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: 22586 - 22591

APPLICATIONS OF DEVON ENERGY PRODUCTION COMPANY, L.P. FOR HORIZONTAL SPACING UNITS AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NOS: 22641 - 22644

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

MAY 19, 2022

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER WILLIAM BRANCARD and TECHNICAL EXAMINER LEONARD LOWE on Thursday, May 19, 2022, through the Webex Platform.

Reported by: PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

505-843-9241

| | | Page 2 |
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| 1 | APPEARANCES | |
| 2 | For Devon Energy: | |
| 3 | DARIN SAVAGE ABADIE & SCHILL | |
| 4 | 214 McKenzie Street Santa Fe, New Mexico 87501 | |
| 5 | For Mewbourne Oil Company: | |
| 6 | JAMES BRUCE | |
| 7 | P.O. Box 1056 Santa Fe, NM 87504-1056 | |
| 8 | 505-982-2151 jamesbruce@aol.com | |
| 9 | | |
| 10 | For COG Operating: | |
| 11 | | |
| 12 | Santa Fe, NM 87501-3034 505-428-0485 | |
| 13 | INDEX | |
| 14 | | |
| 15 | CASE CALLED | |
| 16 | STATUS CONFERENCE | 03 |
| 17 | REPORTER CERTIFICATE | 06 |
| 18 | | |
| 19 | | |
| 20 | | |
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| 22 | | |
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1 HEARING EXAMINER BRANCARD: All right. We have a

- 2 number of cases together coming up on a status conference,
- 3 Devon Energy and Mewbourne. This is Items 23 through 32 on
- 4 the worksheet. These are Cases 22586, 22587, 22588, 22589,
- 5 22590, 22591, and Cases 22641, 22642, 22643, 22644. Let's
- 6 start with Devon Energy Production.
- 7 MR. SAVAGE: Good morning, Mr. Examiner, Darin
- 8 Savage with Abadie & Schill on behalf of Devon Production
- 9 Company.
- 10 HEARING EXAMINER BRANCARD: Thank you. Mewbourne
- 11 Oil Company.
- 12 MR. BRUCE: Mr. Examiner, Jim Bruce on behalf of
- 13 Mewbourne.
- 14 HEARING EXAMINER BRANCARD: We have an entry for
- some of these cases from COG Operating?
- 16 (No audible response.)
- 17 HEARING EXAMINER BRANCARD: Miss Ryan, are you
- 18 still there? Well, let's start with the applicants. We had
- 19 a prehearing order. It was vacated. Where are we? Mr.
- 20 Savage?
- 21 MR. SAVAGE: Thank you, Mr. Examiner. As I
- 22 understand it, the parties are in negotiations and
- 23 negotiations are active and they are making progress. We
- 24 are hoping for a resolution, but these cases are still
- 25 contested and we would like to set a date at your

- 1 convenience.
- 2 HEARING EXAMINER BRANCARD: Set a date for
- 3 hearing or status conference?
- 4 MR. SAVAGE: Mr. Bruce, what would you prefer, a
- 5 status conference? Devon would prefer a hearing date be
- 6 established.
- 7 MR. BRUCE: That would be fine.
- 8 HEARING EXAMINER BRANCARD: Miss Ryan, are you
- 9 with us?
- 10 MS. RYAN: I'm here. I didn't have these on my
- 11 list. I'm not sure we are in these cases.
- 12 HEARING EXAMINER BRANCARD: You are in the
- 13 Mewbourne Cases 22641, 642, 643 --
- MS. RYAN: Yes, sir. Sorry, I thought we were
- 15 still talking about the Burton Flats.
- 16 HEARING EXAMINER BRANCARD: They are part of it.
- MS. RYAN: Oh, okay.
- 18 HEARING EXAMINER BRANCARD: But you are not part
- 19 of it.
- MS. RYAN: So appearing for COG Operating, Beth
- 21 Ryan, thank you.
- 22 HEARING EXAMINER BRANCARD: Do you have any
- 23 position on hearing or status conference.
- 24 MS. RYAN: We are fine for this to be set for
- 25 hearing in July.

1 HEARING EXAMINER BRANCARD: Okay. So how about

- 2 if we set a July 21 date for a hearing?
- 3 MR. BRUCE: Mr. Examiner, although I will be
- 4 available by phone for things such as status conferences, I
- 5 will be out of state, and I just will not be available for a
- 6 long hearing on the 21st, so I would prefer some other date.
- 7 HEARING EXAMINER BRANCARD: Well, we can take a
- 8 risk and try for July 7. Are you available then Mr. Bruce?
- 9 MR. BRUCE: I'm available any time but the 21st.
- 10 Like I said, for simple matters I can get on the phone and
- 11 deal with status conferences, but July 7 -- or what's the
- 12 next available one, August 4 or something like that?
- 13 HEARING EXAMINER BRANCARD: Mr. Savage, July 7 or
- 14 August 4?
- 15 MR. SAVAGE: Devon would prefer July 7. We would
- 16 like to move on this.
- 17 HEARING EXAMINER BRANCARD: Let's set this then
- 18 for July 7, and I will issue a prehearing order. Are there
- 19 any other objections or concerns with these cases?
- 20 (No audible response.)
- 21 HEARING EXAMINER BRANCARD: Hearing none, so we
- 22 are set for a hearing on July 7.
- MR. SAVAGE: Thank you.
- (Concluded.)
- 25

Page 6 STATE OF NEW MEXICO 2. COUNTY OF BERNALILLO REPORTER'S CERTIFICATE 3 4 I do hereby certify that I reported the 5 foregoing virtual proceedings in stenographic shorthand and 6 that the foregoing pages are a true and correct transcript of those proceedings to the best of my ability. 8 I FURTHER CERTIFY that I am neither employed by 9 nor related to any of the parties or attorneys in this case 10 and that I have no interest in the final disposition of this case. 11 12 I FURTHER CERTIFY that the Virtual Proceeding was 13 of poor to good quality. 14 Dated this 19th day of May 2022. 15 /s/ Irene Delgado 16 Irene Delgado 17 License Expires: 12-31-22 18 19 20 2.1 22 23 24 25