

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 COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO

CASE NO. 14376

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Presiding Examiner

October 1, 2009

Santa Fe, New Mexico

2009 OCT 13 A 9:57

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This matter came on for hearing before the  
New Mexico Oil Conservation Division, DAVID K. BROOKS,  
Presiding Examiner, on Thursday, October 1, 2009, at the  
New Mexico Energy, Minerals and Natural Resources  
Department, 1220 South St. Francis Drive, Room 102, Santa  
Fe, New Mexico.

REPORTED BY: Jacqueline R. Lujan, CCR #91  
Paul Baca Professional Court Reporters  
500 Fourth Street, N.W., Suite 105  
Albuquerque, NM 87103 505-843-9241

A P P E A R A N C E S

FOR THE APPLICANT:

JAMES G. BRUCE, ATTORNEY AT LAW  
P.O. Box 1056  
Santa Fe, New Mexico 87504-1056

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EXHIBITS 1 THROUGH 4 WERE ADMITTED

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REPORTER'S CERTIFICATE

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1                   MR. BROOKS: Call Case Number 14376,  
2 application of Mewbourne Oil Company for compulsory  
3 pooling, Eddy County.

4                   MR. BRUCE: Mr. Examiner, Jim Bruce of  
5 Santa Fe representing the applicant. Again, I'm  
6 submitting this by affidavit, and facts are that the  
7 interests owned and the facts are identical to Case  
8 14375. Exhibit 1 is the affidavit of Corey Mitchell,  
9 Mewbourne's landman, setting forth his contacts with  
10 Larry Edward Fanning and with Rossrock, LLC.

11                   Exhibit 2 is the affidavit of notice to Mr.  
12 Fanning. He did receive actual notice. However, notice  
13 was also published in the Carlsbad paper as against Mr.  
14 Fanning, and that is shown in the affidavit of  
15 publication submitted as Exhibit 3.

16                   Exhibit 4 is the affidavit of notice showing  
17 that Rossrock, LLC, received actual notice of this  
18 hearing, and that Rossrock, again, is the lienholder  
19 against Mr. Fanning's interest. I, perhaps, didn't state  
20 before that in the landman's affidavit, he does set forth  
21 overhead rates of 4,000 and \$400 a month, and he does  
22 request a cost plus 200 percent risk charge for the  
23 drilling of this well.

24                   The pooling order previously affecting this  
25 well and well unit is R-13100. With that, I'd move the

1 admission of Exhibits 1 through 4.

2 MR. BROOKS: Okay. The previous order was  
3 R-13100?

4 MR. BRUCE: Yes.

5 MR. BROOKS: I don't think I got the  
6 previous order in Case 14375.

7 MR. BRUCE: It was 13098.

8 MR. BROOKS: Oh, yeah. I did get it.  
9 Thank you. Okay. Exhibits 1 through 4 are admitted, and  
10 if there's nothing further, Case 14376 is taken under  
11 advisement.

12 (Exhibits 1 through 4 were admitted.)

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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. 14376,  
heard by me on 10-1-2009.  
*David K. Beebe* Examiner  
Oil Conservation Division

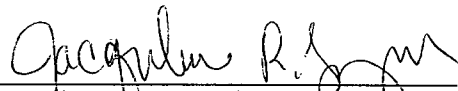
## REPORTER'S CERTIFICATE

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I, JACQUELINE R. LUJAN, New Mexico CCR #91, DO  
HEREBY CERTIFY that on October 1, 2009, proceedings in  
the above captioned case were taken before me and that I  
did report in stenographic shorthand the proceedings set  
forth herein, and the foregoing pages are a true and  
correct transcription to the best of my ability.

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

WITNESS MY HAND this 12th day of October, 2009.

  
Jacqueline R. Lujan, CCR #91  
Expires: 12/31/2009