

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

Application of Mewbourne Oil Compan.
for Compulsory Pooling,
Eddy County, New Mexico

Case No. 22159

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, SEPTEMBER 23, 2021

EXAMINER HEARING

This matter came on for hearing before the
New Mexico Oil Conservation Division, William
Brancard, Esq. Hearing Examiner, Leonard Lowe,
Technical Examiner, on Thursday, September 23,
2021, via Webex Virtual Conferencing Platform
hosted by the New Mexico Department of Energy,
Minerals and Natural Resources

Reported by: Mary Therese Macfarlane
New Mexico CCR #122
PAUL BACA COURT REPORTERS
500 Fourth Street NW, Suite 105
Albuquerque, New Mexico 87102
(505) 843-9241

1 A P P E A R A N C E S

2 FOR MEWBOURNE OIL COMPANY:

3 James Bruce, Esq.
 4 Post Office Box 1056
 5 Santa Fe, NM 87504
 (505) 982-2043
 jamesbruc@aol.com

6 FOR MRC PERMIAN:

7 Michael Feldewert, Esq.
 8 Holland & Hart
 9 110 North Guadalupe, Suite 1
 Santa Fe, New Mexico 87501
 (505) 988-4421
 mfeldewert@hollandandhart.com.

10 FOR SABINAL ENERGY OPERATING, LLC:

11 Blake C. Jones, Esq.
 12 Steptoe & Johnson, PLLC.
 13 1780 Hughes Landing Blvd., #750
 The Woodlands, TX 77380.
 (281)283-5731.
 Blake.jones@steptoe-johnson.com

14 C O N T E N T S

15	CASES NO. 21986	PAGE
16	CASE CALLED:	3
17	DISMISSED WITHOUT PREJUDICE:	8

18 I N D E X O F E X H I B I T S.

19	MEWBOURNE OIL COMPANY EXHIBITS:	ADMITTED
20	1 Application and Proposed Notice	8
21	2 Landman's Affidavit	8
22	3 Geologist's Affidavit	8
23	4 Certified Mail Notice Affidavit	8
24	5 Affidavit of Publication	8
25	6 Pooling Checklist	8

1 (Time noted 10:18 a.m.)

2 EXAMINER BRANCARD: So with that I think we are
3 coming to the last and best item on our agenda, Item
4 No. 28, Case 22159.

5 Mewbourne Oil Company.

6 MR. BRUCE: Mr. Examiner, Jim Bruce representing
7 Mewbourne.

8 EXAMINER BRANCARD: Thank you. And I have an
9 Entry of Appearance for MRC Permian.

10 MR. FELDEWERT: May it please the examiner,
11 Michael Feldewert of the Santa Fe office of Holland and
12 Hart.

13 EXAMINER BRANCARD: Then I have an entry -- and
14 I'm going to get this wrong, Sabinal Energy Operating.

15 MR. JONES: Good morning, Mr. Examiner. This is
16 Blake Jones with Steptoe & Johnson appearing on behalf of
17 Sabinal Energy Operating, LLC.

18 EXAMINER BRANCARD: Thank you.

19 So I guess first, Mr. Feldewert, do you
20 have any objections to this case going forward by
21 affidavit?

22 MR. FELDEWERT: I do not.

23 EXAMINER BRANCARD: Mr. Jones?

24 MR. JONES: Sabinal does not.

25 EXAMINER BRANCARD: So are there any other

1 interested parties in Case 22159? (Note: Pause.)

2 Hearing none, Mr. Bruce let's start with a
3 very basic question here that could be the focus of the
4 entire discussion today, which is: What is the legal
5 description of the unit that you're seeking to pool?

6 MR. BRUCE: South half of Section 24 and south
7 half of Section 23 in 20 South, 28 East.

8 EXAMINER BRANCARD: So Township 20 South, Range
9 28 East; is that correct?

10 MR. BRUCE: That's correct.

11 The original Notice that I submitted, the
12 landman at Sabinal pointed out to the Division that the
13 original Notice that I submitted along with the Pooling
14 Application had a different township and range. I have
15 corrected that and sent in a correction to Ms. Salvidrez
16 containing the proper Notice.

17 The Application itself and the Notice that
18 went out did contain the correct Township and Range, 20
19 South, 28 East.

20 EXAMINER BRANCARD: I had time to go through the
21 file here, and what I saw in our file was that the Notice
22 that we put up for the September 9th hearing, the docket
23 for the September 23rd hearing, all listed in Township 23
24 South, as apparently did your Prehearing Statement, Mr.
25 Bruce.

1 MR. BRUCE: Yeah.

2 EXAMINER BRANCARD: Okay. You apparently gave
3 the wrong Township in the Letters you sent out to owners,
4 not to the wrong Range, but you sent second letters out to
5 correct that.

6 I guess the one that also concerns me the
7 most, if I can find it here, is the Publication of Notice
8 in the newspaper, which I recall got both the Township and
9 the Range wrong.

10 MR. BRUCE: I thought I had correctly done that
11 one. The Notice Letters that went out did have the
12 correct Township.

13 EXAMINER BRANCARD: Yes, the Publication in the
14 Carlsbad paper, Township 23 South.

15 MR. BRUCE: Correct.

16 EXAMINER BRANCARD: Range 26 East.

17 So I'm just going to say right now that,
18 you know, as we have gone through today we have worked
19 with the parties and been fairly forgiving of lots of
20 little mistakes in applications and submittals, but, you
21 know, getting the legal description wrong in a Notice I
22 think is something that really is a huge problem. So I'll
23 Give you a chance to respond, Mr. Bruce, please.

24 MR. BRUCE: Well, I don't have any objection
25 about -- I would like to continue it to the next available

1 hearing. I could correct the Publication Notice, which is
2 really the only thing that needs to be done. The
3 published Notice in the newspaper.

4 EXAMINER BRANCARD: Well, and then we need to
5 get the right blurb in our docket Notices.

6 MR. BRUCE: Yes. And I did send a corrected
7 Notice to Marlene.

8 EXAMINER BRANCARD: Okay. So I guess -- I guess
9 my preference would be if you just filed a whole new
10 application. That actually might be easier for you. You
11 might get on a quicker docket in some ways if you did
12 that. You might even get it for the first November docket
13 for that, because otherwise our other dockets are really
14 full.

15 MR. BRUCE: That would be fine.

16 EXAMINER BRANCARD: You have all the materials,
17 so -- if you would like to just continue this and correct
18 a few things.

19 MR. BRUCE: Yeah. Like I said, I have already
20 taken care of the Notice, and that was, you know, an
21 effort to refile that. And so all it really is, is the
22 published Notice in the Carlsbad newspaper, which, based
23 on some additional green cards I've gotten back, it
24 probably isn't necessary, but what the heck.

25 EXAMINER BRANCARD: Yeah. We need to get that

1 right.

2 So let's look to continue this case, then.

3 MR. BRUCE: Well, I mean if you want me to
4 file -- I mean if -- you know, nobody is objecting to the
5 case. Sabinal is out of it. I think Mewbourne is talking
6 with MRC Permian to get their joinder in the well. I
7 mean, if you want me to refile for November 2nd, that's
8 fine, as long as I know I can get that date; otherwise
9 continue it to October 20 -- whatever date that is, 21?

10 EXAMINER BRANCARD: I think we have got close to
11 100, if not over 100 cases in October.

12 MR. BRUCE: So, you know, I do need sufficient
13 time. It takes a while to get these Publication
14 Notices --

15 EXAMINER BRANCARD: Right.

16 MR. BRUCE: -- in the paper.

17 So if you want me to go for November 2nd,
18 if you want me to refile for that date, that's fine, Mr.
19 Examiner.

20 EXAMINER BRANCARD: Why don't we do that. Why
21 don't we just dismiss Case 21896 and then you can refile
22 and get it on whenever the quickest docket is.

23 MR. BRUCE: It's not 896, it's 159.

24 EXAMINER BRANCARD: I'm sorry, 22159.

25 MR. BRUCE: Don't scare me. The Notice was too

1 onerous in that one.

2 EXAMINER BRANCARD: All right. So we are going
3 to dismiss Case 22159 without prejudice so you have the
4 ability to refile the case whenever you're ready.

5 MR. BRUCE: Sounds good to me.

6 EXAMINER BRANCARD: All right. Any comments, Mr.
7 Feldewert, Mr. Jones?

8 MR. FELDEWERT: No, sir.

9 MR. JONES: Nothing further.

10 EXAMINER BRANCARD: Thank you.

11 All right. So I think with that we are
12 done for today. Thank you all for your patience, and we
13 will see you in a few weeks.

14 (Time noted 10:29 a.m.)

15

16

17

18

19

20

21

22

23

24

25

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,

8

September 23, 2021, the proceedings in the above-captioned

9

matter were taken before me; that I did report in

10

stenographic shorthand the proceedings set forth herein,

11

and the foregoing pages are a true and correct

12

transcription to 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

21

NM Certified Court Reporter No. 122

License Expires: 12/31/2021

22

23

24

25