

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:

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

Case No. 22841, 22842

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS
EXAMINER HEARING
June 2, 2022
SANTA FE, NEW MEXICO

This matter came on for virtual hearing
before the New Mexico Oil Conservation Division,
HEARING OFFICER WILLIAM BRANCARD and TECHNICAL
HEARING OFFICER JOHN GARCIA on Thursday, June 2,
2022, through the Webex Platform.

Reported by: PAUL BACA COURT REPORTERS
500 4th Street, NW, Suite 105
Albuquerque, New Mexico 87102
505-843-9241

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

For Mewbourne Oil Company:

JAMES GARRETT BRUCE ATTORNEY AT LAW
PO Box 1056
Santa Fe, New Mexico 87504-1056
505-982-2043
BY: JAMES G. BRUCE
jamesbruc@aol.com

I N D E X

	PAGE
CASE CALLED	
HEARING	3
CERTIFICATE OF REPORTER	7

EXHIBITS

NUMBER	PAGE ADMITTED
1	6
2	6
3	6
4	6
5	6

1 HEARING OFFICER BRANCARD: All right. We
2 are on Number 75 on the worksheet today. These are
3 Cases 22841, 22842, Mewbourne Oil Company.

4 MR. BRUCE: Jim Bruce on behalf of
5 Mewbourne.

6 HEARING OFFICER BRANCARD: I don't have
7 any other interested parties listed at this point.
8 Are there any other interested parties in
9 Cases 22841 and 22842?

10 Hearing none, Mr. Bruce, you may proceed.

11 MR. BRUCE: Mr. Examiner, I have submitted
12 two exhibit compilations. First one for the first
13 case Mewbourne seeks to force pool north half-north
14 half of Sections 25 -- north half-north half of
15 Section 25 and north half-northeast of Section 26,
16 18 South, 31 East, Eddy County to drill the Deep
17 Ellum 25/26 B2AB Fed Com Well Number 1H. That's
18 Exhibit 1.

19 Exhibit 2 is the statement of Mitch Robb,
20 a landman who has testified before the Division many
21 times. Contains the usual information C102, the
22 tracts involved, the interest ownership of the
23 companies. The only party being force pooled is
24 Chevron U.S.A., inc.

25 Once again Mewbourne seeks 8,000 a month

1 for drill well, 800 a month for producing a well,
2 and 200 percent penalty.

3 Proposal letter, there is not a --
4 proposal -- the letter was mailed February 17, 2022.
5 I know Mewbourne has been in contact. There is a
6 summary of communication showing that the parties
7 have been in touch. Mewbourne and Chevron seem to
8 get along pretty well.

9 AFE submitted and Exhibit 3, the geologist
10 affidavit which contains the usual materials.
11 Mewbourne submits a structure map, isopack, cross
12 section and a summary of Second Bone Spring
13 production data in the area.

14 The geologist states that each
15 quarter-quarter section will be more or less the
16 production.

17 The affidavit of mailing is Exhibit 4 and
18 it shows that Chevron did receive actual notice and
19 therefore no spreadsheet regarding notice is
20 attached.

21 And then Exhibit 5 are the pooling
22 checklists.

23 And so I move the admission, I think the
24 exhibits packet is proper. The exhibit packets are
25 proper and I move for the admission of exhibits in

1 both cases.

2 HEARING OFFICER BRANCARD: Thank you.

3 Mr. Garcia, questions?

4 TECHNICAL HEARING EXAMINER GARCIA: Just
5 my standard acreage question is half a mile to the
6 east? If we can get some clarity on that.

7 MR. BRUCE: Excuse me. Mr. Garcia, what
8 would you like?

9 TECHNICAL HEARING EXAMINER GARCIA: Just
10 some affidavit on the acreage to the east of the
11 spacing unit a half mile.

12 MR. BRUCE: Oh, okay. I got you, yeah.
13 Yeah, I think that's dedicated to other wells, but I
14 will get that data to you.

15 TECHNICAL HEARING EXAMINER GARCIA: That's
16 all I have.

17 HEARING OFFICER BRANCARD: So that would
18 be the northwest quarter of Section 26 that you're
19 wondering about, Mr. Garcia.

20 TECHNICAL HEARING EXAMINER GARCIA:
21 Correct.

22 HEARING OFFICER BRANCARD: Okay. All
23 right. Mr. Bruce, there's only one party here, so I
24 assume Chevron knows what's going on. So I won't
25 make a big deal of the fact that the notice letter

1 you sent to them has the wrong case in it. One of
2 the cases, but ...

3 MR. BRUCE: Boy.

4 HEARING OFFICER BRANCARD: Your client has
5 been in regular contact with Chevron, so these
6 descriptions are correct, so that's fine.

7 MR. BRUCE: Yeah.

8 HEARING OFFICER BRANCARD: All right. Are
9 there any other persons, then, for Cases 22841,
10 22842?

11 Hearing none, the exhibits will be
12 admitted into the record. The cases will be subject
13 an affidavit regarding stranded acreage.

14 MR. BRUCE: Thank you.

15 (Matter concluded.)

16

17

18

19

20

21

22

23

24

25

REPORTER'S CERTIFICATE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I certify that the foregoing is a correct transcript from the record of proceedings in the above-entitled matter. I further certify that the transcript fees and format comply with those prescribed by the Court and the Judicial Conference of the United States.

Date: June 2, 2022

/s/ Edwina Castillo

EDWINA CASTILLO, RPR, CCR
Certified Court Reporter #407
License Expires: 12-31-2022