

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: 21000, 21001, 21002

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

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

JANUARY 09, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER DYLAN COSS and LEGAL EXAMINER ERIC AMES, on Thursday, January 09, 2020, 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: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102
505-843-9241

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

For the Applicant:

JAMES BRUCE
P.O. Box 1056
Santa Fe, NM 87504-1056
505-982-2151
jamesbruce@aol.com

For MRC:

ADAM RANKIN
HOLLAND & HART
110 North Guadalupe, Suite 1
Santa Fe, NM 87501
505-954-7286

I N D E X

CASE NO. 21000 21001 21002 CALLED	03
SUMMARY OF CASE AND EXHIBITS	03
TAKEN UNDER ADVISEMENT	05
REPORTER CERTIFICATE	06

E X H I B I T I N D E X

	Admitted
Cases 21000, 21001, 21002	
Exhibits 1 through 5, All Attachments	05

1 HEARING EXAMINER COSS: So the next cases we have
2 on our docket, the one that we will call presently, is Case
3 Number 21000, Mewbourne Energy for compulsory pooling. Call
4 for appearances.

5 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe
6 representing the applicant and submitting the case by
7 affidavit.

8 HEARING EXAMINER COSS: Are there additional
9 appearances?

10 MR. RANKIN: Mr. Examiner, Adam Rankin with the
11 law firm of Holland & Hart appearing on behalf of MRC.

12 MR. BRUCE: To save a couple of minutes, I would
13 ask that the next two cases be consolidated for hearing.

14 HEARING EXAMINER COSS: Wonderful. Are you
15 intending to be presenting these cases through affidavit,
16 Mr. Bruce?

17 MR. BRUCE: Yes, sir.

18 HEARING EXAMINER COSS: Mr. Rankin, have you
19 entered appearances in all of these?

20 MR. RANKIN: We have, in all three cases.

21 HEARING EXAMINER COSS: All three cases,
22 wonderful. Do you object to the cases being taken by
23 affidavit?

24 MR. RANKIN: No objection.

25 HEARING EXAMINER COSS: Mr. Bruce, for these

1 cases, was notice of publication required for unlocatable
2 persons?

3 MR. BRUCE: Mr. Examiner, I published by notice
4 in case I didn't get a green card back, but everybody
5 received their certified mail.

6 HEARING EXAMINER COSS: Wonderful. And is the
7 compulsory pooling checklist contained?

8 MR. BRUCE: Exhibit 5 within each exhibit packet.

9 HEARING EXAMINER COSS: Perfect. And I can see
10 these are tabbed and double sided to the extent practical.
11 Thank you for that. And we will move forward to hearing
12 these cases.

13 MR. BRUCE: All three cases involve wells within
14 the N/2 of Section 36, and NE/4 of Section 35 of 20 South,
15 28 East. They are all mile and a half laterals.

16 The first case is a proximity tract Wolfcamp well
17 which has 480 acres dedicated to it. The second, 21001,
18 involves the N/2 N/2 of that acreage I just described for a
19 Third Bone Spring test, and the final case, 21002 involves
20 the S/2 N/2 of that acreage for a Third Bone Spring test.
21 Mewbourne intends to co-develop the Third, Lower Third Bone
22 Spring and the Upper Wolfcamp together.

23 And notice was given to everyone, notice was
24 received. There is a publication affidavit in there. The
25 exhibits -- actually the geologic exhibit is the same for

1 all the applications. It covers all the Bone Spring and
2 Wolfcamp, and it does describe the reason for the proximity
3 tracts, and it shows in one of the attachments behind the
4 cross-section the reason for the full development scheme for
5 the section, and you will see why it's being co-developed
6 this way.

7 HEARING EXAMINER COSS: Perfect. I will be
8 curious to review that then.

9 MR. BRUCE: I move the admission of Exhibits 1
10 through 5 in each of the three cases.

11 HEARING EXAMINER COSS: Is there any objection?

12 MR. RANKIN: No objection.

13 HEARING EXAMINER COSS: Exhibits will be so
14 admitted, and Case Numbers 21000, 21001, and 21002 will be
15 taken under advisement.

16 (Exhibits 1 through 5, Cases 21000, 21001, 21002
17 admitted.)

18 (Cases 21000, 21001, 21002 taken under
19 advisement).

20 (Adjourned.)

21

22

23

24

25

1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

5

6 I, IRENE DELGADO, New Mexico Certified Court
7 Reporter, CCR 253, do hereby certify that I reported the
8 foregoing proceedings in stenographic shorthand and that the
9 foregoing pages are a true and correct transcript of those
10 proceedings that were reduced to printed form by me to the
11 best of my ability.

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

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

19 Dated this 9th day of January 2020.

20

21

Irene Delgado, NMCCR 253
License Expires: 12-31-20

22

23

24

25