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: 21723

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

March 4, 2021

Santa Fe, New Mexico

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER FELICIA ORTH and TECHNICAL EXAMINER BAYLEN LAMKIN on Thursday, March 4, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

505-843-9241

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1	APPEARANCES	
2	For the Applicant:	
3	JAMES BRUCE	
4	P.O. Box 1056 Santa Fe, NM 87504-1056 505-982-2151	
5	jamesbruce@aol.com	
6	For Marathon Oil Permian:	
7	DEANA BENNETT MODRALL SPERLING ROEHL HARRIS & SISK PA 500 4th Street, NW, Suite 1000	
9	Albuquerque, NM 87102 505-848-9710	
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1 HEARING EXAMINER ORTH: Move to Case 21723,

- 2 Mewbourne Oil is the applicant, compulsory pooling
- 3 application. Park Chester is the name of the well.
- 4 Mr. Bruce, you are here for the applicant.
- 5 MR. BRUCE: Yes, I am.
- 6 HEARING EXAMINER ORTH: I saw an entry of
- 7 appearance for Marathon. Ms. Bennett?
- 8 MS. BENNETT: Good morning, again, Madam
- 9 Examiner. This is Deana Bennett on behalf of Marathon Oil
- 10 Permian, and Marathon does not object to the case being
- 11 heard by affidavit.
- 12 HEARING EXAMINER ORTH: Thank you very much for
- 13 that. Mr. Bruce, if you would.
- 14 MR. BRUCE: Yes. In this case submitted as
- 15 Exhibit 1 is the application. Mewbourne seeks to force pool
- 16 the S/2 N/2 of Section 24, and S/2 N/2 of Section 25 in 19
- 17 South, 28 East, as to the Bone Spring formation for the
- 18 purpose of drilling a Second Bone Spring well and a Third
- 19 Bone Spring well, the Park Chester wells.
- 20 Exhibits 2 and 3 are the land affidavit and
- 21 geology affidavit. They are by the same witnesses, Josh
- 22 Anderson and Charles Crosby who submitted data in the last
- 23 matter. And they contain all the usual information. Again
- 24 there is -- Mr. Anderson has included a plat showing the
- 25 tracts involved, the ownership involved in each tract, and

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- 1 the overall working interest involved.
- 2 The two parties who Mewbourne seeks to pool in
- 3 this matter are Marathon and EOG Resources, Inc. And his
- 4 affidavit also contains as attachment D the summary of
- 5 contacts with these parties. As you will be able to see,
- 6 they have been -- the contacts have been ongoing since
- 7 February of 2020, so contacts, there have been a number of
- 8 contacts between the parties.
- 9 And again the geologist affidavit contains all
- 10 the same structure map, land plat, cross section and other
- 11 data as requested by the Division.
- 12 Exhibit Attachment A is my affidavit of notice.
- 13 Again, I did not receive green cards back. Of course,
- 14 Marathon did enter an appearance. And I did go to the --
- 15 the US Postal Service website and notice was received by
- 16 EOG, but I haven't gotten the green cards back. And if you
- 17 look at the notice letter, the tracking data is on both of
- 18 the white slips that I sent out with the certified notice.
- 19 And Exhibit 5 is the pooling checklist. I
- 20 believe -- I think on one of these, at least of the mailings
- 21 went out during that Texas storm. I'm looking at the OCD or
- 22 postal services website. It took nine days for a letter to
- 23 get from Albuquerque to Midland, so if it took that long,
- 24 God knows where it is in postal service system right now.
- 25 But I would move the admission of Exhibits 1

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1 through 5 and ask that the matters -- the matter be taken

- 2 under advisement.
- 3 HEARING EXAMINER ORTH: Thank you, Mr. Bruce.
- 4 Ms. Bennett, do you have any questions?
- 5 MS. BENNETT: No questions. Thank you.
- 6 HEARING EXAMINER ORTH: Thank you. Mr. Lamkin?
- 7 TECHNICAL EXAMINER LAMKIN: I just have one
- 8 question. Other than the -- the self-affirmed statement
- 9 from Mr. Anderson, the first line states that Mitch Robb
- 10 being duly sworn upon his oath states --
- 11 MR. BRUCE: Oh, yeah, I can correct that if
- 12 necessary. I was using a form for another landman to
- 13 prepare an affidavit for Mr. Anderson, and I missed that, so
- 14 there is a typo. If you want, I can correct that.
- 15 Otherwise, you can cross that out and put Josh Anderson.
- 16 TECHNICAL EXAMINER LAMKIN: I just wanted to make
- 17 sure I wasn't going crazy. Thank you.
- MR. BRUCE: No, I'm the one.
- 19 HEARING EXAMINER ORTH: All right. Thank you,
- 20 Mr. Lamkin and Mr. Bruce. Exhibits 1 through 5 are admitted
- 21 and the matter will be taken under advisement.
- MR. BRUCE: Thank you.
- 23 (Exhibits admitted.)
- 24 (Taken under advisement.)

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Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO 3 REPORTER'S CERTIFICATE 5 I, IRENE DELGADO, New Mexico Certified Court 6 7 Reporter, CCR 253, do hereby certify that I reported the 8 foregoing virtual proceedings in stenographic shorthand and 9 that the foregoing pages are a true and correct transcript 10 of those proceedings to the best of my ability. I FURTHER CERTIFY that I am neither employed by 11 nor related to any of the parties or attorneys in this case 12 13 and that I have no interest in the final disposition of this 14 case. 15 I FURTHER CERTIFY that the Virtual Proceeding was of poor to good quality. 16 Dated this 4th day of March 2021. 17 18 /s/ Irene Delgado 19 Irene Delgado, NMCCR 253 20 License Expires: 12-31-21 2.1 22 23 2.4 25