

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. 12,826

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

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID K. BROOKS, Hearing Examiner

March 7th, 2002

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID K. BROOKS, Hearing Examiner, on Thursday, March 7th, 2002, 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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I N D E X

March 7th, 2002
 Examiner Hearing
 CASE NO. 12,826

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E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	5	6
Exhibit 2	5	6

* * *

Additional submission by Applicant, not offered or
 admitted:

	Identified
"Compulsory Pooling Form"	5

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A P P E A R A N C E S

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

ALSO PRESENT:

DAVID R. CATANACH
Hearing Examiner
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, NM 87501

* * *

1 WHEREUPON, the following proceedings were had at
2 8:20 a.m.:

3 EXAMINER CATANACH: Call the hearing to order
4 this morning for Docket Number 07-02. I'm going to go
5 ahead and call the continuances and dismissals first.

6 (Off the record)

7 EXAMINER BROOKS: Very good, looks like the first
8 one is mine. We'll call at this time Case 12,826,
9 Application of Mewbourne Oil Company for compulsory
10 pooling, Eddy County, New Mexico.

11 Call for appearances.

12 MR. BRUCE: Mr. Examiner, Jim Bruce of Santa Fe,
13 representing the Applicant. I just have a brief statement.

14 EXAMINER BROOKS: Very good. Any other
15 appearances?

16 Okay, you may proceed.

17 MR. BRUCE: Mr. Examiner, this case involves an
18 order seeking to pool certain interests from the top of the
19 Wolfcamp formation to the base of the Morrow formation.
20 The parties being pooled are simply record title owners,
21 they own no working interest in the particular well being
22 pooled. This is necessary for approval of a
23 communitization agreement by the Commissioner of Public
24 Lands, therefore a nonconsent penalty is not being sought
25 against these interest owners, because they do not own

1 operating rights.

2 We are seeking to pool the interest owners listed
3 on Exhibit 1. They own record title of the state leases
4 listed on Exhibit 1, except for the following: The Item 2,
5 State Lease 647-397, Frederick Brown has finally signed a
6 ratification of the communitization agreement. And under
7 Item 3 the two names underlined, Lawrence Hillyer and
8 Clifford Taylor have signed the ratification of the
9 communitization agreement. All other record title owners
10 listed are being sought, or we seek to force pool.

11 Exhibit 2 is the affidavit of notice, of the
12 notice letter of this hearing sent out to the record title
13 owners.

14 I would ask that Exhibits 1 and 2 be admitted
15 into evidence.

16 And I've just submitted to you -- I'm not marking
17 it as an exhibit, it's the compulsory pooling form --

18 EXAMINER BROOKS: Right.

19 MR. BRUCE: -- listing the basic information.

20 EXAMINER BROOKS: Right.

21 MR. BRUCE: This Application was filed under the
22 provisions of Rule 1207, with a verified application. I
23 think the information in there is sufficient that with the
24 two exhibits I've submitted today and which I request be
25 admitted the matter could be taken under advisement.

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

3 And I assume all the rest of the information that
4 you did not comment on is in the Application or --

5 MR. BRUCE: Yes, sir.

6 EXAMINER BROOKS: -- in the exhibits.

7 Very good, Case Number 12,826 will be taken under
8 advisement.

9 (Thereupon, these proceedings were concluded at
10 8:28 a.m.)

11 * * *

12
13
14 I do hereby certify that the foregoing is
15 a complete record of the proceedings of
16 the Examiner hearing of Case No. 12826
17 heard by me on March 7, 2002.
18 David K. Potts Examiner
19 Oil Conservation Division
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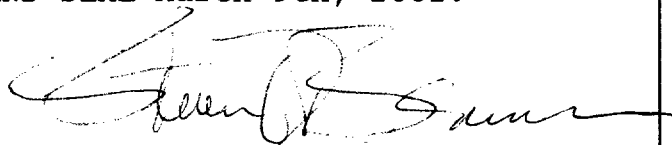
CERTIFICATE OF REPORTER

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 March 9th, 2002.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 14, 2002