporters
29 500 4th Street, Northwest, Suite 105
30 Albuquerque, New Mexico 87102

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APPEARANCES

FOR APPLICANT MEWBOURNE OIL COMPANY:

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1 (8:24 a.m.)

2 EXAMINER JONES: Let's call that first case
3 this morning. It's Case 14554, application of Mewbourne
4 Oil Company to reopen Case Number 14554 to make the
5 special rules and regulations for the North Seven Rivers
6 Glorietta-Yeso Pool permanent, and to expand the pool,
7 Eddy County, New Mexico.

8 Call for appearances.

9 MR. BRUCE: Mr. Examiner, Jim Bruce of
10 Santa Fe representing the Applicant. I'm just
11 submitting some materials by affidavit.

12 EXAMINER BROOKS: And that was the case
13 that was supposed to have been continued to the last
14 hearing?

15 MR. BRUCE: Yeah.

16 EXAMINER BROOKS: And it didn't get --
17 okay.

18 EXAMINER JONES: Any other appearances?

19 MR. BRUCE: Mr. Examiner, this case was
20 heard and technical evidence was submitted, I think, at
21 the August 9th hearing. I think Mr. Ezeanyim was the
22 examiner.

23 EXAMINER BROOKS: I think I was.

24 MR. BRUCE: Maybe it was you.

25 EXAMINER BROOKS: Yes. I was present as

1 the technical advisor.

2 MR. BRUCE: That's right.

3 And it was re-advertised simply to correct
4 what was in the pool originally, and the expansion
5 acreage is all we're here for today. So I corrected the
6 ad, and I've submitted to you -- I think if you just
7 open up the land plat that is part of the -- I marked it
8 Exhibit X because I couldn't remember the exhibit
9 numbers we had.

10 EXAMINER JONES: It looks like Exhibit A on
11 this one.

12 MR. BRUCE: Well, it's Exhibit A attached
13 to the affidavit of Mr. Lodge.

14 Order Number R-13350 consolidated --
15 abolished a couple of pools and expanded the North Seven
16 Rivers Glorietta-Yeso Pool, and the acreage originally
17 within the expanded North Seven Rivers Pool is
18 crosshatched in gray on this plat.

19 Then in blue is acreage which the operator
20 has -- which Mewbourne has requested be expanded to be
21 included in the expanded pool because there are now
22 wells on that acreage or -- or it is contiguous to
23 pool -- existing pool acreage.

24 And then finally, the acreage in green was
25 what Paul Kautz requested be added to the pool to make

1 the acreage in the pool contiguous.

2 So all of that colored acreage on the pool
3 we ask to be included in the North Seven Rivers Pool,
4 and evidence was submitted on the August 9th docket
5 regarding reinstating the increased allowable in the
6 pool.

7 And then Exhibit B attached to the
8 affidavit of Mr. Lodge is simply a listing of the
9 additional acreage we asked to be included in the pool.

10 And then, because the application was
11 amended, I did re-notify all operators in the pool, and
12 my Affidavit of Notice is submitted as Exhibit Y. And
13 all of the operators in the pool did receive actual
14 notice, and we have not received any objections from
15 anyone.

16 EXAMINER BROOKS: Have we got two copies
17 here of everything?

18 MR. BRUCE: So with that, I'd move the
19 admission of Exhibit X, with its attachments, and
20 Exhibit Y.

21 EXAMINER BROOKS: Okay. Exhibits X and Y
22 are admitted.

23 (Mewbourne Exhibit Letters X and Y were
24 offered and admitted into evidence.)

25 MR. BRUCE: That's all.

1 EXAMINER BROOKS: Very good. Case Number
 2 14554 will be taken under advisement.
 3 EXAMINER JONES: This docket is adjourned.
 4 (The hearing concluded, 8:29 a.m.)
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I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 14554
 heard by me on 9-20 2012
David K. Brooks, Examiner
 Oil Conservation Division

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, New Mexico Certified
6 Court Reporter No. 20, and Registered Professional
7 Reporter, do hereby certify that I reported the
8 foregoing proceedings in stenographic shorthand and that
9 the foregoing pages are a true and correct transcript of
10 those proceedings that were reduced to printed form by
11 me to the best of my ability.

12 I FURTHER CERTIFY that the Reporter's
13 Record of the proceedings truly and accurately reflects
14 the exhibits, if any, offered by the respective parties.

15 I FURTHER CERTIFY that I am neither
16 employed by nor related to any of the parties or
17 attorneys in this case and that I have no interest in
18 the final disposition of this case.

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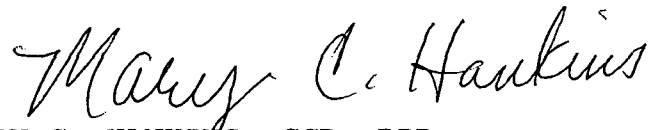
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MARY C. HANKINS, CCR, RPR
Paul Baca Professional Court Reporters
New Mexico CCR No. 20
Date of CCR Expiration: 12/31/2012