

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: 21248 - 21251

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

MAY 14, 2020

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, EXAMINERS FELICIA ORTH, BAYLEN LAMKIN, DYLAN COSS and SCOTT COX on Thursday, May 14, 2020, 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: Irene Delgado, NMCCR 253
PAUL BACA PROFESSIONAL COURT REPORTERS
500 Fourth Street, NW, Suite 105
Albuquerque, NM 87102
505-843-9241

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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

For XTO Energy:

MICHAEL FELDEWERT
HOLLAND & HART
110 North Guadalupe, Suite 1
Santa Fe, NM 87501
505-954-7286

I N D E X

CASE CALLED	
SUMMARY OF CASE AND EXHIBITS	03
TAKEN UNDER ADVISEMENT	06
REPORTER CERTIFICATE	07

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

	Admitted
All Exhibits and Attachments	06

1 HEARING EXAMINER ORTH: All right. We move then
2 to matters 21248, and I believe we are up to 21249, 21250
3 and 21251. 21248 relates to a well named Castle Black,
4 compulsory pooling matter. 21249 through 21251 relate to
5 the well Winterfell, but the documents -- from the documents
6 it seems that perhaps they are all related.

7 Is there someone from Hinkle Shanor? Is that
8 you, Ms. Hardy?

9 MS. HARDY: Yes, it is. Good morning.

10 HEARING EXAMINER ORTH: Good morning, and XTO
11 Energy entered its appearance. Is that you, Mr. Feldewert?

12 MR. FELDEWERT: Yes, Madam Examiner. Good
13 morning.

14 HEARING EXAMINER ORTH: Good morning. Let me
15 pause just a moment to see if there is any entry.

16 (No audible response.)

17 HEARING EXAMINER ORTH: No. If you would, then
18 go ahead, Ms. Hardy.

19 MS. HARDY: Thank you. In case 21248, Mewbourne
20 seeks an order pooling all uncommitted mineral interest in
21 the Bone Spring formation in a 240.95 acre horizontal
22 spacing unit comprised of the S/2 of the NW/4 of Section --
23 I'm sorry.

24 (Audio interference.)

25 HEARING EXAMINER ORTH: I think caller Number 2

1 perhaps needs to mute herself.

2 MS. HARDY: I'm wondering if that's me. I
3 actually called in because my computer audio is not very
4 good.

5 HEARING EXAMINER ORTH: All right.

6 MS. HARDY: Can you hear me okay?

7 HEARING EXAMINER ORTH: We are getting a lot of
8 bells.

9 (Technical audio difficulty.)

10 HEARING EXAMINER ORTH: Hello? I'm sorry, Ms.
11 Hardy, it's () my screen has to be --

12 MS. HARDY: Can you hear me now?

13 HEARING EXAMINER ORTH: I can hear you, but there
14 is a lot of ambient noise. Okay. Please go ahead.

15 MS. HARDY: Okay. So in case 21248 Mewbourne
16 seeks an order pooling all uncommitted mineral interest in
17 the Bone Spring formation in 250.95 acre standard horizontal
18 spacing unit comprised of the S/2 of the NW/4 of Section 6,
19 Township 18 South, Range 32 East in Lea County, and the S/2
20 of the N/2 of Section 1, Township 18 South, Range 31 East in
21 Eddy County.

22 And then in Case 21249 Mewbourne seeks an order
23 pooling all uncommitted mineral interests in the Bone Spring
24 formation in a 240-acre standard horizontal spacing unit
25 comprised of the S/2 of the SE/4 of Section 6 and S/2 of the

1 S/2 of Section 5, Township 18 South, Range 32 East in Lea
2 County.

3 In Case Number 21250, Mewbourne seeks an order
4 pooling all uncommitted mineral interests in the Bone Spring
5 formation in a 240-acre standard horizontal spacing unit
6 comprised of the N/2 of the SE/4 of Section 6, and N/2 of
7 the S/2 of Section 5, Township 18 South, Range 32 East in
8 Lea County.

9 And in Case 21251, Mewbourne seeks an order
10 pooling all uncommitted mineral interests in the Bone Spring
11 formation in a 240-acre standard horizontal spacing unit
12 comprised of the S/2 of the NE/4 of Section 6 and the S/2 of
13 the N/2 of Section 5, Township 18 South, Range 32 East in
14 Lea County.

15 And the packets were provided by e-mail on
16 Tuesday. The notice information for each case is provided
17 in Exhibits A-11 and A-12 to the landman's affidavit.

18 In each case notice was provided timely by
19 certified mail to the uncommitted interests, and notice was
20 also published out of an abundance of caution, and the
21 affidavit of publication is provided for each case in
22 Exhibit A-12.

23 So unless there are any questions, I would ask
24 that the exhibits be admitted into the record and that the
25 cases be taken under advisement.

1 HEARING EXAMINER ORTH: All right. Thank you for
2 that. Mr. Feldewert, do you have questions of the
3 presentation by Ms. Hardy?

4 MR. FELDEWERT: Thank you, Madam Examiner. I
5 just have -- I'm looking at the -- sorry, I'm looking at
6 Exhibit A-6, I believe, in each package. There indicates I
7 believe the parties pooled. It's my understanding that
8 Mewbourne is not seeking to pool any XTO entity; right?

9 MS. HARDY: That's correct. My understanding is
10 that Mewbourne and XTO reached an agreement, so XTO is not
11 listed as an --

12 MR. FELDEWERT: Great. Thank you very much.

13 HEARING EXAMINER ORTH: Thank you, Mr. Feldewert.
14 Mr. Lamkin, do you have questions this morning?

15 (No audible response.)

16 HEARING EXAMINER ORTH: Mr. Cox, do you have
17 questions of Ms. Hardy?

18 EXAMINER COX: No, ma'am.

19 HEARING EXAMINER ORTH: All right. If there are
20 no questions, any of the other technical examiners,
21 your exhibits are accepted Ms. Hardy, and all matters 21248,
22 49, 50 and 51 are accepted and will be taken under
23 advisement.

24 MS. HARDY: Thank you.

25 (Exhibits admitted. Taken under advisement.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

REPORTER'S CERTIFICATE

I, IRENE DELGADO, New Mexico Certified Court Reporter, CCR 253, do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings that were reduced to printed form by me to the best of my ability.

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

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

Dated this 14th day of May 2020.

/s/ Irene Delgado

Irene Delgado, NMCCR 253
License Expires: 12-31-20