

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTTTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 21406, 21407

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

THURSDAY, SEPTEMBER 10, 2020

SANTA FE, NEW MEXICO

This matter came on for hearing before the
New Mexico Oil Conservation Division, Felicia Orth,
Hearing Examiner, Scott Cox Technical Examiner, on
Thursday, September 10, 2020 via Webex Virtual Event
Platform.

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
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C O N T E N T S

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STATEMENT BY MR. BRUCE:	5
APPLICANT WITNESSES BY AFFIDAVIT:	
JOSH ANDERSON (Landman):	5
CHARLES CROSBY (Geologist):	5
TAKEN UNDER ADVISEMENT:	7

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

APPLICANT EXHIBITS	ADMITTED
1	7
2	7
3	7
4	7
5	7
6	7

1 (Time noted 9:04 a.m.)

2 HEARING EXAMINER ORTH: Let's move then to 21406
3 and 21407. These are Compulsory Pooling Applications,
4 Mewbourne Oil is the Applicant, the well name is Phoenix.

5 Mr. Bruce, are you here for the Applicant?

6 MR. BRUCE: Yes, I am.

7 HEARING EXAMINER ORTH: Thank you. I see EOG
8 has entered an appearances. Is that you, Mr. Feldewert
9 for EOG?

10 MR. FELDEWERT: Yes, Madam Examiner. Michael
11 Feldewert with the Santa Fe office of Holland & Hart.

12 HEARING EXAMINER ORTH: All right. First let me
13 pause to see if there are any other appearances this
14 morning.

15 MR. HOUGH: Good morning, Madam Examiner. Lance
16 Hough on behalf of Chevron USA from Modrall, Sperling. I
17 believe there was an entry of appearance filed late last
18 week or early this week; it should be in the record. But
19 anyway, entering on behalf of Chevron.

20 HEARING EXAMINER ORTH: Oh, all right. I hadn't
21 seen that entry of appearance.

22 Let me see if there are any other entries
23 of appearance in these matters. No.

24 So, Mr. Bruce, this is your proposal to
25 proceed by affidavit if there are no objections?

1 MR. BRUCE: Yes.

2 HEARING EXAMINER ORTH: All right. Mr.
3 Feldewert do you object?

4 MR. FELDEWERT: I do not.

5 HEARING EXAMINER ORTH: Mr. Hough?

6 MR. HOUGH: I do not.

7 HEARING EXAMINER ORTH: Terrific. Mr. Bruce, if
8 you would please go ahead.

9 MR. BRUCE: Madam Examiner, in these two cases
10 Mewbourne seeks to force pool collectively for both cases
11 the south half of Section 21 and the south half of Section
12 22, Township 18 South, Range 30 East for two,
13 two-mile-long Bone Spring horizontal well units.

14 The exhibits submitted include of course
15 the applications and proposed ads, the landman's affidavit
16 by Josh Anderson, which contains all the normal
17 attachments.

18 At this point I'd like to note that the
19 information on ownership shows that in these cases, in one
20 or both of them, Chevron USA, Inc. and Conoco Phillips
21 Company owned interests in addition to EOG Resources.
22 Chevron and Conoco Phillips have come to terms with
23 Mewbourne and therefore are dismissed from these cases.

24 The geologist's affidavit describes the --
25 sets forth the normal information regarding structure,

1 thickness, and the cross sections also give data on
2 other -- these are the initial wells, and these well units
3 are Second Bone Spring wells and there's a lengthy table
4 showing other Bone Spring wells in this area, Second Bone
5 Spring wells in this area, and almost of them are in a
6 lay-down condition, which shows that that is the preferred
7 orientation in this area.

8 There is the Affidavit of Notice. All of
9 the original parties received actual Notice by Certified
10 Mail of the Application, and there is no Affidavit of
11 Publication.

12 And then the pooling checklists are
13 attached.

14 One thing I would note: If the examiners
15 would like color copies of the geologic exhibits I can
16 email those to them. I did not have them available when
17 I was -- until yesterday in colored versions.

18 But with that I would move the admission of
19 Exhibits 1 through 6 and ask that the cases be taken under
20 the advisement.

21 HEARING EXAMINER ORTH: All right. Thank you,
22 Mr. Bruce.

23 Let me ask if there are any, uh,
24 objections.

25 Mr. Feldewert, do you have any questions?

1 MR. FELDEWERT: Just one.

2 Mr. Bruce, I think you said -- I'm looking
3 at the ownership exhibit -- Concoco Phillips and Chevron
4 are shown on there along with EOG.

5 You said Conoco Phillips and Chevron have
6 been dismissed from the pooling?

7 MR. BRUCE: Yes, that's correct.

8 MR. FELDEWERT: Okay. Thank you.

9 HEARING EXAMINER ORTH: All right. Thank you.

10 Mr. Hough, do you have any questions of Mr.
11 Bruce?

12 MR. HOUGH: I do not.

13 HEARING EXAMINER ORTH: Mr. Cox?

14 MR. COX: Mr. Bruce, do you want to request any
15 special provisions or anything on this?

16 MR. BRUCE: Uhm, no. No special provisions.

17 MR. COX: Thank you. No more questions.

18 HEARING EXAMINER ORTH: All right. Thank you all
19 very much.

20 Mr. Bruce, your exhibits are admitted and
21 the matter will be taken under advisement.

22 MR. BRUCE: Thank you.

23 (Time noted 9:08 a.m.)

24

25

1 STATE OF NEW MEXICO)

2 : SS

3 COUNTY OF TAOS)

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REPORTER'S CERTIFICATE

6

I, MARY THERESE MACFARLANE, New Mexico Reporter

7

CCR No. 122, DO HEREBY CERTIFY that on Thursday, September

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10, 2020, the proceedings in the above-captioned matter

9

were taken before me; that I did report in stenographic

10

shorthand the proceedings set forth herein, and the

11

foregoing pages are a true and correct transcription to

12

the best of my ability and control.

13

I FURTHER CERTIFY that I am neither employed by

14

nor related to nor contracted with (unless excepted by the

15

rules) any of the parties or attorneys in this case, and

16

that I have no interest whatsoever in the final

17

disposition of this case in any court.

18

/s/ Mary Macfarlane

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MARY THERESE MACFARLANE, CCR

21

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