

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: 21722

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS  
EXAMINER HEARING  
March 4, 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 EXAMINER BAYLEN LAMKIN on  
Thursday, March 4, 2021, through the Webex Platform.

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 EOG Resources:

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

I N D E X

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All Exhibits and Attachments	06

1 HEARING EXAMINER ORTH: Move then to 21722,  
2 Mewbourne Oil is the applicant, compulsory pooling  
3 application, Loco Hills is the name of the well.

4 Mr. Bruce, you are here for the applicant.

5 MR. BRUCE: Yes, Madam Examiner.

6 HEARING EXAMINER ORTH: Thank you. I saw an  
7 entry of appearance by, let's see, EOG. Mr. Feldewert, you  
8 are here for EOG?

9 MR. FELDEWERT: Yes, Madam Hearing Officer, we  
10 are here on behalf of EOG Resources. First off, we don't  
11 object to the matter moving forward or the relief requested.  
12 The one thing I do want to clarify is that in our prehearing  
13 statement we had asked there will be a special payment  
14 provision. I'm informed that the parties have since reached  
15 a separate agreement, and as a result that special payment  
16 provision is no longer required in the order.

17 HEARING EXAMINER ORTH: Thank you very much for  
18 that. And thank you for your statement about proceeding by  
19 affidavit. Mr. Bruce?

20 MR. BRUCE: Yes, if I may proceed. In this case  
21 Mewbourne seeks to pool the Bone Spring Formation underlying  
22 a horizontal unit comprised of N/2 NW of Section 2 and the  
23 N/2 N/2 of Section 3 in 18 South, 30 East.

24 Exhibit 1 is simply the application and the  
25 proposed notice submitted to the Division.

1           Exhibit 2 is the affidavit of Josh Anderson, the  
2 landman who has previously testified before the Division and  
3 contains all the usual exhibits, the plats, the C-102s, a  
4 breakdown of the tracts and well unit, an ownership by  
5 tract.

6           And it designates the parties being pooled which  
7 are -- make sure -- I know on one of these there is a page,  
8 and I should have numbered the pages -- Mewbourne seeks to  
9 force pool SEC Permian LLC, Reed & Stevens Inc., EOG, Unit  
10 Petroleum Company, Roy L. Crow and Mesa Petroleum Company.

11           The package contains a summary of contacts with  
12 these parties, a couple of them, Mesa Petroleum and Roy L.  
13 Crow, they could not locate them. But Mewbourne has been  
14 working on this prospect since September -- well, let's say  
15 late summer, early fall of 2018, so there has been  
16 sufficient, numerous contacts between the various parties  
17 except for those two are unlocatable.

18           Attachment D to the landman's exhibit is the AFE.  
19 Exhibit 3 is the affidavit of Charles Crosby, the geologist  
20 who has previously testified, and it contains the usual  
21 structure map, isopach, cross section, and also a table with  
22 production data which shows that at least as to the more  
23 recent wells in this area, they are really quite productive.

24           Exhibit 4 is my affidavit of notice.

25           I did not receive all the green cards back, but

1 Exhibit 5 was the publication notice given to all of the  
2 parties, and so notice was either accomplished by certified  
3 mail or by publication notice.

4 There were a couple of additional parties  
5 notified being West Way Petro and Todd Memorial Trust who  
6 Mewbourne has come to terms with and those parties, we do  
7 not seek to pool.

8 So with that I would move the admission of  
9 Exhibits 1 through 6 and ask that the case be taken under  
10 advisement.

11 HEARING EXAMINER ORTH: Thank you, Mr. Bruce.  
12 Mr. Feldewert, do you have questions about any of that?

13 MR. FELDEWERT: I do not. Thank you.

14 HEARING EXAMINER ORTH: Thank you. Mr. Lamkin,  
15 do you have questions?

16 TECHNICAL EXAMINER LAMKIN: I don't have any  
17 questions either.

18 HEARING EXAMINER ORTH: All right. Thank you.  
19 Exhibits 1 through 6 are admitted and the matter is taken  
20 under advisement.

21 (Exhibits admitted.)

22 (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 4th day of March 2021.

18

/s/ Irene Delgado

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

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