

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 NO. 14112

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

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Jr., Legal Examiner
TERRY WARNELL, Technical Examiner

April 17, 2008

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico
Oil Conservation Division, DAVID K. BROOKS, Jr., Legal
Examiner, and TERRY WARNELL, Technical Examiner, on April 17,
2008, at the New Mexico Energy, Minerals and Natural Resources
Department, 1220 South St. Francis Drive, Room 102, Santa Fe,
New Mexico.

REPORTED BY: JOYCE D. CALVERT, P-03
Paul Baca Court Reporters
500 Fourth Street, NW, Suite 105
Albuquerque, New Mexico 87102

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A P P E A R A N C E S

FOR THE APPLICANT:

James G. Bruce, Esq.
ATTORNEY AT LAW
P.O. Box 1056
Santa Fe, New Mexico 87504

PAGE

EXHIBITS ADMITTED: Exhibits 1 - 2

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REPORTER'S CERTIFICATE

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1 MR. BROOKS: I call Case No. 14112, Application of
2 Mewbourne Oil Company for compulsory pooling, Lea County,
3 New Mexico.

4 Call for appearances.

5 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
6 representing the applicant. I'm submitting this case by
7 affidavit.

8 MR. BROOKS: You may proceed.

9 MR. BRUCE: Mr. Examiner, in this case I've marked as
10 Exhibits 1 and 2 are: First, the verified statement of the
11 landman according to Division rules, and Exhibit 2 is my Notice
12 of Affidavit.

13 In this case, Mewbourne Oil Company seeks the pooling
14 of all of Section 20, 20 South, 36 East to form a 640-acre gas
15 spacing and proration unit in the north Osudo-Morrow Gas Pool. (82/66)
16 That is one of the few pools still spaced at 640 acres.

17 The only party being pooled is Chevron U.S.A., Inc.,
18 which owns a little more than one percent interest. The
19 proposal letter and the AFE are attached, and the affidavit of
20 the landman does set forth the overhead rates that I've
21 requested.

22 And Exhibit 2 is my Notice of Affidavit. Chevron was
23 notified. It did receive actual notice.

24 With that, I move the admission of Exhibits 1 and 2
25 and ask that this matter be taken under advisement.

1 MR. BROOKS: Exhibits 1 and 2 will be admitted.

2 Chevron's the only party you're pooling, right?

3 MR. BRUCE: That is correct.

4 MR. BROOKS: Everyone else is joined up?

5 MR. BRUCE: Yes.

6 MR. BROOKS: And I don't suppose there would be any
7 reason why you would be dispensing Chevron's interest.

8 MR. BRUCE: I don't think so, Mr. Examiner.

9 MR. BROOKS: You've already set up an escrow in this
10 case. Okay. Thank you.

11 Case No. 14112 will be admitted -- will be taken
12 under advisement.

13 MR. BRUCE: Thank you, Mr. Examiner.

14 [Hearing concluded.]

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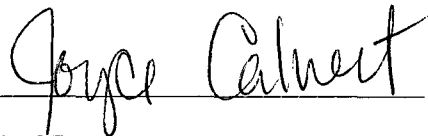
I do hereby certify that the foregoing is
a complete record of the proceedings in
the examiner hearing of Case No. _____
heard by me on _____
_____, Examiner
Oil Conservation Division

REPORTER'S CERTIFICATE

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I, JOYCE D. CALVERT, Provisional Court Reporter for the State of New Mexico, do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a true and correct transcript of those proceedings and was reduced to printed form under my direct supervision.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case and that I have no interest in the final disposition of this proceeding.



JOYCE D. CALVERT
New Mexico P-03
License Expires: 7/31/08

1 STATE OF NEW MEXICO)
 2 COUNTY OF BERNALILLO)

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4 I, JOYCE D. CALVERT, a New Mexico Provisional
 5 Reporter, working under the direction and direct supervision of
 6 Paul Baca, New Mexico CCR License Number 112, hereby certify
 7 that I reported the attached proceedings; that pages numbered
 8 1-4 inclusive, are a true and correct transcript of my
 9 stenographic notes. On the date I reported these proceedings,
 10 I was the holder of Provisional License Number P-03.

11 Dated at Albuquerque, New Mexico, 17th day of
 12 April, 2008.

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Joyce D. Calvert
 Provisional License #P-03
 License Expires: 7/31/08

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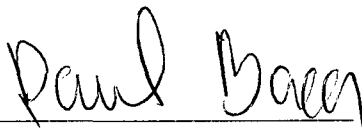
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