

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: 21752

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

CASE NOS: 21753

APPLICATION OF MEWBOURNE OIL COMPANY
TO AMEND ORDER R-21428,
EDDY COUNTY, NEW MEXICO

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
APRIL 8, 2021
SANTA FE, NEW MEXICO

This matter came on for virtual hearing before
the New Mexico Oil Conservation Division, HEARING OFFICER
WILLIAM BRANCARD and TECHNICAL EXAMINER DEAN McCLURE on
Thursday, April 8, 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:

DANA HARDY
HINKLE SHANOR LLP
P.O. Box 0268
Santa Fe, NM 87504
505-982-4554

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

Exhibits and Attachments 06

1 HEARING EXAMINER BRANCARD: Call Case 14 on the
2 list, 21752, Mewbourne Oil Company, Hinkle Shanor.

3 MS. HARDY: Yes, Mr. Examiner, Dana Hardy with
4 the Santa Fe office of Hinkle Shanor on behalf of Mewbourne
5 Oil Company. And if it's acceptable, I would like to
6 consolidate 21753 and 21752.

7 HEARING EXAMINER BRANCARD: Okay. Are there any
8 objections to this consolidation?

9 (No audible response.)

10 HEARING EXAMINER BRANCARD: Hearing none, but one
11 is compulsory pooling and one is an amendment; is that?
12 Correct.

13 MS. HARDY: That is correct. And they relate to
14 the same acreage, basically, so it might make more sense if
15 I present Case 21753 before Case 21752. We can also do it
16 that way, if that's acceptable.

17 HEARING EXAMINER BRANCARD: There being no
18 objection, Ms. Hardy, please proceed with the two cases.

19 MS. HARDY: Thank you, Mr. Examiner.

20 In case 21753, Mewbourne seeks to amend order
21 R-21428 for Ithaca 15-14 WOEF Well. And that order approved
22 a 480 acre spacing unit comprised of the N/2 of Section 15
23 and the NW/4 of Section 14, Township 20 South, Range 29
24 East, in Eddy County. And the well was designated as a
25 proximity tract well.

1 In this case Mewbourne seeks to amend the spacing
2 unit to include a 240 acre that consists of the S/2 N/2 of
3 Section 15 and the S/2 NW/4 of Section 14. So basically
4 Mewbourne is moving the wells to the south so it's no longer
5 a proximity tract well.

6 Mewbourne also seeks an extension of its deadline
7 of drilling the well until one year of after the Division's
8 new order, and the reason for that is it's planning to drill
9 this well and the next well in Case Number 21752
10 simultaneously.

11 We have provided the affidavit of landman Tyler
12 Jolly and geologist Charles Crosby to support the
13 application. The land ownership information is provided in
14 Exhibit A-4, and the notice information is provided in A-6
15 and A-7.

16 Notice was sent to all parties who were notified
17 of the original proceeding in which the order was issued,
18 and that was Case Number 21358. That notice was provided by
19 certified mail and notice was also published.

20 And Mr. Examiner, would you like me to move on to
21 Case 21752 or are there questions about 21753?

22 HEARING EXAMINER BRANCARD: I will defer to my
23 examiner, Mr. McClure.

24 Mr. McClure, do you have questions about 21753?

25 TECHNICAL EXAMINER McCLURE: Mr. Brancard, I do

1 not have questions about 21753.

2 HEARING EXAMINER BRANCARD: Thank you. Please
3 proceed, Ms. Hardy.

4 MS. HARDY: Thank you. In Case 21752, Mewbourne
5 seeks an order pooling uncommitted interest in the Wolfcamp
6 formation in a 240 acre standard horizontal spacing unit
7 comprised of the N/2 N/2 of Section 15 and the N/2 NW/4 of
8 Section 14, Township 20 South, Range 29 East. And that
9 spacing unit will dedicated to the Ithaca W0DC Fed Com 1H
10 well.

11 And as with the prior case, we provided the
12 affidavits landman Tyler Jolly and geologist Charles Crosby
13 in support of the application. The land ownership
14 information is provided in Exhibit A-4, and notice was
15 timely provided by certified mail and was also published.

16 The certified mail information is included in
17 Exhibit A-6. And the affidavit of publication is included
18 in A-7. So with that I would request that the exhibits to
19 these cases be admitted into the record and that the matters
20 be taken under advisement.

21 HEARING EXAMINER BRANCARD: Thank you. Mr.
22 McClure, any questions?

23 TECHNICAL EXAMINER McCLURE: I have no questions
24 at this time.

25 HEARING EXAMINER BRANCARD: Thank you. Ms.

1 Hardy, I don't know if I was following you, but I think you
2 made reference to another case number along the way?

3 MS. HARDY: Right. So in case Number 21753, we
4 are seeking to amend the Order Number 21428. And that order
5 was issued in case 21358. So in that case Mewbourne had
6 pooled the entire N/2 of Section 15 and the NW/4 of 14 for
7 the 15-14 WOEf well.

8 And then in this case they are proposing to move
9 it to the south because they are also going to drill the
10 Ithaca WOCD well in the N/2, and so they reconfigured that
11 spacing unit.

12 HEARING EXAMINER BRANCARD: Okay, thank you. I
13 appreciate that.

14 (Audio interference.)

15 HEARING EXAMINER BRANCARD: Somebody has their
16 mic on somewhere.

17 We will accept the exhibits in these cases, and
18 Cases 21752 and 21753 will be taken under advisement.

19 MS. HARDY: Thank you.

20 HEARING EXAMINER BRANCARD: Thank you.

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 8th day of April 2021.

18

/s/ Irene Delgado

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

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