

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: 21835

APPLICATION OF MEWBOURNE OIL COMPANY  
TO POOL ADDITIONAL INTEREST OWNERS UNDER  
THE TERMS OF ORDER NO. R-21293,  
LEA COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
MAY 6, 2021  
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 6, 2021, through the Webex Platform.

Reported by: Irene Delgado, NMCCR 253  
PAUL BACA PROFESSIONAL COURT REPORTERS  
500 Fourth Street, NW, Suite 105  
Albuquerque, NM 87102  
505-843-9241

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A P P E A R A N C E S

For the Applicant:

DANA HARDY  
HINKLE SHANOR LLP  
P.O. Box 0268  
Santa Fe, NM 87504  
505-982-4554

I N D E X

CASE CALLED

SUMMARY OF CASE AND EXHIBITS

TAKEN UNDER ADVISEMENT 05

REPORTER CERTIFICATE 06

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

Admitted

Exhibits and Attachments 05

1 HEARING EXAMINER BRANCARD: So with that, we will  
2 start with Number 1 on our list, it's case -- calling case  
3 21835, Mewbourne Oil. Appearances for Mewbourne Oil?

4 MS. HARDY: Good morning, Mr. Examiner. Dana  
5 Hardy with the Santa Fe offices of Hinkle Shanor on behalf  
6 of Mewbourne Oil Company.

7 HEARING EXAMINER BRANCARD: Are there any other  
8 appearances in this matter, 21835?

9 (No audible response.)

10 HEARING EXAMINER BRANCARD: Hearing none, you may  
11 proceed, Ms. Hardy.

12 MS. HARDY: Thank you. Mewbourne seeks an order  
13 pooling additional interest orders under the terms of order  
14 R-21293. That order approved a 240 acre standard horizontal  
15 spacing unit comprised of the E/2 of the E/2 of Section 26,  
16 and the E/2 of the SE/4 of Section 23, Township 21 South,  
17 Range 34 East, in Lea County.

18 The order pooled interest in the Bone Spring  
19 formation and dedicated the unit to the Inland 26-23 B2PI  
20 State Com Number 1H Well. Mewbourne previously filed an  
21 application to pool additional interest owners under the  
22 order and that application was granted in November of 2020.

23 Since that order was issued Mewbourne has  
24 discovered additional interest owners who need to be pooled,  
25 there are two of them. The land ownership information is

1 provided in Exhibit A-4 to the affidavit of the landman Brad  
2 Dunn, and the notice information is provided in Exhibit A-7  
3 to Mr. Dunn's affidavit.

4 We did have good addresses for both of these  
5 parties and they actually received notice as shown by our  
6 certificate mail receipts. We also did publish notice out  
7 of an abundance of caution and that affidavit of publication  
8 is provided in A-8 to Mr. Dunn's affidavit.

9 So with that, unless there are questions, I would  
10 ask that exhibits be admitted into the record and that the  
11 case be taken under advisement. Thank you.

12 HEARING EXAMINER BRANCARD: Thank you. Mr. Lowe,  
13 any questions?

14 TECHNICAL EXAMINER LOWE: I have a question, Ms.  
15 Shaheen. And overall I notice that some of this happened in  
16 the past with other cases and other operators. I was just  
17 curious just to know, how does that work on the operator  
18 end, on your end as far as you move forward with one  
19 particular case and it's approved, and then this happens, it  
20 comes up afterwards. How does, how is that managed on your  
21 end? You just basically wait until you give them enough  
22 time frame as was ordered in the original hearing order? Is  
23 that how that goes?

24 MS. HARDY: That's correct, Mr. Lowe, yes.

25 TECHNICAL EXAMINER LOWE: So basically on your

1 end, you are the operator has that time frame schedule in  
2 the order and all that, and if there is anything that comes  
3 to fruition in the meantime, then it comes back to hearing  
4 if they object for any other reason and so forth?

5 MS. HARDY: That's correct.

6 TECHNICAL EXAMINER LOWE: Okay. I just wanted to  
7 get an understanding for that. Thank you.

8 MS. HARDY: Thank you.

9 HEARING EXAMINER BRANCARD: Thank you. Are there  
10 any other comments on Case 21835?

11 (No audible response.)

12 HEARING EXAMINER BRANCARD: Okay. Hearing none,  
13 we hope you have all the parties this time, Ms. Hardy. And  
14 your exhibits are admitted, and this case is taken under  
15 advisement.

16 MS. HARDY: Thank you very much.

17 (Exhibits admitted.)

18 (Taken under advisement.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

5 I, IRENE DELGADO, New Mexico Certified Court  
6 Reporter, CCR 253, do hereby certify that I reported the  
7 foregoing virtual proceedings in stenographic shorthand and  
8 that the foregoing pages are a true and correct transcript  
9 of those proceedings to the best of my ability.

10 I FURTHER CERTIFY that I am neither employed by  
11 nor related to any of the parties or attorneys in this case  
12 and that I have no interest in the final disposition of this  
13 case.

14 I FURTHER CERTIFY that the Virtual Proceeding was  
15 of poor to good quality.

16 Dated this 6th day of May 2021.

17

/s/ Irene Delgado

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Irene Delgado, NMCCR 253  
License Expires: 12-31-21

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