| 3 | ORIGINAL Page 1 | |
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| 4 | IN THE MATTER OF THE HEARING CALLED | |
| 5 | BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING: | |
| 6 | APPLICATION OF MEWBOURNE OIL COMPANY FOR APPROVAL OF A NONSTANDARD (Readvertised) OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, | |
| 7 | | |
| 8 | NEW MEXICO. | |
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| 10 | REPORTER'S TRANSCRIPT OF PROCEEDINGS | |
| 11 | EXAMINER HEARING | |
| 12 | | |
| 13 | BEFORE: DAVID K. BROOKS, Chief Examiner | |
| 14 | TERRY WARNELL, Technical Examiner | |
| 15 | May 24, 2012 | |
| 16 | Santa Fe, New Mexico | |
| 17 | TERRY WARNELL, Technical Examiner | |
| 18 | This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, | |
| 19 | Chief Examiner, and TERRY WARNELL, Technical Examiner, | |
| 20 | on Thursday, May 24, 2012, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South | |
| 21 | St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico. | |
| 22 | | |
| 23 | REPORTED BY: Mary C. Hankins, CCR, RPR New Mexico CCR #20 | |
| 24 | Paul Baca Professional Court Reporters | |
| 25 | 500 4th Street, Northwest, Suite 105 Albuquerque, New Mexico 87102 | |
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| 1 | APPEARANCES | Page 2 |
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| 2 | FOR APPLICANT MEWBOURNE OIL COMPANY: | |
| 3 | JAMES G. BRUCE, ESQ. | |
| 4 | Post Office Box 1056 Santa Fe, New Mexico 87504 | |
| 5 | (505) 982-2043 jamesbruc@aol.com | |
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| 7 | | |
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| 14 | | |
| 15 | EXHIBITS OFFERED AND MARKED | |
| 16 | Mewbourne Exhibit Number 5A | 4 |
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Page 3 1 (9:31 A.M.) EXAMINER BROOKS: Case Number 6 has been 2 continued, so at this time we will call Case Number 7, 3 which is Case Number 14817, readvertised, the 4 application of Mewbourne Oil Company for approval of a 5 nonstandard oil spacing and proration unit and 6 compulsory pooling, Eddy County, New Mexico. 7 Call for appearances. 8 9 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe representing the Applicant. I'm just 10 submitting notice materials. 11 EXAMINER BROOKS: It was my understanding, 12 again, this case was heard at a previous docket. 13 MR. BRUCE: That is correct. It was heard, 14 and a landman and a geologist presented testimony. 15 It turned out that I had missed notifying -- sending notice 16 to one interest owner. So I'm handing you what's been 17 marked Exhibit -- Mewbourne Exhibit 5A. There is a 18 gentleman, Donato Iacobelli. I mailed notice to him of 19 this hearing. The letter was returned. You can see 20 that it was refused. 21 The testimony of the landman was that this 22 23 was the valid address, and he had had correspondence with him. But over the last few months, he stopped 24 25 accepting certified mail, so I believe the notice is

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| 1 | valid. Page 4 |
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| 2 | EXAMINER BROOKS: Very good, Exhibit Number |
| 3 | 5A will be admitted. |
| 4 | (Mewbourne Exhibit Number 5A was offered |
| 5 | and admitted into evidence.) |
| 6 | EXAMINER BROOKS: And if there is nothing |
| 7 | further, Case Number 14817 will be taken under |
| 8 | advisement. |
| 9 | (The hearing concluded, 9:32 a.m.) |
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| 13 | 100 barn |
| 14 | i do heraby certify that the foregoing to a complete record of the proceedings in the Examiner hearing of Case No. |
| 15 | the Examiner hearing of Case No. |
| 16 | "Strategy |
| 17 | Oil Conservation Division, Examiner |
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1 STATE OF NEW MEXICO

2 COUNTY OF BERNALILLO

3 CERTIFICATE OF COURT REPORTER 4 I, MARY C. HANKINS, New Mexico Certified 5 Court Reporter No. 20, and Registered Professional 6 7 Reporter, do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that 8 9 the foregoing pages are a true and correct transcript of those proceedings that were reduced to printed form by 10 me to the best of my ability. 11 I FURTHER CERTIFY that the Reporter's 12 Record of the proceedings truly and accurately reflects 13 the exhibits, if any, offered by the respective parties. 14 I FURTHER CERTIFY that I am neither 15 16 employed by nor related to any of the parties or 17 attorneys in this case and that I have no interest in the final disposition of this case. 18 Mary C. Hankins 19 20 MARY C. HANKINS, CCR, RPR Paul Baca Professional Court Reporters 21 New Mexico CCR No. 20 22 Date of CCR Expiration: 12/31/2012 23 24 25

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