

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: 21884, 21885,
21886, 21887

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

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
JULY 15, 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, July 15, 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:

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I N D E X

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1 HEARING EXAMINER BRANCARD: Thank you. With that
2 I'm on Item 42 on today's agenda. And this looks like four
3 cases here, 21884, 21885, 21886, 21887, Mewbourne Oil
4 Company.

5 MR. BRUCE: Yes, Jim Bruce here on behalf of
6 Mewbourne.

7 HEARING EXAMINER BRANCARD: Thank you. Cimarex
8 Energy here?

9 MR. SAVAGE: Yes. Good morning, Mr. Examiner
10 Darin Savage on behalf of Cimarex Energy Company.

11 HEARING EXAMINER BRANCARD: Okay. So what's
12 Cimarex's position on this? Are we going forward by
13 affidavit? You have raised some issues and they sounded
14 like title issues.

15 MR. SAVAGE: Cimarex is in a position to withdraw
16 its objections and to allow the Mewbourne to go forward by
17 affidavit.

18 HEARING EXAMINER BRANCARD: (Inaudible.)

19 MR. SAVAGE: I'm sorry, Mr. Brancard, I can't
20 hear.

21 HEARING EXAMINER BRANCARD: I'm sorry, thank you.
22 Are there any other interested persons in cases 21884, 885,
23 885, 887?

24 (No response.)

25 HEARING EXAMINER BRANCARD: Hearing none, Mr.

1 Bruce, you may proceed.

2 MR. BRUCE: In the first case, 21884, I will go
3 through this first, and the others are virtually -- the
4 other exhibit packets are virtually identical.

5 In this case Mewbourne seeks to force pool the
6 Bone Spring formation in the N/2 N/2 of Section 18 and N/2
7 N/2 of Section 17, in 18 South, 31 East. The land exhibits
8 contain the usual well location information, the interests
9 of the parties, both the letters and AFEs.

10 As you go through the cases, the only thing
11 that's really different in each case is the pooling
12 checklist for the different wells and then the notice is a
13 little bit different for each particular case.

14 There is a geology affidavit of Charles Crosby.
15 That is identical for all four cases and contains the usual
16 isopach, structure map, cross section and production
17 information from wells in this area.

18 And there is an affidavit of notice, all parties
19 being notified in this case. In this case there are three
20 companies are locatable and they did receive actual
21 certified notice.

22 And then the pooling checklists are Exhibit 5,
23 and I believe that is proper and complete. In the other
24 cases, like I said, the exhibit packages are virtually
25 identical.

1 Case 885 covers the S/2 N/2 of those Sections 17
2 and 18. Case Number 886 covers the N/2 S/2 of Sections 18
3 and 17. And Case Number 21887 covers the S/2 S/2 of those
4 two sections.

5 And so it's just, for land involved, a little
6 different notice on each one. The landmen's affidavits are
7 virtually identical in each case, and the geologist's
8 affidavit covers all four cases.

9 In each of the cases, additional cases, all
10 parties received actual certified notice, so there is no
11 publication needed. And each packet contains a pooling
12 checklist.

13 And with that, I would move the admission of
14 Exhibits 1 through 5 in each case and ask that the matters
15 be taken under advisement.

16 HEARING EXAMINER BRANCARD: Thank you. Mr.
17 Savage, any questions or concerns?

18 MR. SAVAGE: No concerns, thank you.

19 HEARING EXAMINER BRANCARD: Mr. McClure?

20 TECHNICAL EXAMINER McCLURE: No questions
21 regarding these cases.

22 HEARING EXAMINER BRANCARD: So you have
23 everything you need in your package. Is that correct, Mr.
24 Bruce?

25 MR. BRUCE: Sometimes a blind pig can find an

1 acorn, yes.

2 HEARING EXAMINER BRANCARD: Thank you. With
3 that, are there any other comments from anyone on Cases
4 21884, 21885, 21886, 21887?

5 (No response.)

6 HEARING EXAMINER BRANCARD: Hearing none, the
7 exhibits will be admitted into the record and these four
8 cases will be taken under advisement.

9 (Exhibits admitted.)

10 (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 15th day of July 2021.

18

/s/ Irene Delgado

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

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