

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:

ORIGINAL

APPLICATION OF MEWBOURNE OIL  
COMPANY FOR A NONSTANDARD OIL  
SPACING AND PRORATION UNIT AND  
COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO.

CASE NO. 15227

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

October 30, 2014

Santa Fe, New Mexico

BEFORE: PHILLIP GOETZE, CHIEF EXAMINER  
KEITH HERMANN, LEGAL EXAMINER

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This matter came on for hearing before the  
New Mexico Oil Conservation Division, Phillip Goetze,  
Chief Examiner, and Keith Hermann, Legal Examiner, on  
Thursday, October 30, 2014, at the New Mexico Energy,  
Minerals and Natural Resources Department, Wendell Chino  
Building, 1220 South St. Francis Drive, Porter Hall,  
Room 102, Santa Fe, New Mexico.

REPORTED BY: Mary C. Hankins, CCR, RPR  
New Mexico CCR #20  
Paul Baca Professional Court Reporters  
500 4th Street, Northwest, Suite 105  
Albuquerque, New Mexico 87102  
(505) 843-9241

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# APPEARANCES

FOR APPLICANT MEWBOURNE OIL COMPANY:

JAMES G. BRUCE, ESQ.  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043  
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## EXHIBITS OFFERED AND ADMITTED

Mewbourne Oil Company Exhibit Numbers 1 through 4	4
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1 (8:38 a.m.)

2 EXAMINER GOETZE: Next, Case 15227,  
3 application of Mewbourne Oil Company for a nonstandard  
4 oil spacing and proration unit and compulsory pooling,  
5 Eddy County, New Mexico.

6 Call for appearances.

7 MR. BRUCE: Mr. Examiner, Jim Bruce of  
8 Santa Fe representing the Applicant. Again, I'm  
9 submitting this by affidavit.

10 EXAMINER GOETZE: Any other appearances?  
11 Continue, Mr. Bruce.

12 MR. BRUCE: Again, Mr. Examiner, I have the  
13 same exhibits. I've got the affidavit of Paul Haden,  
14 the landman. The facts of this case are virtually  
15 identical to the prior case, force pooling the record  
16 title owner only, Mr. B.N. Muncy. The only difference  
17 is that a different federal lease is involved than the  
18 previous case. Mr. Muncy owns no working interest.  
19 Therefore, we do not seek a penalty on production or any  
20 overhead rates or approval of the AFE, for that matter,  
21 although I have one available if you want one.

22 Exhibit 2 is, again, the affidavit of David  
23 Rawlins. Since this -- the well in this case is a  
24 direct offset to the first well, and, therefore, the  
25 exhibits are identical. And, again, it contains

1 production data showing that in this well -- or in this  
2 area, east-west lay-down horizontals are the preferred  
3 orientation.

4 And Exhibit 3 is my Affidavit of Notice to  
5 Mr. Muncy. Actual notice was received.

6 And Exhibit 4 is the notice to the offsets.  
7 And the offsets did receive actual notice, and no one  
8 has objected to this case.

9 And I would move the admission of Exhibits  
10 1 through 4.

11 EXAMINER GOETZE: Exhibits 1 through 4 are  
12 so admitted.

13 (Mewbourne Oil Company Exhibit Numbers 1  
14 through 4 were offered and admitted into  
15 evidence.)

16 MR. BRUCE: I have nothing further.

17 EXAMINER GOETZE: Again, within the package  
18 submitted to me previously, there have been no  
19 significant changes?

20 MR. BRUCE: The only changes were -- when I  
21 submitted it ten days ago, I did not have all the green  
22 cards --

23 EXAMINER GOETZE: Correct.

24 MR. BRUCE: -- and I did not submit the  
25 total affidavits, but --

1 EXAMINER GOETZE: Other than that, no  
2 changes?

3 MR. BRUCE: No technical changes, no.

4 EXAMINER GOETZE: Very good. In that case,  
5 Case 15227 is taken under advisement.

6 (Case Number 15227 concludes, 8:40 a.m.)  
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13 I do hereby certify that the foregoing is  
14 a complete record of the proceedings in  
15 the Examiner hearing of Case No. 15227  
16 heard by me on October 30 2014  
17 Philip J. Soto Examiner  
18 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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*Mary C. Hankins*

MARY C. HANKINS, CCR, RPR  
Paul Baca Court Reporters, Inc.  
New Mexico CCR No. 20  
Date of CCR Expiration: 12/31/2014