

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 NO. 12,826  
)  
APPLICATION OF MEWBOURNE OIL COMPANY )  
FOR COMPULSORY POOLING, EDDY COUNTY, )  
NEW MEXICO )

ORIGINAL

02 MAR 21 AM 10:39  
OIL CONSERVATION DIV

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Hearing Examiner

March 7th, 2002

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Hearing Examiner, on Thursday, March 7th, 2002, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

I N D E X

March 7th, 2002  
Examiner Hearing  
CASE NO. 12,826

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APPEARANCES	3
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\* \* \*

E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	5	6
Exhibit 2	5	6

\* \* \*

Additional submission by Applicant, not offered or admitted:

	Identified
"Compulsory Pooling Form"	5

\* \* \*

## A P P E A R A N C E S

## FOR THE APPLICANT:

JAMES G. BRUCE, Attorney at Law  
324 McKenzie  
Santa Fe, New Mexico 87501  
P.O. Box 1056  
Santa Fe, New Mexico 87504

## ALSO PRESENT:

DAVID R. CATANACH  
Hearing Examiner  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, NM 87501

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   8:20 a.m.:

3           EXAMINER CATANACH: Call the hearing to order  
4 this morning for Docket Number 07-02. I'm going to go  
5 ahead and call the continuances and dismissals first.

6           (Off the record)

7           EXAMINER BROOKS: Very good, looks like the first  
8 one is mine. We'll call at this time Case 12,826,  
9 Application of Mewbourne Oil Company for compulsory  
10 pooling, Eddy County, New Mexico.

11           Call for appearances.

12           MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,  
13 representing the Applicant. I just have a brief statement.

14           EXAMINER BROOKS: Very good. Any other  
15 appearances?

16           Okay, you may proceed.

17           MR. BRUCE: Mr. Examiner, this case involves an  
18 order seeking to pool certain interests from the top of the  
19 Wolfcamp formation to the base of the Morrow formation.  
20 The parties being pooled are simply record title owners,  
21 they own no working interest in the particular well being  
22 pooled. This is necessary for approval of a  
23 communitization agreement by the Commissioner of Public  
24 Lands, therefore a nonconsent penalty is not being sought  
25 against these interest owners, because they do not own

1 operating rights.

2 We are seeking to pool the interest owners listed  
3 on Exhibit 1. They own record title of the state leases  
4 listed on Exhibit 1, except for the following: The Item 2,  
5 State Lease 647-397, Frederick Brown has finally signed a  
6 ratification of the communitization agreement. And under  
7 Item 3 the two names underlined, Lawrence Hillyer and  
8 Clifford Taylor have signed the ratification of the  
9 communitization agreement. All other record title owners  
10 listed are being sought, or we seek to force pool.

11 Exhibit 2 is the affidavit of notice, of the  
12 notice letter of this hearing sent out to the record title  
13 owners.

14 I would ask that Exhibits 1 and 2 be admitted  
15 into evidence.

16 And I've just submitted to you -- I'm not marking  
17 it as an exhibit, it's the compulsory pooling form --

18 EXAMINER BROOKS: Right.

19 MR. BRUCE: -- listing the basic information.

20 EXAMINER BROOKS: Right.

21 MR. BRUCE: This Application was filed under the  
22 provisions of Rule 1207, with a verified application. I  
23 think the information in there is sufficient that with the  
24 two exhibits I've submitted today and which I request be  
25 admitted the matter could be taken under advisement.

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EXAMINER BROOKS: Exhibits 1 and 2 will be admitted.

And I assume all the rest of the information that you did not comment on is in the Application or --

MR. BRUCE: Yes, sir.

EXAMINER BROOKS: -- in the exhibits.

Very good, Case Number 12,826 will be taken under advisement.

(Thereupon, these proceedings were concluded at 8:28 a.m.)

\* \* \*

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 12826 heard by me on March 7, 2002.  
David K. Potts Examiner  
Off Conservation Division

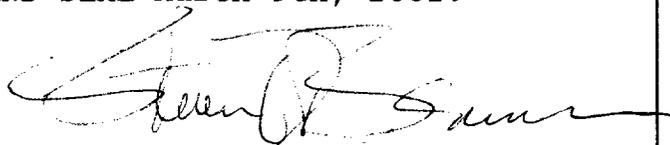
## CERTIFICATE OF REPORTER

STATE OF NEW MEXICO )  
 ) ss.  
 COUNTY OF SANTA FE )

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL March 9th, 2002.



STEVEN T. BRENNER  
 CCR No. 7

My commission expires: October 14, 2002