Page 1 STATE OF NEW MEXICO 1 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT 2 OIL CONSERVATION DIVISION 3 IN THE MATTER OF THE HEARING CALLED ORIGINAL BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING: 4 CASE NO. 15142 APPLICATION OF MEWBOURNE OIL 5 COMPANY FOR A NONSTANDARD OIL SPACING AND PRORATION UNIT AND 6 COMPULSORY POOLING, EDDY COUNTY, 7 NEW MEXICO. 8 9 REPORTER'S TRANSCRIPT OF PROCEEDINGS 10 EXAMINER HEARING June 12, 2014 11 12 Santa Fe, New Mexico ZANN JUN 20 P 13 BEFORE: RICHARD EZEANYIM, CHIEF EXAMINER 14 15 16 This matter came on for hearing betore the 17 New Mexico Oil Conservation Division, Richard Ezeanyim, 18· Chief Examiner, on Thursday, June 12, 2014, at the New Mexico Energy, Minerals and Natural Resources 19 Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, 20 New Mexico. 21 22 REPORTED BY: Mary C. Hankins, CCR, RPR New Mexico CCR #20 Paul Baca Professional Court Reporters 23 500 4th Street, Northwest, Suite 105 24 Albuquerque, New Mexico 87102 (505) 843-9241 25

Page 2 APPEARANCES FOR APPLICANT MEWBOURNE OIL COMPANY: JAMES G. BRUCE, ESQ. Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043 jamesbruc@aol.com INDEX PAGE Case Number 15142 Called Exhibits Offered Proceedings Conclude Certificate of Court Reporter EXHIBITS OFFERED AND ADMITTED Mewbourne Oil Company Exhibit Numbers 5 and 6 

Page 3 1 (8:27 a.m.) 2 EXAMINER EZEANYIM: Now I call Case Number 3 This was continued from May 29th as well, and 15142. this is the application of Mewbourne Oil Company for a 4 nonstandard oil spacing and proration unit and 5 6 compulsory pooling, Eddy County, New Mexico. 7 Call for appearances. MR. BRUCE: Mr. Examiner, Jim Bruce of 8 9 Santa Fe representing the Applicant. Again, I just have some notice materials. 10 11 EXAMINER EZEANYIM: Okay. Thank you. You 12 may go ahead. MR. BRUCE: Mr. Examiner, similar to the 13 last case, I hadn't received the Affidavit of 14 Publication, and that is submitted to you as Exhibit 6. 15 16 And I did receive an additional green card back, so rather than attaching the postal service online delivery 17 notice, I have -- I am submitting an additional Exhibit 18 5, which shows that all of the locatable parties being 19 20 pooled did receive actual notice. So I'd move the admission of Exhibits 5 and 6. 21 22 EXAMINER EZEANYIM: Exhibits 5 and 6 will 23 be admitted. 24 (Mewbourne Oil Company Exhibit Numbers 5 and 6 were offered and admitted into 25

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| 1  | evidence.)   |
| 2  | EXAMINER EZEANYIM: Case Number 15142 will  |
| 3  | be taken under advisement.   |
| 4  | (Case Number 15142 concludes, 8:28 a.m.)   |
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| 14 | f do haraby cartify that the foregoing to  |
| 15 | a complete record of the proceedings to the Examiner hearing of Case No.   |
| 16 | heard by me on by the second s |
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| 1   | STATE OF NEW MEXICO   |
| 2   | COUNTY OF BERNALILLO  |
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| 4   | CERTIFICATE OF COURT REPORTER                               |
| 5   | I, MARY C. HANKINS, New Mexico Certified                    |
| 6   | Court Reporter No. 20, and Registered Professional          |
| 7   | Reporter, do hereby certify that I reported the             |
| 8   | foregoing proceedings in stenographic shorthand and that    |
| 9   | the foregoing pages are a true and correct transcript of    |
| 10  | those proceedings that were reduced to printed form by      |
| 11  | me to the best of my ability.                               |
| 12  | I FURTHER CERTIFY that the Reporter's                       |
| 13. | Record of the proceedings truly and accurately reflects     |
| 14  | the exhibits, if any, offered by the respective parties.    |
| 15  | I FURTHER CERTIFY that I am neither                         |
| 16  | employed by nor related to any of the parties or            |
| 17  | attorneys in this case and that I have no interest in       |
| 18  | the final disposition of this case.                         |
| 19  | Marine Clauster   |
| 20  | Many C. Hankins, CCR, RPR                                   |
| 21  | Paul Baca Court Reporters, Inc.                             |
| 22. | New Mexico CCR No. 20<br>Date of CCR Expiration: 12/31/2014 |
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