

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:

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

Case No. 22646, 22647

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
June 16, 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  
HEARING OFFICER DYLAN ROSE-COSS on Thursday, June  
16, 2022, through the Webex Platform.

Reported by: PAUL BACA COURT REPORTERS  
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Albuquerque, New Mexico 87102  
505-843-9241

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

2 For Mewbourne Oil Company:

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 6 505-982-2043  
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7 I N D E X

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1                   HEARING OFFICER BRANCARD: Cases 22646,  
2   22647, Mewbourne Oil Company.

3                   MR. BRUCE: Mr. Examiner, Jim Bruce  
4   representing Mewbourne.

5                   HEARING OFFICER BRANCARD: Thank you.

6                   Are there any other interested persons for  
7   Cases 22646, 22647?

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

9                   MR. BRUCE: Mr. Examiner, Case -646  
10   Mewbourne seeks to force pool Bone Spring formation  
11   in the north half-south half of both Sections 21 and  
12   20 of 20 South, 27 East.

13                   In -647, it seeks to pool the south  
14   half-south half of both of those sections as to the  
15   Bone Spring formation. Each exhibit package is  
16   pretty much identical other than, of course, the  
17   different C102s, et cetera, and different pooling  
18   checklists for each well.

19                   Exhibit 1 is the application of proposed  
20   notice.

21                   Exhibit 2 is the affidavit of  
22   Mr. Blandford, the Landman containing all the usual  
23   information, land plats, C102s, maps showing the  
24   different tracts involved and the interest owners  
25   involved and then showing the people who are being

1 pooled who are designated on the final tract  
2 ownership plats. You can see that Mewbourne and a  
3 number of people have signed JOAs and there's a  
4 listing of people with an asterisk by their names  
5 who have not signed a JOA and those are the parties  
6 being pooled.

7 OXY, et al., the landman gives a summary  
8 of contacts with various parties. There's a sample  
9 copy of the proposal letter. And a sample copy of  
10 the -- or I shouldn't say a sample copy, there's a  
11 copy of the AFE certified notice was given, that's  
12 Exhibit 4.

13 I should say Exhibit 3 is the affidavit of  
14 the geologist. And contains the usual structure  
15 map, isopach and cross section showing that the zone  
16 is continuous across the proposal well units and  
17 that each quarter-quarter section should contribute  
18 more or less equally to production.

19 Exhibit 4 is my affidavit of mailing.  
20 Most people did receive certified notice. There  
21 were two outstanding parties, Thomas Smith and OXY,  
22 who I have not received green cards back from. But  
23 those parties were also notified by publication, and  
24 that's shown by Exhibit 5. And I know this might  
25 knock you out of your chair, Mr. Examiner, but it

1 will be published in time for a change.

2 And Exhibit 6 of each package is the  
3 pooling checklist.

4 I think the packages are complete.  
5 Except, once again, I got bogged down in doing the  
6 main exhibit packages and I need to give you a  
7 spreadsheet just so you don't have to waste time on  
8 the certified -- looking at who did and didn't get  
9 notice, so I will submit to you a spreadsheet on  
10 these cases.

11 HEARING OFFICER BRANCARD: Thank you.  
12 Are you complete, Mr. Bruce?

13 MR. BRUCE: Yes, sir.

14 HEARING OFFICER BRANCARD: Mr. Rose-Coss,  
15 any questions?

16 MR. ROSE-COSS: Sure, maybe a simple one.  
17 I'm looking at Page 24 of 41 in the exhibit packet.  
18 It looks like there's a survey for one of the wells.  
19 Have these wells been drilled yet, or this a  
20 continuation of an existing project?

21 MR. BRUCE: Let me see. These --  
22 Mr. Rose-Coss, I can confirm for you, but I did  
23 check the OCD's website and these wells have not  
24 been drilled because there is an API number issued  
25 to these wells. So I will confirm that to you, but

1 I know I looked at this probably over the weekend as  
2 I was trying to come up with an API number for the  
3 pooling checklists. But there is no APD in the  
4 OCD's files for these two wells.

5 MR. ROSE-COSS: Okay. It says the  
6 affidavit of the geologist. Explain why there's a  
7 survey in there.

8 MR. BRUCE: Well, this is their -- usually  
9 I get a plat but if a well is not near -- hasn't  
10 been totally permitted yet, the survey calculation  
11 reports is what they give to me. It's estimated,  
12 you know, what depth they're going to and where the  
13 various points are on the wells. And this is what  
14 they give me. I don't have --

15 MR. ROSE-COSS: An estimation, it's not  
16 the actual survey?

17 MR. BRUCE: Correct.

18 MR. ROSE-COSS: Well, that clears it up  
19 then. No worries. That was my only question.

20 Thank you, Mr. Bruce.

21 HEARING OFFICER BRANCARD: Thank you.  
22 You're okay, then, with that Attachment E,  
23 Mr. Rose-Coss? Because I think the geologist  
24 affidavit does say it's for the proposed wells.

25 MR. ROSE-COSS: Yeah, I see that. I would

1 say the information is only really useful to a  
2 robot. I don't know what to make of it.

3 MR. BRUCE: I will ask the geologist when  
4 I may expect to get an actual survey report, you  
5 know, a predrilling survey. But I do know they  
6 don't have one yet or I would have gotten one.

7 MR. ROSE-COSS: Okay. That's fine.

8 HEARING OFFICER BRANCARD: Thank you.

9 Mr. Bruce, I appreciate that you got the  
10 newspaper done well in time, but I will note that  
11 when you go to Exhibit 5, the actual copy of the  
12 newspaper notice is not attached.

13 MR. BRUCE: Yeah, and I did mean to bring  
14 that up. It may be sitting in my office but this  
15 weekend I went crazy looking for that and I couldn't  
16 find it anywhere.

17 Well, wait a minute. This -- no, this is  
18 the actual. There's another case where I don't have  
19 it. This is the actual affidavit of publication.  
20 This is what I get from looking at newspapers.

21 HEARING OFFICER BRANCARD: Well, there's  
22 an affidavit but the actual copy of the publication  
23 is not there and I think it's just for the first  
24 case. The second case may have it.

25 MR. BRUCE: Okay. I will do a

1 supplemental filing. I do have it in my file.

2 HEARING OFFICER BRANCARD: Believe it or  
3 not, I actually read those so --

4 MR. BRUCE: I've come to read them, too.

5 HEARING OFFICER BRANCARD: Make sure it's  
6 the right case and the right parties and whatever.

7 Thank you. Let's ask once again are there  
8 any other interested persons for Cases 22646, 22647?

9 Hearing none, these cases will be taken  
10 under advisement. We will leave the record open.

11 Mr. Bruce, you will provide us a notice  
12 spreadsheet and then hopefully you can find a copy  
13 of the actual newspaper clipping.

14 MR. BRUCE: Okay. Will do.

15 HEARING OFFICER: Thank you.

16 (Proceedings concluded at 9:19 a.m.)

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REPORTER'S CERTIFICATE

I certify that the foregoing is a correct transcript from the record of proceedings in the above-entitled matter. I further certify that the transcript fees and format comply with those prescribed by the Court and the Judicial Conference of the United States.

Date: June 16, 2022

/s/ Edwina Castillo

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EDWINA CASTILLO, RPR, CCR  
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