

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: 21892, 21893,
21894

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

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A P P E A R A N C E S

For Mewbourne Oil Company:

JAMES BRUCE
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I N D E X

CASE CALLED

03

SUMMARY OF CASE AND EXHIBITS

04

TAKEN UNDER ADVISEMENT

06

REPORTER CERTIFICATE

07

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

Admitted

Exhibits and Attachments

06

1 HEARING EXAMINER BRANCARD: Next up are
2 Cases 21891, 21892, and 21893, Mewbourne Oil.

3 Mr. Bruce, are you here for those?

4 JAMES BRUCE: Yes, I represent Mewbourne.
5 Thank you.

6 HEARING EXAMINER BRANCARD: All right. So let
7 us see if there are any other interested parties in
8 cases 21891, 21892, 21893.

9 Hearing none, Mr. Bruce, you may proceed.

10 I assume you want to consolidate these three
11 cases.

12 JAMES BRUCE: Yes. They're a little bit
13 different each, but they're -- they are all related.
14 So -- in one way or another. So, I'd move that they be
15 consolidated.

16 And there is one exhibit package for all three
17 cases.

18 HEARING EXAMINER BRANCARD: Okay. Thank you.
19 Please go ahead.

20 JAMES BRUCE: In Case '891, Mewbourne seeks to
21 pool the north half south half of Sections 9 and 10 in
22 20 South, 29 East for purposes of drilling a Bone
23 Spring well. The name is Perazzi.

24 In the same acreage, north half, south half of
25 Sections 9 and 10. They seek to force pool the

1 Wolfcamp formation. Another Perazzi well.

2 And then in the final case, '893, they seek to
3 force pool the south half, south half of Section 9, and
4 south half, south half of Section 10 for another
5 Perazzi Bone Spring well.

6 The exhibit packages are the normal amount,
7 contain the normal data, land plats, exhibit
8 attachment.

9 The interest owners being pooled vary a little
10 bit, and if you go to Exhibit 2, the land man's
11 affidavit and go to Attachments B1, B2, and B3, you'll
12 see that in the Bone Spring wells, the only person
13 being pooled is a gentleman named Michael Short in each
14 of those Bone Spring wells.

15 In the Wolfcamp well, there are several
16 persons being force pooled, and that's the only
17 difference in ownership.

18 The -- at AFEs for the well are attached.

19 Exhibit 3, the geologist's affidavit contains
20 both Bone Spring and Wolfcamp geology exhibits.

21 And finally, I got a cross-section to print up
22 okay. So we're okay on that instance.

23 As to the notice, affidavit was sent to --
24 there are two separate letters, one for the Wolfcamp
25 wells and one for the -- two for the -- one for the

1 Bone Spring wells and one for -- two Wolfcamp wells.

2 There -- there were some unlocateable parties.

3 These are people that didn't pick up their certified

4 mail, or there is one company Siete Oil and Gas

5 Corporation, which is a defunct corporation.

6 As a result, there is -- that notice was

7 published as against all the parties in the Wolfcamp

8 well unit.

9 And where the notice issues arose, notice was

10 not -- affidavit of publication was not necessary for

11 the Bone -- the Bone Spring wells.

12 With that, the exhibit package is complete,

13 for a change.

14 And I'd move the admission of Exhibits 1

15 through 6 and ask that the matters be taken under

16 advisement.

17 HEARING EXAMINER BRANCARD: Thank you.

18 Mr. Simmons, any questions?

19 TECHNICAL EXAMINER SIMMONS: So it looks like

20 there's -- there's two wells that are going to be

21 completed in the north half of the south half, and I

22 thought that I heard Mr. Bruce say -- state that there

23 was the last -- the third application was also going to

24 be in the south half of the south half.

25 So there may be a discrepancy there, but I

1 think we can -- we can work through that when the --
2 when it's reviewed, and I can communicate with him
3 then.

4 JAMES BRUCE: Yeah. There -- yeah. There are
5 two wells in the north half, south half, one -- one
6 Bone Spring and one Wolfcamp. And then in the
7 adjoining well unit, there is simply a Bone Spring
8 well.

9 TECHNICAL EXAMINER SIMMONS: Okay. I
10 thought -- all right. Great.

11 Well, it looks like -- if there is a
12 discrepancy, we'll communicate, but that looks like
13 that cleared it. Thank you.

14 HEARING EXAMINER BRANCARD: Anything further?

15 JAMES BRUCE: No.

16 HEARING EXAMINER BRANCARD: Are there any
17 other interested parties in Cases 21891, 21892, and
18 21893?

19 Hearing none, we will admit the exhibits in
20 these cases, and Cases 21891, 21892, and 21893 will be
21 taken under advisement.

22 (Hearing concluded)

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1 STATE OF NEW MEXICO
2 COUNTY OF BERNALILLO

3

4 REPORTER'S CERTIFICATE

5

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.

19

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21 /s/ Carrie Hewerdine

22 Carrie Hewerdine, RDR, NMCCR 521
23 License Expires: 12-31-21

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