

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: 21820

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING,  
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  
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A P P E A R A N C E S

For the Applicant:

JAMES BRUCE  
P.O. Box 1056  
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505-982-2151  
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I N D E X

CASE CALLED

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Admitted

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1 HEARING EXAMINER BRANCARD: Item 42, Case 21820,  
2 Mewbourne Oil Company. Mr. Bruce?

3 MR. BRUCE: Yes. I am here on behalf of  
4 Mewbourne.

5 HEARING EXAMINER BRANCARD: Thank you. Are there  
6 any other interested parties in this matter?

7 (No audible.)

8 HEARING EXAMINER BRANCARD: Hearing none,  
9 Mr. Bruce, you may proceed.

10 MR. BRUCE: Yes, Mr. Examiner, take a step back,  
11 in Case Number 21644, Mewbourne force pooled the Wolfcamp  
12 formation underlying the N/2 of Section 13 and the N/2 of  
13 Section 14 of 23 South, 26 East, in Eddy County for purposes  
14 of drilling the Air Boss 13/14 W080 Fed Com Number 1H.

15 An order was issued in that case, and off the top  
16 of my head I don't see the order number, but there was one  
17 additional party, an unlocatable party who Mewbourne came up  
18 with. So what I seek to -- I don't know that I need a full  
19 pooling order, but I'm just adding a pooled party to that  
20 prior order number.

21 And the party being pooled is an entity called,  
22 as shown in the landman's affidavit or Exhibit 2, is an  
23 entity called Latigo Petroleum Inc. who at one time was a  
24 very good client of mine, but has disappeared off the face  
25 of the planet some years ago.

1           A dozen years or so ago, as stated in the  
2 landman's affidavit, Latigo sold or assigned all of its  
3 properties in New Mexico to another entity or entities. But  
4 this lease, Matador's leasehold in the NE/4 of Section 14  
5 was never assigned, and they -- Mewbourne, as stated in the  
6 affidavit, has also tried to come up with a successor for  
7 Latigo whether through mergers or things like that. They  
8 checked the federal, county and corporate records, performed  
9 internet searches, nothing could come up with a valid  
10 address for Latigo.

11           The records of the New Mexico Secretary of State  
12 reveal that Latigo's authority to do business in New Mexico  
13 has been revoked, and there is no registered agent for  
14 Latigo.

15           So therefore, Mewbourne seeks to force pool  
16 Latigo into the well unit, and the landman's affidavit  
17 contains all the usual information, land plats, C-102s,  
18 AFEs. It does not contain a proposal letter because no  
19 proposal letter was ever sent to Latigo.

20           And then Exhibit 3 is the affidavit of Tyler  
21 Hill, the geologist, which contains all the usual  
22 information. What I simply did was copy the affidavits land  
23 man from Case 21644 and slapped that into the exhibit  
24 package. And so it contains useful information, and over  
25 the last year or so, I don't think there is enough

1 geological change to worry about updating the affidavit.

2 No mailed notice was sent to Latigo, but Exhibit  
3 4 is the affidavit of publication from the Carlsbad Current  
4 Argus newspaper showing that proper publication by notice  
5 was given to Latigo or whoever its successor may or may not  
6 be.

7 And Exhibit 5 is simply a pooling checklist  
8 which, again, was just from Case 21644. I don't think a new  
9 pooling checklist is needed because I think we can just,  
10 just say that or exhibiting the existing pooling order is  
11 just being amended to add a new pooled party.

12 But with that, I would move the admission of  
13 Exhibits 1 through 5 and ask that the matters be taken under  
14 advisement.

15 HEARING EXAMINER BRANCARD: Thank you. Mr.  
16 McClure, questions?

17 TECHNICAL EXAMINER McCLURE: Yes. Was there an  
18 order issued in Case 21644 that we are amending? Is that  
19 what we are asking for, to make sure I'm on the same page?

20 MR. BRUCE: Yes.

21 TECHNICAL EXAMINER McCLURE: I have no other  
22 questions, Mr. Brancard.

23 HEARING EXAMINER BRANCARD: Yes, that was my  
24 question because your application is an application for  
25 pooling. It's not on application to amend an order, but

1 you're actually trying to amend an order; is that correct?

2 MR. BRUCE: That's correct. I have done it both  
3 ways. I mean, we are pooling, but we don't need to issue a  
4 full length order and go to that measure if you can just do  
5 a half page order for this one particular interest owner.

6 HEARING EXAMINER BRANCARD: Mr. McClure, are you  
7 okay with trying to track town the order?

8 TECHNICAL EXAMINER McCLURE: I personally don't  
9 have a problem with that. I mean, we've got it on imaging.  
10 It's up to you, I guess, if you want it submitted or not.

11 HEARING EXAMINER BRANCARD: I think we understand  
12 what you are trying to get at, here Mr. Bruce, so --

13 MR. BRUCE: Thanks.

14 HEARING EXAMINER BRANCARD: -- we will move  
15 forward with that. Are there any other comments or  
16 interests in this case?

17 (No audible response.)

18 HEARING EXAMINER BRANCARD: Hearing none, the  
19 exhibits in this case will be admitted, and Case 21820 will  
20 be taken 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 8th day of April 2021.

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/s/ Irene Delgado

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

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