

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                      CASE NO. 16136  
FOR A NONSTANDARD GAS SPACING AND  
PRORATION UNIT AND COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

July 12, 2018

Santa Fe, New Mexico

BEFORE:   MICHAEL McMILLAN, CHIEF EXAMINER  
          LEONARD LOWE, TECHNICAL EXAMINER  
          DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the  
New Mexico Oil Conservation Division, Michael McMillan,  
Chief Examiner, Leonard Lowe, Technical Examiner, and  
David K. Brooks, Legal Examiner, on Thursday, July 12,  
2018, at the New Mexico Energy, Minerals and Natural  
Resources Department, Wendell Chino Building, 1220 South  
St. Francis Drive, Porter Hall, Room 102, Santa Fe, New  
Mexico.

REPORTED BY:   Mary C. Hankins, CCR, RPR  
                  New Mexico CCR #20  
                  Paul Baca Professional Court Reporters  
                  500 4th Street, Northwest, Suite 105  
                  Albuquerque, New Mexico 87102  
                  (505) 843-9241

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# APPEARANCES

FOR APPLICANT MEWBOURNE OIL COMPANY:

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FOR INTERESTED PARTY EOG:

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## EXHIBITS OFFERED AND ADMITTED

Mewbourne Oil Company Exhibit Numbers 5 and 5A	4
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1 (8:46 a.m.)

2 EXAMINER McMILLAN: I'd like to call Case  
3 Number 16136, application of Mewbourne Oil Company for a  
4 nonstandard gas spacing and proration unit and  
5 compulsory pooling, Eddy County, New Mexico.

6 Call for appearances.

7 MR. BRUCE: Mr. Examiner, Jim Bruce of  
8 Santa Fe, representing the Applicant. I have no  
9 witnesses.

10 EXAMINER McMILLAN: Any other appearances?

11 MS. KESSLER: Mr. Examiner, Jordan Kessler,  
12 from the Santa Fe office of Holland & Hart, on behalf of  
13 EOG.

14 EXAMINER McMILLAN: Okay. Please proceed.

15 MR. BRUCE: Mr. Examiner, again, this case  
16 was previously heard, and the case was complete except  
17 for notice to one working interest owner. So attached  
18 is my Affidavit of Notice to all of the interest owners.  
19 There was one person, Sigyn Lund, L-U-N-D, who did not  
20 receive actual notice. So Exhibit 5 is my Affidavit of  
21 Notice, and Exhibit 5A is the Affidavit of Publication  
22 showing that she did receive constructive notice. So  
23 notice is complete.

24 I'd ask this matter be taken under  
25 advisement.

1 MS. KESSLER: Mr. Examiner, no objection to  
2 the exhibits being entered.

3 EXAMINER McMILLAN: Okay. Exhibits 5 and  
4 5A may now be accepted as part of the record.

5 (Mewbourne Oil Company Exhibit Numbers 5  
6 and 5A are offered and admitted into  
7 evidence.)

8 MR. KESSLER: And once again, I represent  
9 EOG, and EOG and Mewbourne have agreed to sequential  
10 election language for the two wells at issue, being  
11 drilled back-to-back. EOG is simply requesting  
12 sequential election, and Mewbourne agreed to that.

13 EXAMINER McMILLAN: Okay. Was that part of  
14 the testimony in the original case?

15 MR. BRUCE: Yes. It's our agreement with  
16 counsel, Mr. Feldewert.

17 EXAMINER McMILLAN: Okay. So --

18 MR. BRUCE: We'd ask you take the case  
19 under advisement, 16136.

20 EXAMINER McMILLAN: No objections?

21 MR. KESSLER: No objections.

22 EXAMINER McMILLAN: Case Number 16136 shall  
23 be taken under advisement.

24 Thank you.

25 Just so everyone's aware, this afternoon,

1 we'll hear Case Number 16308.

2 (Case Number 16136 concludes, 8:48 a.m.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO  
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4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
7 and Registered Professional Reporter, do hereby certify  
8 that I reported the foregoing proceedings in  
9 stenographic shorthand and that the foregoing pages are  
10 a true and correct transcript of those proceedings that  
11 were reduced to printed form by me to the best of my  
12 ability.

13 I FURTHER CERTIFY that the Reporter's  
14 Record of the proceedings truly and accurately reflects  
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither  
17 employed by nor related to any of the parties or  
18 attorneys in this case and that I have no interest in  
19 the final disposition of this case.

20 DATED THIS 11th day of July 2018.  
21

22  
23 MARY C. HANKINS, CCR, RPR  
24 Certified Court Reporter  
25 New Mexico CCR No. 20  
Date of CCR Expiration: 12/31/2018  
Paul Baca Professional Court Reporters