STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES	RECEIVED department	OCD
OIL CONSERVATION DIVISION	2012 JUN 28 4	4 11: 03

IN THE MATTER OF THE HEARINGS CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF LIME ROCK RESOURCES II-A, L.P. CASE NO. 14820 FOR APPROVAL OF COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

APPLICATION OF LIME ROCK RESOURCES II-A, L.P. CASE NO. 14821 FOR APPROVAL OF COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO APPLICATION OF LIME ROCK RESOURCES II-A, L.P. CASE NO. 14822 FOR APPROVAL OF COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

APPLICATION OF LIME ROCK RESOURCES II-A, L.P.CASE NO. 14823FOR APPROVAL OF COMPULSORY POOLING, EDDYCOUNTY, NEW MEXICO

MOTION FOR LEAVE TO TAKE THE DEPOSITION OF LAWRENCE D. GARCIA

Mewbourne Oil Company ("Mewbourne"), pursuant to NMSA 1978 §70-2-8 and NMAC 19.15.4.16(A), hereby moves the Director of the Division to grant Mewbourne leave to take the deposition of Lawrence D. Garcia and to issue a subpoena authorizing such deposition, and as grounds therefore, states:

1. Lime Rock Resources II-A, L.P. ("Lime Rock") has filed the above applications seeking to force pool all depths from the surface to the base of the Yeso formation underlying the E1/2SW1/4 of Section 7, Township 18 South, Range 27 East, N.M.P.M. The Yeso formation is apparently the primary target of the four wells involved in these cases.

2. Mewbourne is the operator of the S1/2 of Section 7 under an Operating Agreement dated May 15, 1973.

3. Mewbourne opposes Lime Rock's applications because the depths that Lime Rock seeks to pool include depths covered by the May 15, 1973 Operating Agreement, and Lime Rock failed to abide by its terms prior to filing the applications. Mewbourne has filed a *Motion to Dismiss* which describes its position in more detail. <u>See Motion to Dismiss</u>.

4. In response to Mewbourne's *Motion to Dismiss*, Lime Rock claimed that the May 15, 1973 Operating Agreement does not prevent it from proceeding with the applications for compulsory pooling because the lands and formations covered by the applications are not committed to the Operating Agreement. <u>See Lime Rock's *Response to Motion to Dismiss*, p. 2.</u>

5. In support of its position Lime Rock relies on a supplemental title opinion specifically addressing the effect of the operating agreement prepared by its attorney Lawrence D. Garcia. Id. Lime Rock attached the supplemental title opinion as Exhibit 1 to its *Response to Motion to Dismiss*. Id. In addition, Lime Rock's counsel has informed Mewbourne's counsel that Mr. Garcia is preparing supplemental title information.

6. Mewbourne believes Lime Rock's position is without merit and seeks to discover information about the basis of any of Mr. Garcia's title opinions that Lime Rock relied on when filing the applications.

7. In order to gain this information, Mewbourne needs to depose Mr. Garcia. Mewbourne submits that this deposition is necessary to the resolution of this case since Mr. Garcia's title opinions are the sole rationale for Lime Rock filing these applications. If Mr. Garcia's opinions regarding this matter are found to be unsound and unsupported, this case should then be dismissed.

Motion For Leave to Take the Deposition of Lawrence D. Garcia

8. Therefore, Mewbourne requests the Director grant it leave to take the deposition of Mr. Garcia and accordingly issue the *Subpoena For Deposition of Lawrence D. Garcia* attached hereto as Exhibit A. A form of order granting this motion is submitted herewith.

9. Opposing counsel was contacted to see if Lime Rock would make Mr. Garcia available for a deposition (Exhibit B), but no response has yet been received.

WHEREFORE, Mewbourne respectfully moves the Director to grant Mewbourne leave to take the deposition of Lawrence D. Garcia and issue the Subpoena attached hereto as Exhibit A, and for such other and further relief as may be deemed appropriate.

Respectfully Submitted,

James Bruce P O. Box 1056 Santa Fe, NM 87504 (505) 982-2043

Attorney for Mewbourne Oil Company

Certificate of Service

I hereby certify that on this 25% day of June, 2012, a true and correct copy of the foregoing pleading was sent via facsimile (505-988-7592) and by United States Mail, to Ernest L. Padilla, P.O. Box 2523, Santa Fe, NM 87504-2523.

Auc

James Bruce

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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SUBPOENA FOR DEPOSITION OF LAWRENCE D. GARCIA

TO: LAWRENCE D. GARCIA Gieger, Laborde & Laperouse, LLC 1177 West Loop South, Suite 750 Houston, Texas 77027

Pursuant to NMSA 1978 §70-2-8 and Oil NMAC 19.15.4.16, you are hereby ordered to appear at 9:00 a.m. on the 6th day of July, 2012, at the offices of Hinkle, Hensley, Shanor & Martin, LLP, 218 Montezuma, Santa Fe, New Mexico 87501, for your deposition and to produce the documents and items specified in Exhibit 1 attached hereto, and to make available for Mewbourne Oil Company, or its agents or attorneys, for examination and copying all of said documents.



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This subpoena is issued on the application of Mewbourne Oil Company through its attorney, James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504.

Dated this ______, 2012.

NEW MEXICO OIL CONSERVATION DIVISION

By:

Jami Bailey, Director

EXHIBIT 1

Please produce and bring with you to your deposition any and all files and documents maintained in connection with preparing the following title opinions for Lime Rock Resources: (1) Drilling Title Opinion No. LR811-01, dated August 24, 2011, (2) Supplemental Drilling and Division Order Title Opinion, dated April 13, 2012, and (3) any additional or supplemental title opinions prepared by you or under your supervision after April 13, 2012.

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From: jamesbruc <jamesbruc@aol.com>

To: epadillaplf <epadillaplf@qwestoffice.net>

Bcc: mshepard <mshepard@mewbourne.com>; rolson <rolson@hinklelawfirm.com>

Subject: Lime Rock/Mewbourne

Date: Tue, Jun 26, 2012 9:02 am

Ernie: Mewbourne would like to depose Mr. Garcia, Lime Rock's title attorney. Will Lime Rock make him available voluntarily? Let me know as soon as ytou can. Thanks.

Jim



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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ORDER GRANTING LEAVE TO TAKE THE DEPOSITION OF LAWRENCE D. GARCIA

THE DIRECTOR, having considered Mewbourne Oil Company's ("Mewbourne") Motion for Leave to Take the Deposition of Lawrence D. Garcia, hereby FINDS THAT the

Motion is well taken, is supported by good cause, and should be granted.

IT IS THEREFORE ORDERED that Mewbourne shall be granted leave to take the deposition of Lawrence D. Garcia and the *Subpoena For Deposition of Lawrence D. Garcia*, attached as Exhibit A to Mewbourne's *Motion*, shall be issued by the Director.

JAMI BAILEY, DIRECTOR

Submitted by:

James Bruce P.O. Box 1056 Santa Fe, NM 87504 (505) 982-2043

Attorney for Mewbourne Oil Company