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## STATE OF NEW MEXICO

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

Application of Mewbourne OilCase No. 21962Company, LLC, for CompulsoryCase No. 21963Pooling, Lea County, New Mexico.Case No. 21963

## REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

THURSDAY, JUNE 3, 2021

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard Hearing Examiner, Leonard Lowe, Technical Examiner, on June 3, 2021 via the Webex Videoconferencing Platform.

Reported by: Mary Therese Macfarlane New Mexico CCR No. 122 PAUL BACA COURT REPORTERS 500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 1 APPEARANCES 2 FOR MEWBOURNE OIL: James Bruce, Esq. Post Office Box 1056 3 Santa Fe, NM 87504 (505) 982-2043 4 jamesbruc@aol.com 5 б CONTENTS 7 CASE NOS. 21962, 21963 PAGE 8 CASES CALLED: 3 9 INQUIRY BY EXAMINER LOWE: 5 5 INQUIRY BY EXAMINER BRANCARD: 10 11 TAKEN UNDER ADVISEMENT: 5 12 13 EXHIBIT INDEX APPLICANT EXHIBITS: 14 PAGE Applications and Proposed Ads 5 15 1 16 2-A Landman's Affidavit (No. 29162) 5 Landman's Affidavit (No. 29163) 5 17 2 5 18 3 Geologist's Affidavit Affidavit of Notice 19 4 5 5-1 Pooling Checklist (21962) 5 20 5 21 5-2 Pooling Checklist (21963) 22 23 24 25

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Page 3 1 (Time noted 9:38 a.m.) 2 HEARING EXAMINER BRANCARD: With that I call 3 Cases 21962 and 21963 Mewbourne Oil Company. 4 Mr. Bruce. MR. BRUCE: Yes, I'm here for Mewbourne. 5 6 HEARING EXAMINER BRANCARD: Are there any other 7 interested parties in Cases 21962 or 21963? (Note: 8 Pause.) Hearing nothing, Mr. Bruce you may proceed. 9 MR. BRUCE: In these, Exhibit 1 is applications 10 11 and proposed ads. 12 In this Case 21962 Mewbourne seeks to force 13 pool the Bone Spring Formation underlying the west half/west half of Section 17, and west half/west half of 14 15 Section 18, 26 South, 33 East. And then in Case 21963 16 they seek to force pool the east half/west half of each of 17 those sections. Submitted as Exhibits 2-A and it should be 18 2-B and the cover sheet, there are the landman's affidavit 19 for each case. They are pretty identical, they contain 20 21 all the usual information, they contain the land plats, 22 the C-102s, statement of the interests being pooled. The only two parties pooled are Concho Oil & Gas and its 23 relative COG Operating, LLC. And that's set forth, and 24 25 the Proposal Letters are contained, and the usual AFEs

Page 4 Both landman's affidavits are pretty much the same. 1 2 Exhibit 3 is the geologist affidavit, Roger 3 Townsend, containing the usual Structure Map, Isopach, and 4 Cross Section. 5 Again for Mr. Lowe's purpose, sometimes when these cross sections get to me they print out just as 6 7 black blocks, which is what happened in this one. So late yesterday I did receive the new Cross Section and that was 8 filed with the Division this morning, also. 9 So there is filed in these two cases, a new 10 Exhibit 3C that you can actually look at and read. 11 And there is also the Affidavit of Notice 12 13 and the pooling checklist for the two wells. I believe the application is complete, and 14 15 I move for admission of Exhibits 1 through 5, and ask that 16 the matters be taken under advisement. 17 HEARING EXAMINER BRANCARD: Thank you. So you have corrected the exhibits. Nothing new to file after 18 19 today? 20 MR. BRUCE: Correct. 21 HEARING EXAMINER BRANCARD: Thank you. 22 Mr. Lowe any questions? 23 EXAMINER LOWE: Just to clarify, what you 24 indicated, Mr. Bruce, you said which -- how many pages 25 were blacked out, I guess.

Page 5 1 MR. BRUCE: Just one. 2 EXAMINER LOWE: Just one. 3 MR. BRUCE: Exhibit 3, the three-well cross 4 section that was originally submitted. So I refiled just that exhibit this morning. 5 EXAMINER LOWE: So that would be Exhibit 3-C? б MR. BRUCE: Yeah. 7 EXAMINER LOWE: Okay. I see here your original 8 9 one. Thank you. That's all I have. 10 11 MR. BRUCE: Thank you. 12 HEARING EXAMINER BRANCARD: Once again, are 13 there any other interested persons in Cases 21962 or 21963? (Note: Pause.) Hearing silence, Cases 21962 and 14 21963, the exhibits will be admitted and the cases will be 15 16 taken under advisement. 17 MR. BRUCE: Thank you. 18 (Time noted 9:53 a.m.) 19 20 21 22 23 24 25

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1	STATE OF NEW MEXICO )
2	: SS
3	COUNTY OF TAOS )
4	
5	REPORTER'S CERTIFICATE
6	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday, June 3,
8	2021, the proceedings in the above-captioned matter were
9	taken before me; that I did report in stenographic
10	shorthand the proceedings set forth herein, and the
11	foregoing pages are a true and correct transcription to
12	the best of my ability and control.
13	I FURTHER CERTIFY that I am neither employed by
14	nor related to nor contracted with (unless excepted by the
15	rules) any of the parties or attorneys in this case, and
16	that I have no interest whatsoever in the final
17	disposition of this case in any court.
18	/s/ Mary Macfarlane
19	
20	MARY THERESE MACFARLANE, CCR NM Certified Court Reporter No. 122
21	License Expires: 12/31/2021
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