

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: 21430 - 21432

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

EXAMINER HEARING

FEBRUARY 18, 2021

SANTA FE, NEW MEXICO

This matter came on for virtual hearing before the New Mexico Oil Conservation Division, HEARING OFFICER FELICIA ORTH and TECHNICAL EXAMINERS LEONARD LOWE and BAYLEN LAMKIN on February 18, 2021, as hosted by the New Mexico Energy, Minerals, and Natural Resources Department, 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

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A P P E A R A N C E S

For the Applicant:

JAMES BRUCE  
P.O. Box 1056  
Santa Fe, NM 87504-1056  
505-982-2151  
jamesbruce@aol.com

For Colgate Operating LLC:

LANCE HOUGH  
MODRALL SPERLING ROEHL HARRIS & SISK PA  
500 4th Street, NW, Suite 1000  
Albuquerque, NM 87102  
505-848-9710

I N D E X

CASE CALLED	
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. Let's move  
2 then to three cases, 21430, 21431 and 21432, Mewbourne Oil  
3 is the applicant. These are compulsory pooling  
4 applications. Iron Horse is the name of the well.

5 Mr. Bruce?

6 MR. BRUCE: Yes, I'm here for Mewbourne.

7 HEARING EXAMINER ORTH: Thank you. Let me pause  
8 for a moment in the event there are other entries of  
9 appearance.

10 MR. HOUGH: Good morning, Madam Examiner. Lance  
11 Hough on behalf of Colgate Operating LLC.

12 HEARING EXAMINER ORTH: All right. I saw that  
13 Colgate had been a part of these three matters, but I also  
14 believe I saw a dismissal last Friday. Is that correct?

15 MR. HOUGH: That's correct (unclear) competing  
16 cases this morning. At this point Colgate has just entered  
17 an appearance to preserve its rights to raise a de novo  
18 appeal.

19 HEARING EXAMINER ORTH: Thank you. So you don't  
20 object to Mr. Bruce proceeding by affidavit?

21 MR. HOUGH: That is correct.

22 HEARING EXAMINER ORTH: Thank you. Mr. Bruce, if  
23 you would please go ahead.

24 MR. BRUCE: I presented you the usual package of  
25 exhibits in this case, three cases, they all involve the N/2

1 of Section 35 and N/2 of Section 36, 19 South, 29 East. The  
2 first case is for pooling the Bone Spring formation in the  
3 N/2 N/2 of those sections, the second case pooling the S/2  
4 N/2 in those sections. And then the third case is pooling  
5 the two N/2s for a Wolfcamp well, and it is a proximity  
6 tract well.

7 The landman's affidavit contains the usual land  
8 plat, C-102s, a list of the interest owners being pooled and  
9 their percentage interests, as well as the proposal letters  
10 and AFEs, and I think everything that you normally want is  
11 in there.

12 The geologist affidavit is marked Exhibit 3 and  
13 it contains information on both the, the Third Bone Spring  
14 Sand, which is the target of the Bone Spring wells, and the  
15 Wolfcamp Y Sand, which is the Wolfcamp target. And I think  
16 it contains all the usual information.

17 Exhibit 4 is my affidavit of notice.

18 And Exhibit 5 is a publication affidavit, so  
19 everyone, either by certified mail or publication, received  
20 notice.

21 And finally the pooling checklists are attached  
22 as Exhibit 6.

23 I think the package is complete, and I would ask  
24 that Exhibits 1 through 6 be admitted and the cases be taken  
25 under advisement.

1 HEARING EXAMINER ORTH: All right. Thank you,  
2 Mr. Bruce. Exhibits 1 through 6 are admitted.

3 Mr. Hough, do you have questions of Mr. Bruce?

4 MR. HOUGH: No questions and no objections.

5 HEARING EXAMINER ORTH: Thank you. Mr. Lowe, do  
6 you have questions of Mr. Bruce?

7 TECHNICAL EXAMINER LOWE: Morning, Mr. Hough.  
8 Morning, Mr. Bruce. One question for Lance. Were you --  
9 was Colgate's objection or wanted input on all of three  
10 cases or just the one initial one?

11 MR. HOUGH: It would be entering for all three of  
12 the cases, but not entering an objection to any one case.

13 TECHNICAL EXAMINER LOWE: Okay. Well, I guess I  
14 misspoke by saying objection. I guess, is your input for  
15 all the three cases then?

16 MR. HOUGH: That is correct, just for an entry of  
17 appearance.

18 TECHNICAL EXAMINER LOWE: That's all I have.  
19 Thank you.

20 MR. HOUGH: Thank you.

21 HEARING EXAMINER ORTH: Thank you, Mr. Lowe,  
22 Mr. Bruce, Mr. Hough.

23 These three matters will be taken under  
24 advisement.

25 MR. BRUCE: Thank you.

1 MR. HOUGH: Thank you.  
2 (Exhibits admitted.)  
3 (Taken under advisement.)  
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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

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4 REPORTER'S CERTIFICATE

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

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

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

17 Dated this 18th day of February 2021.

18

/s/ Irene Delgado

19

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

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