

**STATE OF NEW MEXICO**  
**OIL CONSERVATION DIVISION**  
**Case No. 25496**

In the Matter of the Application of Alpha Energy Partners II, LLC and Paloma Permium Asset Company for Compulsory Pooling and Related Relief, Eddy County, New Mexico.

**PLEA IN SUPPORT OF APPEAL AND DE NOVO FILING**

Submitted by:

Warren Anderson and Lillie Anderson, Landowners  
1301 Forest Avenue  
Pasadena, California 91103

TO THE HONORABLE HEARING EXAMINER ASSIGNED TO THIS CASE:

**I. BACKGROUND**

1. Landowners are record interest owners in lands affected by the application of Alpha Energy Partners II, LLC and its affiliate, Paloma Permium Asset Company, in Eddy County, New Mexico.
2. Landowners previously filed an objection and appeal to the Division's handling of the above-referenced case.
3. This plea is filed in further support of that appeal, and seeks a full de novo review and reconsideration of the prior determinations that unfairly burdened and disadvantaged Landowners.

**II. GROUNDS FOR THIS PLEA**

1. The prior proceedings were marked by procedural unfairness, including lack of transparency, insufficient notice, and limited opportunity for meaningful participation by affected property owners.

2. The operators, Alpha Energy Partners II, LLC and Paloma Permium Asset Company, were afforded advantages not extended to the Landowners, creating an imbalance in access, information, and process.
3. The result of the Division's prior action effectively sanctioned an arrangement that is inequitable and inconsistent with the protective purposes of the New Mexico Oil and Gas Act, which guarantees correlative rights and fair dealing among all parties.
4. The terms proposed through the Joint Operating Agreement (JOA) and related filings impose unreasonable, one-sided, and excessive burdens on Landowners, contrary to principles of equity, fairness, and good faith.

### **III. ARGUMENT**

1. Under NMSA § 70-2-25, the Division must ensure that all orders are issued "after notice and hearing," and in a manner that protects correlative rights.
2. Under NMSA § 70-2-29, any aggrieved party has the right to seek review and file a de novo appeal, allowing the matter to be heard anew on the merits.
3. Landowners invoke that statutory right here, on grounds that the process and outcome in the prior proceeding were fundamentally unfair and prejudicial to their rights and interests.
4. The Division's own precedent favors equitable balancing among parties; however, in this case, the weight of advantage was tilted wholly toward corporate operators.
5. Landowners therefore respectfully request that this matter be reopened and re-examined under the principles of fair process, transparency, and equal treatment under the Oil and Gas Act.

### **IV. PRAYER FOR RELIEF**

Wherefore, premises considered, Warren and Lillie Anderson respectfully request that the Division:

1. Grant this Plea in Support of Appeal and De Novo Filing;
2. Set aside or stay the prior order pending new review;
3. Schedule a de novo hearing before a neutral examiner;
4. Require Alpha Energy Partners II, LLC and Paloma Permium Asset Company to demonstrate compliance with fair and equitable standards; and
5. Grant such further relief as justice and fairness may require.

Respectfully submitted,

(Date line intentionally left blank for manual entry)

/s/ Warren Anderson

/s/ Lillie Anderson

Landowners  
1301 Forest Avenue  
Pasadena, California 91103

**EXHIBIT A – STATEMENT OF FAIRNESS AND EQUITY**

The undersigned Landowners, Warren and Lillie Anderson, respectfully submit this Statement of Fairness and Equity in support of their Plea for De Novo Review.

We wish to emphasize that our participation in this proceeding is not adversarial for its own sake. Our sole objective is to ensure that landowners and small stakeholders are treated with the same respect, access, and procedural fairness as large corporate applicants.

The prior handling of Case No. 25496 has created the clear appearance — and practical effect — of bias in favor of operator interests. We were denied sufficient notice, excluded from meaningful dialogue, and placed at a disadvantage in understanding the scope and effect of the proposed order.

We request that this de novo hearing restore balance by requiring the same standards of transparency, disclosure, and procedural fairness to be applied to all parties — including landowners such as ourselves.

Our position is rooted in fairness, integrity, and the equal protection of our rights under the law.

Respectfully submitted,

/s/ Warren Anderson

/s/ Lillie Anderson

Landowners  
1301 Forest Avenue  
Pasadena, California 91103

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