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## 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: 21776

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

> REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS EXAMINER HEARING MAY 20, 2021 SANTA FE, NEW MEXICO

This matter came on for hearing before the New Mexico Oil Conservation Division, HEARING EXAMINER WILLIAM BRANCARD and TECHNICAL EXAMINER KURT SIMMONS, on Thursday, May 20, 2021, through the Webex Virtual Platform.

REPORTED BY: Carrie Hewerdine, RDR, NMCCR #512 PAUL BACA COURT REPORTERS 500 4th Street, Suite 105 Albuquerque, New Mexico 87102

Page 2 1 APPEARANCES 2 For Mewbourne Oil Company: 3 JAMES BRUCE P.O. Box 1056 Santa Fe, NM 87504-1056 4 505.982.2151 jamesbruce@aol.com 5 б 7 INDEX 8 9 CASE CALLED 03 10 11 SUMMARY OF CASE AND EXHIBITS 04 12 13 TAKEN UNDER ADVISEMENT 14 05 06 15 REPORTER CERTIFICATE 16 17 EXHIBIT INDEX Admitted 18 Exhibits and Attachments 19 20 05 21 22 23 24 25

Page 3 HEARING EXAMINER BRANCARD: Next is Item 1 Number 39, Case 21776, Mewbourne Oil. 2 3 JAMES BRUCE: Yes, I'm here on behalf of the 4 Applicant. 5 HEARING EXAMINER BRANCARD: Thank you, 6 Mr. Bruce. Are there any other interested parties in case 7 8 21776? 9 Hearing none, Mr. Bruce, you may proceed. 10 JAMES BRUCE: Mr. Examiner, in this case, Mewbourne seeks to force pool Wolfcamp formation in the 11 north half of Section 15 and the north half of 12 13 Section 17 of 22/27 for purposes of drilling two wells, 14 the Mighty Ducks Wells. The exhibit package contains all the usual 15 information, and the land man's affidavit contains 16 ownership information. 17 I believe the only party being pooled in this 18 case is Chisholm Energy, and in -- they did receive 19 20 actual -- the green card was never returned, but the 21 post office online service showed that they received 22 notice about two months ago of this application. And Exhibit 3 is the usual -- the usual 23 24 geologic exhibit. And, once again, this is the third of the cross-sections that did not print up, so --25

Page 4 print up fully. So I will again download one. And it 1 2 will probably come to the division without any -- I'm 3 afraid to try printing it up again. So it will come without any exhibit number on them, but they're plainly 4 marked by the well name, and I will mention the case 5 6 number. 7 So with that, I move admission of Exhibits 1 8 through 5 and ask that matter be taken under advisement. 9 10 HEARING EXAMINER BRANCARD: Thank you. 11 Mr. Simmons, any questions? 12 TECHNICAL EXAMINER SIMMONS: In this instance, 13 I do. 14 The application states -- and the checklist shows that it's the north half of the -- Sections 15 15 and 16 that he's applying for, but the C102s, the plat 16 maps show the south half. So there's a contradiction 17 there that will need to get cleared up for the record 18 -- maybe some new C102s or the checklist need to be 19 20 corrected. 21 JAMES BRUCE: I didn't notice that. Yeah. 22 They're -- by the well names, which are the WOAD and the WOAG -- of course, the AD and the AG are the unit 23 24 numbers. Yeah. They're definitely north half wells. 25 I will -- I will check with the client and get

Page 5 new AFEs submitted and -- not AFEs but C102s. 1 2 TECHNICAL EXAMINER SIMMONS: Okav. 3 HEARING EXAMINER BRANCARD: Okay. Thank you, Mr. Simmons. 4 5 Are there any other interested parties in this Case 21776? 6 7 Hearing none, so what do you think you need to 8 submit here, Mr. Bruce, the new C102s or -- what do you 9 think the problem is? 10 JAMES BRUCE: A single new C102 -- maybe there's one for each well, or there might be one for 11 both wells, but it's -- both wells are in the same well 12 unit. 13 14 So I need to submit the C102 in this case, plus, again, the geologic exhibit did not print up. 15 So I will take care of that today, too. 16 17 HEARING EXAMINER BRANCARD: Okay. So in Case 21776, we are leaving the record open for revised 18 exhibits. Please submit them promptly. Mr. Simmons 19 20 likes to get his orders out. 21 And with that, the other exhibits will be 22 admitted and Case 21776 is taken under advisement. 23 JAMES BRUCE: Thank you. 24 (Hearing concluded) 25

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1	STATE OF NEW MEXICO
2	COUNTY OF BERNALILLO
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4	REPORTER'S CERTIFICATE
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6	I, CARRIE HEWERDINE, RDR, New Mexico Certified
7	Court Reporter, CCR 521, do hereby certify that I
8	reported the foregoing virtual proceedings in
9	stenographic shorthand and that the foregoing pages are
10	a true and correct transcript of those proceedings to
11	the best of my ability.
12	I FURTHER CERTIFY that I am neither employed
13	by nor related to any of the parties or attorneys in
14	this case and that I have no interest in the final
15	disposition of the case.
16	I FURTHER CERTIFY that the Virtual Proceeding
17	was of poor to good quality.
18	Dated this 24th day of May, 2021.
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20	
21	/s/ Carrie Hewerdine
22	Carrie Hewerdine, RDR, NMCCR 521 License Expires: 12-31-21
23	TICEUSE EVALUES: IZ-21-21
24	
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