

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. 12,760

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Hearing Examiner

December 6th, 2001

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Hearing Examiner, on Thursday, December 6th, 2001, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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December 6th, 2001
 Examiner Hearing
 CASE NO. 12,760

PAGE

REPORTER'S CERTIFICATE

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E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	4	5
Exhibit 2	4	5

* * *

A P P E A R A N C E S

FOR THE DIVISION:

DAVID K. BROOKS
 Attorney at Law
 Energy, Minerals and Natural Resources Department
 Assistant General Counsel
 1220 South St. Francis Drive
 Santa Fe, New Mexico 87505

FOR THE APPLICANT:

JAMES G. BRUCE, Attorney at Law
 324 McKenzie
 Santa Fe, New Mexico 87501
 P.O. Box 1056
 Santa Fe, New Mexico 87504

* * *

1 WHEREUPON, the following proceedings were had at
2 11:45 a.m.:

3 EXAMINER BROOKS: At this time we'll call Case
4 Number 12,760, Application of Mewbourne Oil Company for
5 compulsory pooling, Eddy County, New Mexico.

6 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
7 representing the Applicant.

8 I have no witnesses, I just have a short
9 statement.

10 EXAMINER BROOKS: Any other appearances?
11 Very good, you may proceed.

12 MR. BRUCE: Mr. Examiner, a couple weeks ago I
13 made a short statement in this case, but I had -- during my
14 move I had misplaced my exhibits. Just briefly, Mewbourne
15 has drilled a well in the east half of Section 18, 19
16 South, 28 East, and all operating rights, working interest
17 owners, have joined in that well or were pooled into the
18 well.

19 It turned out that two record title owners, bare
20 record title owners in one state lease comprising 40 acres
21 were deceased. Their heirs could basically not be located
22 except for one, and the State Land Office will not allow
23 the well to be produced until the Com agreement was signed
24 by all record title owners or they were force pooled. The
25 two record title owners of the lease covering the north --

1 I believe it was the northwest quarter of the southeast
2 quarter, are Elmo Jones and Gerald Jones, both of whom are
3 deceased.

4 We tracked down the heirs of one of them. The
5 rest of them are all to the four winds, and we could not
6 locate all of these people, so it was impossible to get a
7 communitization agreement signed by everyone as required by
8 the State Land Office. Therefore, we force pooled these
9 record title owners under the Division rule allowing it to
10 be done without witnesses.

11 I've submitted to you Exhibit 1 which is my
12 affidavit of notice. One grandson of one of the record
13 title owners was located in Lubbock, and I sent notice of
14 this hearing to him. I have received no objection.

15 Exhibit Number 2 is an affidavit of publication
16 from the Carlsbad newspaper. We notified the two record
17 title owners and all of their various spouses, heirs, et
18 cetera, by publication in that newspaper.

19 Again, these people own no operating rights, they
20 just own bare record title.

21 And we would move the admission of Exhibits 1 and
22 2 and ask that an order be issued force pooling these
23 people so that the State Land Office will approve the
24 communitization agreement and so that the well can be
25 produced.

1 EXAMINER BROOKS: Very good, Exhibits 1 and 2 are
2 admitted.

3 Apparently we've lost the file on this case.
4 Could you provide us with a copy of the Application?

5 MR. BRUCE: Yes, I will do that.

6 EXAMINER BROOKS: Okay, that would be helpful.
7 Hopefully the file will surface, but just in case, I would
8 assume the Application and the -- Well, you've given us a
9 copy of the notice affidavit here, which includes the
10 notice, so the only thing it will be necessary to
11 reconstruct will be the Application itself.

12 MR. BRUCE: I will do that.

13 EXAMINER BROOKS: Thank you.

14 (Thereupon, these proceedings were concluded at
15 11:48 a.m.)

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David K. Brooks
Off Counsel

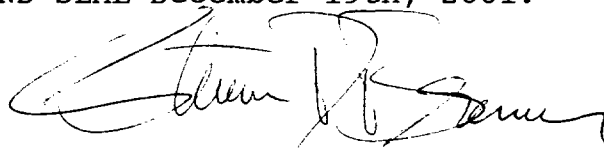
CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
 COUNTY OF SANTA FE)

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL December 19th, 2001.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 2002