# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF COLGATE OPERATING, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

OCC Case No. 21744
OCD Case No. 21629
OCD Order No. R-21575
OCC Order No. R-21679
OCC Order No. R-21679-A
OCC Order No. R-21679-B
OCC Order No. R-21679-C

## <u>CIMAREX ENERGY CO.'S APPLICATION FOR REHEARING</u> <u>OF THE DECISION IN ORDER NO. R-21679-C</u>

Cimarex Energy Co., and its affiliate Magnum Hunter Production Inc. (collectively "Cimarex"), respectfully submits their Application for Rehearing of the Decision in Order No. R-21679-C ("Application to Rehear") pursuant to NMSA 1978 § 70-2-25(A) and 19.15.4.25 NMAC. In support thereof, Cimarex states the following:

#### I. History of Procedure and Facts:

- 1. On or about December 8, 2020, Colgate Operating, LLC ("Colgate") filed an application in Case No. 21629 for compulsory pooling with the New Mexico Oil Conservation Division ("Division" or "OCD") pooling a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the N/2 N/2 of Section 3 and the N/2 N/2 of Section 2, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The OCD issued Order No. R-21575 in Case No. 21629 pooling the mineral interests.
  - 2. On January 19, 2021, Cimarex entered an appearance in Case No. 21629.

- 3. On January 20, 2021, before Colgate had submitted its final exhibits in Case No. 21269, the Division issued Order No. R-21575, granting Colgate's application for compulsory pooling.
- 4. Colgate did not submit its final exhibits to complete its application until January 27, 2021, at which point its application was complete.
  - 5. On February 17, 2021, Cimarex filed a timely Application for a Hearing *De Novo*.
- 6. On March 3, 2021, Colgate filed a motion requesting that the New Mexico Oil Conservation Commission ("Commission" or "OCC") dismiss Cimarex's Application for a *De Novo* Hearing.
- 7. On March 25, 2021, both parties made oral arguments on Cimarex's Application for a Hearing *De Novo* and on Colgate's Motion to Dismiss. The parties continued their oral arguments on the motions on April 15, 2021. At that hearing, the Commission voted to deny Colgate's motion to dismiss, grant Cimarex's request for a *de novo* hearing as well as Cimarex's request to stay the OCD's Order R-21575 that granted Colgate's application for compulsory pooling.
- 8. On April 30, 2021, the Commission issued a written Order denying Colgate's motion to dismiss. In its Order, the Commission held that Cimarex was a "party of record" in Case No. 21629 based on its finding that it had met all of the criteria under to NMSA 1978 §§70-2-13 and 70-2-25, Rule 19.15.4.10 and case law. *See* Order No. R-21679, § II, (k).
- 9. Concurrently, by Order No. R-21679-A, the Commission granted Cimarex's request for a stay of Colgate's Pooling Order No. R-21575. *See* also Transcript of the April 15, 2021, Hearing at 39:18-22 (stating its justification for the stay: "Chair Sandoval: I think the stay,

I think it's the right decision considering that we are granting a *de novo* appeal.") A copy of the pertinent pages of the April 15, 2021, Hearing is attached hereto as Ex. 1.

- 10. After the vesting of Cimarex's right to a *de novo* hearing on the merits, Cimarex informed the Commission on April 15, 2021, that it would be filing competing applications for the *de novo* hearing to allow the Commission to consider Cimarex's development plan to ensure that the Commission's pooling order for the subject lands would optimize production, minimize waste, and best protect correlative rights, as required by the Commission under the Oil and Gas Act ("Act").
- 11. Cimarex filed its applications on June 3, 2021, in Case Nos. 22018 and 22019. Relying on the Commission's policy for hearing competing applications in a *de novo* appeal, Cimarex incurred the not insignificant costs of serving notice to all interest owners by both letter and publication, which it accomplished in a timely manner. Copies of proof of notice in Case Nos. 22018 and 22019 are attached as Ex. 4.
- 12. The OCD continued the cases until the Commission determined the proper forum for hearing the applications as part of Cimarex's vested right to the *de novo* hearing. *See*Transcript on the OCD Hearing for Case Nos. 22018 and 22019, held on July 1, 2021, at 6:10
  14. A copy of the Transcript of the July 1, 2021, Hearing is attached hereto as Ex. 2. *See also:*OCD emails approving the filing of the applications and pre-hearing statements, copies of which are attached hereto as Ex. 3.
- 13. On June 2, 2022, Cimarex filed a Motion to Invalidate and Vacate Colgate's Order No. R-21575 based on the argument that Colgate did not meet the good faith negotiation requirement that is a statutory predicate to filings an application for compulsory pooling. Colgate filed a motion defending its position.

- 14. After these motions were fully briefed, the Commission held a hearing on both motions on July 8, 2021. At that hearing, the Commission agreed to bifurcate the proceeding and scheduled a hearing date of September 16, 2021, for an evidentiary hearing on whether Colgate engaged in good faith negotiations with Cimarex before it filed its compulsory pooling applications. The Commission then set the *de novo* hearing on the merits of the competing applications, subject to the Commission's determination after the evidentiary hearing of the proper forum for the competing applications. *See* Transcript of the July 8, 2021, Hearing at 45. A copy of the pertinent pages of the July 8, 2021, Transcript are attached hereto as Ex. 5.
- 15. This bifurcation ensures that the procedural posture adopted by the Commission would be as secure as possible from a successful appeal. As the Commission counsel noted:
  - MR. MOANDER: So I wanted to just address some of the concerns here, because I think Mr. Savage brought up a good point, and that is it's he was attempting to clarify whether the Commission sought to effectively rule that the merits hearing would encompass potentially two avenues of victory for his client, one of them being the attack on the underlying Order and invalidating it, and the other being the actual merits of the matter.
- See Ex. 5 at 37:16-24 (July 8, 2021, Hearing Tr.), attached hereto.
- 16. On or about February 22, 2022, the Commission held the evidentiary hearing, and afterwards, the Commission ruled that Colgate satisfied good-faith negotiations. *See* Order No. R-21679, ¶¶ 102 and 103. The Commission made no rulings in the evidentiary hearing on Colgate's application in Case No. 21629 that decided the merits of whether the application prevented waste or protected correlative rights, neither on the basis of Colgate's application itself nor in relation to Cimarex's competing applications. Such rulings had been reserved for the hearing *de novo* on the merits.

17. At the post-evidentiary hearing status conference on April 14, 2021, the Commission Chair confirmed the procedural posture described herein of Case No. 21744 that had been adopted by the Commission:

COMMISSIONER BLOOM: Yeah. My understanding, in Paragraph 111 [of Order No. R-21679-C] we say that Cimarex's application in this matter for a hearing *de novo* before the OCC is denied....Related back to the question of whether proper Notice was given, but that this was a bifurcation of the case, and that there is still a *de novo* hearing potentially pending on the other side.

COMMISSION CHAIR SANDOVAL: Yes. So there's two pieces to this case. We bifurcated it back, six, eight months ago. So there was the case for the good faith Notice effort that we decided on, which is this Order, and then there's this additional *de novo* case. So there are two separate issues.

See Transcript of the April 14, 2022, Hearing at 13:22-23 and 14:1-6. Copies of the pertinent pages of this Transcript are attached hereto as Ex. 6.

18. This discussion regarding the bifurcation of the issues is consistent with how the Commission envisioned the procedural posture during the July 8, 2021, Hearing when Commissioner Bloom summed up the process with his conception that the *de novo* hearing on the merits should be held after any issues regarding misrepresentations and negotiations had been addressed:

Madam Chair, I think as I can see the *de novo* hearing, I would picture both parties making fresh presentations, essentially a fresh presentation of their best plans at that point, and we wouldn't be going back and looking at what Colgate presented in the previous OCD hearing.

Ex. 5 at 33:25 and 34:1-5.

19. At the April 14, 2022, status conference, the Commission directed the parties to submit motions, responses, and replies, to address any remaining matters prior to the scheduled *de novo* hearing, the motions to be submitted on May 5, 2022, with final replies on May 27, 2022. Ex. 6 at 14:15-19 (April 14 Hearing Tr.), attached hereto. However, after Cimarex

received Order No. R-21679-C by email on April 18, 2022, and reviewed Paragraph 111, Cimarex realized that Commissioner Ampomah was correct in being the first to point out the legal implications of Paragraph 111, that it purportedly nullified what Commission Chair Sandoval referred to as the second piece of the case, that being the "additional *de novo* case," and, in effect, overturned the procedural posture adopted by the Commission to hold a *de novo* hearing on the merits after the evidentiary hearing. *Id. at* 13: 3-25 and 14:1-6, attached as Ex. 6. Based on the bifurcation, the *de novo* hearing on the merits would materialize if Colgate's Order was found to be valid. Instead, Order No. R-21679-C, P 111, purports to terminate the present case and bar the Commission from hearing the second and most important part of the Case which was scheduled to be heard on the OCC's June docket. *See* April 14, Hearing Tr., at 5:2-3.

- 20. On April 18, 2022, counsel for Cimarex sent an email to the OCC counsel, copying Colgate's counsel, that sought a clarification of the Order, explaining that under Paragraph 111, the motions requested would not allow consideration for holding a *de novo* hearing on the merits as the second part of the Case, which was inconsistent with the bifurcation procedure that the Commission had established. *See* Email dated April 18, 2022, attached hereto as Ex. 7. Cimarex did not receive a response to the email.
- 21. Consequently, given the inherent contradiction between the bifurcation procedure established by the Commission in this case and Paragraph 111 that abrogates Cimarex's legal right to a *de novo* hearing on the merits, Cimarex's only option is filing this Application to Rehear.
  - II. As a party of record, Cimarex satisfied the application requirements for a *de novo* hearing which vested its right to a *de novo* hearing on the merits as a matter of fact and law.

- 22. Rule 19.15.4.23(A) and NMSA 1978 §70-2-13 state that when the Division enters an order pursuant to a hearing held, a "party of record" whom the order adversely affects "has the right to have the matter heard *de novo*" before the Commission, provided that the party files a written application within 30 days from the date the Division rendered the decision. Cimarex, as a party of record, satisfied the regulatory and statutory requirements which vested its legal right to a *de novo* hearing. The Commission acknowledged this legal right and granted Cimarex its *de novo* hearing on April 30, 2021. *See* Order No. R-21679, § II (1). Cimarex's satisfying §70-2-13 and Rule19.15.4.23, and the Commission's denying Colgate's Motion to Dismiss Cimarex's application, requires the Commission to proceed with the *de novo* hearing on the merits and complete the second half of the case still pending.
- 23. In all *de novo* hearings before the Commission, the Commission presumes the Division has issued valid orders to be heard *de novo* upon timely application. A party does not have to prove that an order is invalid to exercise its legal right to a hearing *de novo* on the merits, and the evidentiary hearing was not designed to deny Cimarex's legal right which had vested. The evidentiary hearing was designed to satisfy the first part of the case by addressing any existing prejudice against Colgate prior to the presentation of the competing applications in their proper forum, thereby, providing both parties with a forum that was fundamentally fair.
- 24. After the Commission ruled Cimarex to be a party of record, granted its *de novo* hearing, and denied Colgate's Motion to Dismiss Cimarex's Application, Colgate immediately raised the specter of appealing the Commission's legitimate rulings, *see* Ex. 1 (April 15, 2021, Hearing Tr.) at 38:13-17, and made subsequent inferences during the proceedings. *See, i.e.*, Ex. 5 (July 8, 2021, Hearing Transcript) at 28:1-7. Cimarex took these comments seriously and made substantial efforts to propose a proper procedural pathway that accounted for all potential

contingencies to protect the integrity of the proceedings, addressing in good faith both Cimarex's and Colgate's interests in the proceedings so the Commission could issue a secure and valid final order at the conclusion of the bifurcated Case. Ex. 5 at 23:12-25 through 25:1-25.

- should the Commission decide to remand the competing cases to the Division for hearing as the Commission did in Case Nos. 21277 and 21278. See id. By proposing a valid procedure forward, Cimarex even advocated in good faith that the "stain" and "tarnish" on Colgate from Order No. R-21575 should be addressed so that the Commission could have a clean and unclouded *de novo* hearing on the merits that would allow the Commission to focus on waste and correlative rights without additional concern. Id. at 23:12-24. In effect, Cimarex's efforts led to the adoption of a procedural posture for the Commission to hear the case *de novo* should the Commission find Colgate's Order to be valid, as it did, by bifurcating the evidentiary hearing from the final hearing *de novo* on the merits. If the evidentiary hearing found Colgate's order to be valid, the Commission would proceed with the *de novo* hearing before the Commission, and if Colgate's pooling order were found to be invalid, the competing applications could be heard by the Division as a fresh start for both parties. It was Cimarex's good-faith understanding that if the Division decided to hear the cases, only then would there be no need for a *de novo* hearing.
- 26. However, Paragraph 111 in Order No. R-21679-C appears to strip Cimarex of its legal right to a de novo hearing on the merits and terminates the Case. Cimarex submits that Order No. R-21679-C improperly classifies the evidentiary hearing, designed to address the first issue in the bifurcated case, as the final *de novo* hearing on the merits, thus improperly nullifying the most critical part of the proceedings that allows the Commission to complete its obligation to prevent waste and protect correlative rights. Left standing, Paragraph 111 arbitrarily and

capriciously denies Cimarex's right to a *de novo* hearing on the merits of the parties' competing applications.

- 27. Consequently, Cimarex respectfully requests that the Commission address this oversight by rehearing the legal implications of Paragraph 111 in Order No. R-21679-C and revising Paragraph 111 to restore the present case to the proper procedural posture agreed upon.
  - III. The Commission has an obligation to prevent waste and protect correlative rights pursuant to the Act by hearing the competing applications.
- 28. It was Cimarex's preference, after Colgate's Order was stayed, to have been granted the benefit of having the competing applications returned to the Division for a technical review and determination of the prevention of waste and protection of correlative rights. In OCC Case Nos. 21277 and 21278, the Commission had granted this benefit to Mewbourne Oil Company ("Mewbourne") and Apache Corp. ("Apache"), allowing their newly submitted applications to be heard by the Division, after the Commission stayed Order No. R-21258, a valid pooling order issued to Ascent Energy, LLC ("Ascent"). See Order No. R-21454-A. In those cases, Mewbourne and Apache had secured their legal right to challenge Ascent's valid order by timely filing their applications for a hearing de novo, which is the same procedural position that Cimarex inhabits in this case. However, the remand of Mewbourne's and Apache's applications to the OCD raised complicated issues of res judicata and collateral attack, which could have provided Colgate a basis for its potential appeal to district court if the Commission granted Cimarex the same unqualified benefit. Therefore, Cimarex made good-faith efforts to avoid any such controversy in the present case by proposing the cleaner procedural posture adopted by the Commission.
- 29. OCC Case Nos. 21277 and 21278 confirm OCC's requirement to hear newly filed competing applications in a *de novo* hearing. In these cases, the Commission and OCD

authorized Mewbourne to file two new competing applications directly challenging Ascent's valid pooling order when Mewbourne, as a party of record, had submitted no competing applications at the underlying hearing. In addition, the Commission authorized Mewbourne to submit two new applications, also not submitted at the underlying hearing, that challenged the development area at issue in the *de novo* proceeding, for a total of four new applications to be heard *de novo* in the proceedings that were not part of the underlying cases, as required by the the Commission to ensure that waste is prevented, and correlative rights protected. *See* OCC Order No. R-21454 (finding "that in order to prevent waste and protect correlative rights, it is in the best interest of the *public and the parties* that all of the related applications be heard in conjunction with one another, or be entirely consolidated for the purpose of hearing") (emphasis added).

- 30. Furthermore, in Case Nos. 21277 and 21278, the Commission authorized Apache, who lost at the underlying hearing, to submit three new competing applications, not previously submitted in the underlying hearing, to be heard *de novo* that challenged Ascent's valid pooling order. *See id.* (applications included to prevent waste and protect correlative rights).
- 31. Thus, it is clear from the Commission's established policy that the prevention of waste and protection of correlative rights are paramount and necessitate the hearing of competing applications when they have been submitted to and approved by the OCD. Cimarex's applications in Case Nos. 22018 and 22019 had been submitted and approved months prior in reliance on the Commission's stated policy.
- 32. At the April 14, 2022, status conference, Colgate claimed that there were no competing applications because "[w]e certainly haven't been Noticed on that." See Tr. dated April 14, 2022, 5:11-12 (emphasis added). Colgate further argued that "[t]he competing

application that was filed by Cimarex was withdrawn for lack of Notice. Our contention is going to be that the *de novo* hearing was simply based on the record before the Oil Division, therefore competing applications are not applicable simply because they were inappropriately filed...without Notice." *Id*.

Nos. 22018-19. Here is what the record before the Oil Division shows: (1) Cimarex's competing applications were filed with the OCD on June 3, 2021, and the filings were approved. *See* Ex. 3, attached hereto. (2) Letter Notice and Publication Notice for the applications were timely served. *See* Ex. 4, attached hereto. (3) Colgate received proper notice as evidenced by its timely entry of appearance in Case Nos. 22018-19 on June 21, 2021. *See* Ex. 8, attached hereto. (4) Colgate filed its Prehearing Statement on June 28, 2021, in which it acknowledged Cimarex's applications in Case Nos. 22018-19 as competing applications before the Commission in *de novo* Case No. 21744, stating as follows:

"The Cimarex cases are competing cases with the Colgate Operating, LLC cases now before the Oil Conservation Commission in Case 21744 in a *de novo* proceeding. In that case the Commission stayed Order R-21575 which was issued in Case 21629 by the Division. Presently, the parties are on a motions schedule imposed by the Commission before a *de novo* hearing set by the Commission for September 16, 2021. Both Colgate and Cimarex have filed dispositive motions which affect these cases." *See* Ex. 9, attached hereto.

At the OCD hearing on July 1, 2021, to determine the posture of Case Nos. 22018-19, Colgate stated: "I think that the competing applications should be heard between – before the Commission. That was my understanding of where we were going." Ex. 2 at 5:8-12 (Tr. Case Nos. 22018-19, July 1, 2021) attached hereto. EOG Resources, Inc., in these cases did not object or request that the cases be dismissed but entered an appearance to preserve its rights. *Id.* at 6:7-9, attached as Ex. 2. In the end, the OCD ruled that it "will continue [Case Nos. 22018-19]

indefinitely in hopes that the Commission gives us clear direction as to how to handle this matter." *Id.* at 6:10-14, attached as Ex. 2

- 34. Thus, both the OCD and Colgate have acknowledged that they are waiting for a decision by the Commission to determine the forum in which the competing applications should be heard to prevent waste and protect correlative rights. The evidentiary hearing, as a procedural event, was designed and adopted by the Commission to make this determination. Since Colgate's Order was determined to be valid, the procedural scheme in place should require that the competing applications be heard at the Commission, where all valid orders are heard *de novo* by legal right when a party of record adversely affected by an order has timely applied for a hearing *de novo* pursuant to §70-2-13 and Rule 19.15.4.23.
- Nos. 21277 and 21278 that confirm its obligation to hear competing applications at a *de novo* hearing, is the Commission's interpretation of its broad authority under the Act to do whatever is reasonably necessary to carry out the purpose of the Act, the primary purpose being to prevent waste and protect correlative rights. *See* §§ 70-2-6 and 70-2-11; *see also* Cont'l Oil Co. v. OCC, 1962-NMSC-062, ¶ 11, 70 N.M. 310 (concluding that "the prevention of waste is the paramount power [of the Commission]....") It is clear from established policy that the prevention of waste and protection of correlative rights is paramount to the proceedings before the Commission and takes precedence over any risk to the security of a valid order issued by the OCD until the OCD and Commission have had the opportunity to complete their two-tiered review of all applications submitted by the parties and until the Commission makes its final decision in a hearing on the merits regarding waste and correlative rights. In the present case, under the terms of Order No. R-21679, ¶ 111, the Commission is now barred from completing its review of the remaining

issues of waste and correlative rights, which were specifically bifurcated and reserved for the second part of the Case.

- 36. In Case Nos. 22018 and 22019, Cimarex has proposed a 3-mile development plan for its Crest wells that promises superior production, prevention of waste and protection of correlative rights compared to Colgate's 2-mile development plan for its Meridian well. After Cimarex's application for a *de novo* hearing had been granted, and after the proper forum for hearing the competing applications had been determined, the Commission should complete its obligations to prevent waste and protect correlative rights, the primary purpose of the Act and mission of the OCC, by holding a hearing *de novo* on the merits. Under the Act, a *de novo* hearing on the merits would consist of comparing the merits of Cimarex's development plan to prevent waste and protect correlative rights to the merits of Colgate's development plan to
- 37. In a *de novo* hearing on the merits that reviews an applicant's ability to prevent waste and protect correlative rights, the Commission considers the following factors: (1) a comparison of geologic evidence presented by each party as it relates to the potential of each proposed prospect to efficiently recover the oil and gas reserves underlying the property; (2) a comparison of the risks associated with the parties' respective proposal for the exploration and development of property [not only the risk of waste but all risk including environmental risk]; (3) the ability of each party to prudently operate the property and, thereby, prevent waste; (4) a comparison of the differences in AFEs and operational costs; (5) An evaluation of the mineral interest ownership held by each party [which informs the amount of financial responsibility and obligation the applicants will commit to their plans]; and (6) a comparison of the applicants'

ability to timely locate well sites and operate the surface. *See, i.e.,* OCC Order No. R-20223, ¶ 28; *see also* OCC Order No. R-21416-A, ¶ 9.

- 38. At the evidentiary hearing, the Commission did not consider factors (1) through (6) for preventing waste, protecting correlative rights, and addressing potential risk of operations, and therefore, the hearing did not constitute, nor was it designed to constitute, the *de novo* hearing on the merits to which Cimarex has a legal right. Thus, the assertion in Order No. R-21679-C that the evidentiary hearing was a hearing on the merits is misplaced. *See* Order No. R-21679-C, ¶ 9 (improperly asserting that the evidentiary hearing was the final hearing on the merits, thus, mis-construing the purpose of a *de novo* hearing on the merits pursuant to the Act). The core factors that determine whether the merits of an applicant's plan prevent waste and protect correlative rights are separate and more encompassing than the single factor reviewed at the evidentiary hearing to rule on Colgate's good-faith negotiations.
- 39. Therefore, Cimarex respectfully requests that the Commission complete its obligation to review the competing applications on the merits in the second stage of proceedings.
  - IV. Additional considerations that necessitate rehearing of the record from the evidentiary hearing:
- 40. Because Cimarex timely filed its application for its *de novo* hearing, Cimarex's right to the *de novo* hearing vested as a matter of fact and law pursuant to §70-2-13; therefore, the language of Paragraph 111 in Order No. R-21679-C is void under the Act. Furthermore, Mr. Moander's review of Cimarex's prior application to re-open the case as a basis for canceling the *de novo* hearing on the merits is misplaced. *See* Ex. 5 at 38:23-25 and 39:1-7 (July 8, 2021, Hearing Tr.) attached hereto. The Application to Reopen was denied by the OCD, and therefore, it is inapplicable in the proceedings before the OCC for purposes of denying Cimarex's application for a *de novo* hearing on the merits after it was duly granted. The vesting by statute

of Cimarex's right to a *de novo* hearing on the merits upon the timely filing of its application supersedes and bars any consideration, at this stage of the proceedings, that Cimarex's application for *de novo* hearing could be denied after the evidentiary hearing but before the completion of the Case.

- 41. Case No. 21744 has provided important precedent and tools for the Commission and Division to address more fully issues of prevention of waste and protection of correlative rights. The Act does not provide a definition of "party of record," and the Commission pursuant to the present Case has had the opportunity to define the scope of what constitutes a "party of record," thereby establishing its authority to determine who may rightly be a party of record in proceedings before the OCD and Commission, particularly, in those circumstances when the Commission needs a mechanism to review serious questions or concerns that may arise in future cases. Cimarex's efforts have provided this procedural roadmap, giving the Commission broader authority for making such determinations to ensure the prevention of waste and protection of correlative rights to the full extent available under the Act.
- 42. Cimarex has done everything in its powers to maintain the accuracy and integrity of these proceedings and candor to the Commission. Cimarex has made substantive efforts to provide the Commission with vital procedural input and analysis that has facilitated the Commission's ability to navigate the complex issues in the present case. Cimarex has advocated, at all times, for high standards under the Act and its rules for promoting substantive negotiations as parties attempt to craft complex agreements according to the letter and spirit of the Act, and

\_

<sup>&</sup>lt;sup>1</sup> The Division has already made use of the policies established by Case No. 21744 to allow a party who entered an appearance after the original hearing to be deemed a "party of record" and propose competing applications for the prevention of waste and protection of correlative rights. *See* Order on Motion to Reopen in Case Nos. 22191-02 and 22257-58, ¶¶ 3-10, for discussion referencing the present case.

Cimarex's witnesses have maintained their professional decorum before the Commission, responding at all times to questions from parties with utmost candor.

- 43. In the Procedural Matters' section of its Prehearing Statement, the administrative equivalent of a pre-trial brief, Cimarex raised a rebuttable presumption, requesting that the Commission recognize a presumption in favor of Cimarex, that Colgate did not negotiate in good faith, based on the Commission's legal conclusions in prior Order No. R-21679. Presumptions are allowed under Rule 11-301, and the "[C]omission may use such rules as guidance in conducting adjudicatory hearings." 19.15.4.17(A) NMAC; see also Chapman v. Valera, 2009-NMSC-041, ¶12, 146 N.M. 680, 213 P.3d 1109 (noting that for "sufficiency of the evidence review on appeal, under Rule 11-301, a presumption once raised in both jury and non-jury trials continues to have evidentiary force, regardless of the contradictory evidence presented by the party against whom it is employed"). Counsel for the OCC advised the Commission that "when it renders its final decision[,] to address the rebuttable presumption," and the Commission adopted that advice as a ruling. Ex. 10 at 13:16-25 (February 22, 2022, Hearing Tr.), attached hereto. As a result, Cimarex anticipated a ruling on the presumption at the conclusion of the evidentiary hearing, which was never forthcoming, an oversight that may have affected the outcome of the evidentiary hearing. See February 22, 2022, Hearing Tr., Pages 180-202 (concluding the evidentiary hearing without ruling on the presumption raised by Cimarex).
- 44. The Commission received and reviewed new evidence in Cimarex's Response to Colgate's Motion to Dismiss Cimarex's Application, which consisted of the single email exchange between the parties. *See* Order No. R-21679, § II, (e) and (f) (finding that Cimarex did provide new evidence to qualify as a party of record). In fact, the review of the email exchange raised such serious concern that Colgate failed to make attempts to obtain voluntary agreement

pursuant to 19.15.4.12(A)(1)(b)(vi) NMAC, that the Commission found "Cimarex's accusations of material misrepresentations by Colgate to be not only *compelling* but also concerning given that misrepresentations in pleadings undermine both the administrative and judicial legal systems, specifically as to the integrity of any particular case.") *Id.* at ¶ II, (i) (emphasis added). Further, the Commission found that "Cimarex supported is misrepresentation allegation with documentary evidence," that being primarily the email exchange. *Id.* 

- Dictionary, 7<sup>th</sup> Ed. ("compel, vb....2. (Of a legislative mandate or judicial precedent) to convince (a court) that there is only one possible resolution of a legal dispute.") (emphasis added).

  Therefore, under the standard by which it first reviewed the content of the email exchange, the Commission presumably was convinced that Colgate's conduct likely did not conform to regulatory and statutory requirements, establishing, as a threshold matter, Cimarex as a party of record and vesting its legal right to a de novo hearing on the merits. See Order No. R-21679, §II (1) ("the Commission finds, that Cimarex for exclusive purposes of its Application de novo, is a party-of-record as a matter of fact and law.")
- 46. Once a *de novo* hearing on the merits has been granted, the focus of the Commission under the Act shifts to the prevention of waste and protection of correlative rights as the primary consideration, which the Commission has yet to adjudicate in these proceedings. *See* §§70-2-6 and 70-2-11; *see also* Cont'l Oil Co. v. OCC, 1962-NMSC-062, ¶ 11, 70 N.M. 310 (confirming that "[t]he commission has jurisdiction over matters related to the conservation of oil and gas in New Mexico, but *the basis of its power is founded on the duty to prevent waste and to protect correlative rights."*) (emphasis added). In effect, Cimarex's legal right to a *de novo* hearing vested, invoking the Commission's duty to prevent waste and protect correlative rights

through a *de novo* review of the competing development plans, because Colgate failed to make prima facie showing that it negotiated in good faith and had not made material misrepresentations that undermined the adjudicatory process.

- 47. Depending on the standard for good-faith negotiations adopted at the conclusion of the evidentiary hearing, the Commission's decision could have favored either Cimarex or Colgate during its second review of the email exchange as the primary focus. Cimarex advocated for the standard of review at the evidentiary hearing that formed the basis of its request for a rebuttable presumption. Cimarex argued that the language of Rule 19.15.4.12 required a higher standard to satisfy good-faith negotiations than that proposed by Colgate, requiring the applicant, Colgate, to have made clear, affirmative attempts "to gain voluntary agreement." *See, i.e.*, Ex. 10 at 5:11-25 and 6:1-5 (February 22, 2022, Hearing Tr.) attached hereto (Cimarex's opening statement proposing that the Division's rules require an applicant to make affirmative attempts to gain voluntary agreement).
- 48. As the record shows, Cimarex receives numerous well proposals, many of which are not serious but sent to induce a trade. Ex. 10 at 33:2-5 (February 22, 2022, Hearing Tr.), attached hereto. In this case, Cimarex did not believe that a well proposal without a JOA should constitute a serious attempt at negotiations and that a generic two-sentence response to an email initiated by Cimarex should not constitute an attempt at the kind of negotiations required under the Rules and Act to assess the merits of complex oil and gas agreement that impact waste, correlative rights, and liabilities that would be incurred from botched operations or harm to the environment and public health. *See, i.e., id.* at 46:2-5 (Cimarex determining that Colgate's well proposal "was mostly not a serious proposal because it didn't contain a JOA, didn't define the contract area, and there was no real follow-up to the emails that had been exchanged).

- 49. Colgate itself admitted that it did not make any such affirmative attempts in the single email exchange. See Ex. 11 at 121:4-22 and 122:19-22 (March 10, 2022, Hearing Tr.), attached hereto (Colgate recognized that the first sentence of its email response was descriptive, which did not directly seek to obtain a voluntary agreement, and when asked if there is "any attempt in your second sentence to ask or request Cimarex to enter an agreement for the N/2 N/2] unit to be pooled," Colgate said: "It does not appear that way.") Colgate further admitted that it is not uncommon to for working interest owners to not take a well proposal seriously until they become aware that the proposal will go to a pooling hearing. See Ex. 10 at 84:14-16 (February 22, 2022, Hearing Tr.) attached hereto. Under the facts, Cimarex -- regardless of any fault for missing the notice letter on Christmas Eve under Covid lockdown conditions during which staff were confined to their homes and away from their office -- was not aware of the pooling hearing. See Ex. 10 at 35:6-17 (February 22, 2022, Hearing Tr.) attached hereto (describing the chaotic and difficult conditions under which Cimarex received the letter notice). Had clear, affirmative attempts been made by Colgate to obtain a voluntary agreement, Cimarex would have been made aware by the email exchange that Colgate was serious about its well proposal despite misplacing the notice letter.
- 50. However, the Commission did not adopt the standard for negotiations proposed by Cimarex but concluded that the well proposal without a JOA combined with the single email exchange constitutes a proper standard for good-faith negotiations when parties attempt to assess the merits of complex oil and gas agreements that have significant ramifications for both the parties and the public. *See* Order No. R-21679-C, ¶103. In doing so, the Commission only addressed whether Colgate's pooling order was valid or invalid based on good-faith negotiations, and therefore, whether the competing applications should be heard at the Division or the

Commission. The Commission's findings and conclusions confirm that the competing applications should be heard by the Commission to prevent waste and protect correlative rights, and §70-2-13 vested Cimarex with the right to challenge Colgate's valid Order in a hearing *de novo* before the Commission, same as any other challenge to a valid order in a *de novo* hearing granted as a right by statute.

#### V. Conclusion:

At the April 14, 2022, status conference, the Commissioners and Commission Chair raised critical issues concerning Paragraph 111 in Order No. R-21679-C as drafted. In effect the Order purports to terminate the Case, requiring Cimarex to file, in lieu of the motion requested, this Application to Rehear in order to provide the OCC an overview of the proceedings with respect to the Order's legal implications. Pursuant to 19.15.4.25 NMAC, the "Commission shall grant or refuse the application in whole or in part within 10 business days after the party files it." Based on the 10-day deadline, the Commission would need to grant the Application to Rehear prior to the May 27, 2022, deadline for submission of the final pleadings to preserve the issues it raised at the April 14, 2022, status conference if they are to be considered further at the motion hearing. The nature of the Commission's comments at the status conference indicated an intent to preserve the issues for further consideration. Given the seriousness of the Order, Cimarex respectfully requests that the Commission grant Cimarex's Application for Rehearing of the Decision in Order No. R-21679-C to address these issues and restore to Cimarex its legal rights, allowing the Commission to proceed with the second part of the case, the *de novo* hearing on the merits, as planned.

### Respectfully Submitted,

#### ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

William E. Zimsky
Andrew D. Schill
214 McKenzie Street
Santa Fe, New Mexico 87501
Telephone: 970.385.4401
Facsimile: 970.385.4901
darin@abadieschill.com
bill@abadieschill.com
andrew@abadieschill.com

Attorneys for Cimarex Energy Co., and Magnum Hunter Production, Inc., an affiliate of Cimarex Energy Co. Application of Cimarex Energy Co. and affiliate Magnum Hunter Production, Inc., for Rehearing of the Decision in Order No. R-21679-C in De Novo Case No. 21744.

Applicant: Applicant Cimarex Energy Co., and its affiliate Magnum Hunter Production, Inc., (collectively "Cimarex") requests a Rehearing of the Decision in Order No. R-21679-C in De Novo Case No. 21744 to address issues raised in the April 14, 2022, status conference held before the New Mexico Oil Conservation Commission.

#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Commission and was served on counsel of record, via electronic mail on May 3,

2022:

Ernest L. Padilla P.O. Box 2523 Santa Fe, NM 87504 Telephone: (505) 988-7577 Email: PadillaLawNM@outlook.com Attorney for Colgate Operating, LLC And Colgate Energy

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Holland & Hart LLP
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfelderwert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
Attorneys for EOG Resources, Inc.

/s/ Darin C. Savage

Darin C. Savage

# STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

CASE NOS: 21744, 21629

APPLICATION OF CIMAREX ENERGY COMPANY FOR HEARING DE NOVO OF CASE 21629, EDDY COUNTY, NEW MEXICO.

REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS

Agenda Item 5

April 15, 2021

Via Webex Platform

Santa Fe, New Mexico

BEFORE: ADRIENNE SANDOVAL, CHAIRWOMAN GREG BLOOM, COMMISSIONER CHRIS MOANDER, ESQ.

This matter came on for hearing before the New Mexico Oil Conservation Commission on April 15, 2021, via Webex Virtual Platform, hosted by New Mexico Energy, Minerals, and Natural Resources Department.

Reported by: Irene Delg

Irene Delgado, NMCCR 253

PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street, NW, Suite 105

Albuquerque, NM 87102

505-843-9241

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM

**EXHIBIT** 

Page 38

1 point. I would recommend soliciting the parties for

- 2 anything beyond their motion because I think the motion
- 3 response and reply were pretty straightforward. There isn't
- a lot of complexity in any of those, at least from my
- 5 perspective.
- I would solicit getting brief comments the
- 7 parties might have about the motion for a stay before
- 8 rendering a ruling and/or rendering a final decision.
- 9 CHAIR SANDOVAL: Okay. Mr. Padilla, given the
- 10 motion that Commission just made to grant Cimarex their de
- 11 novo application, do you have any comments on Cimarex's
- 12 request to stay the Division's compulsory pooling order?
- MR. PADILLA: Well, I don't know what my client
- 14 wants or Colgate wants to do once an order is issued,
- 15 whether they want to ask me to do a motion for a rehearing
- that I have to necessarily do if they want to proceed to the
- 17 district court.
- I think it's fairly clear that if you -- and I
- 19 am not going to argue any more, you have made your ruling.
- 20 On the motion to stay, I just defer that to the Commission
- 21 because I know that Colgate is already moving down the line.
- It's already sent well proposals under the order,
- 23 and I don't know where they are in terms of actually
- 24 preparing drilling, but theoretically that order is still
- 25 valid unless you stay it.

Page 39

1 CHAIR SANDOVAL: Thank you, Mr. Padilla.

- 2 Mr. Savage, do you have any comments?
- 3 MR. SAVAGE: Just briefly. I mean, there is
- 4 mention that the order -- acknowledgement the order
- 5 shouldn't have been issued under the circumstances. I think
- 6 there is a risk here without the stay to act upon a
- 7 questionable order.
- 8 Commissioner Bloom brought up the question of
- 9 waste and correlative rights. There is still outstanding --
- 10 to me it's a safe route to, to exercise a precaution to
- 11 avoid any, you know, decisions that would undermine any
- 12 issues at issue right now.
- 13 CHAIR SANDOVAL: Thank you. I don't have any
- 14 questions. Commissioner Bloom, do you have any questions?
- 15 COMMISSIONER BLOOM: No questions. I just think
- 16 the stay pass should be (unclear) which would make our
- 17 previous votes meaningless.
- 18 CHAIR SANDOVAL: I think the stay, I think it's
- 19 the right decision considering that we are granting a de
- 20 novo appeal. It doesn't makes sense to me to allow the
- 21 Division order to stand, so I think having a stay is the
- 22 natural decision. Should we remake that motion?
- 23 COMMISSIONER BLOOM: Yes, Madam Chair. I would
- 24 like to move to grant the motion for a stay in this case.
- 25 CHAIR SANDOVAL: I second that. Mr. Moander,

#### STATE OF NEW MEXICO

### ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

Application of Cimarex Energy Co. for a Horizontal Spacing Unit and Compulsory Pooling, Eddy County, New Mexico Case Nos. 22018, 22019

Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico Case No. 21629

REPORTER'S TRANSCRIPT OF PROCEEDINGS

STATUS CONFERENCE

JULY 1, 2021

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, and John Garcia, Technical Examiner, on July 1, 2021, via the Webex Virtual Conferencing Platform hosted by the New Mexico Department of Energy, Minerals and Natural Resources.

Reported by:

Mary Therese Macfarlane

New Mexico CCR #122

PAUL BACA COURT REPORTERS

500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87187

(505) 843-9241

**EXHIBIT** 

		Page	2
1	APPEARANCES		
2	FOR CIMAREX ENERGY COMPANY:		
3	Darin C. Savage, Esq.		
4	Abadie & Schill, PC. 214 McKenzie Street.		
5	Santa Fe, NM 87501 (970) 385-4401		
6	dain@abadieschill.com.		
7	FOR COLGATE OPERATING, LLC:		
8	Ernest L. Padilla, Esq. P.O. Box 2523		
9	Santa Fe, NM 87504 (505) 988.7577		
10	padillalawnm.outlook.com.		
11	FOR EOG RESOURCES:		
12	Kaitlyn A. Luck, Esq. Holland & Hart		
13	110 North Guadalupe, Suite Santa Fe, New Mexico 87501	1	
14	(505) 988-4421. kaluck@hollandhart.com.		
15			
16	CONTENTS		
17	CASES 22018, 22019	PAG	ΞE
18	CASES CALLED:	3	
19	CASE CONTINUED FOR ACTION BY COMMISSION:	6	
20			
21			
22			
23			
24			
25			

Page 5

- 1 week. If the Commission decides, I hope not, to send it
- 2 back to the Division, you-all could file hopefully some
- 3 sort of motion requesting a particular hearing date. And
- 4 As I mentioned, we're looking at, you know, October now,
- 5 so...
- 6 MR. SAVAGE: Right.
- 7 EXAMINER BRANCARD: Mr. Padilla, any concerns?
- MR. PADILLA: I agree with you, Mr. Examiner, I
- 9 don't think that this case should go back to the Division
- 10 at all. I think that the competing applications should be
- 11 heard between -- before the Commission. That was my
- 12 understanding of where we were going.
- Now, there's Motions to Dismiss by both
- 14 parties for different reasons, but you're correct, there
- 15 is already a September hearing to hear these cases in the
- 16 event that the dispositive motions are not approved. So I
- 17 think it makes sense that they all proceed to the
- 18 Commission level and be heard there, and not bifurcate
- 19 these cases between the Division and the Commission.
- 20 So that's my take on it, but I think a lot
- 21 can be resolved next week since we have hearings on the
- 22 respective motions that have been filed by both sides.
- 23 But, again, I think that this application
- 24 should be heard by the Commission at this point, because
- 25 we are in a de novo situation with the Commission, so that

Page 6 would be heard there. 1 EXAMINER BRANCARD: Correct. You would have to 2 3 start all over anyway before the Commission. MR. PADILLA: Yeah. EXAMINER BRANCARD: Ms. Luck, any comments, 5 concerns? 7 MS. LUCK: No additional comments. EOG has entered an appearance to preserve its rights in this case. 8 9 That is the only position it's taking at this point. EXAMINER BRANCARD: Okay. We will -- I don't 10 know what we will do. We will continue this indefinitely 11 12 in hopes that the Commission gives us clear direction as to how to handle this matter. So we will leave this next 13 14 week in the Commission hearing. 15 MR. SAVAGE: Thank you. (Time noted 9:34 a.m.) 16 17 18 19 20 21 22 23 24 25

Subject: The Oil Conservation Division (OCD) has approved the application,

Application ID: 30235

Date: June 3, 2021 at 1:29:15 PM MDT

To: <darin@abadieschill.com>

To whom it may concern (c/o Darin Savage),

The OCD has approved the submitted *Application for an administrative hearing, re-hearing or de novo hearing before the division or commission* 

The case number is 22018 and the hearing date has provisionally been set for Thursday, July 1, 2021.

The Application for an administrative hearing, re-hearing or de novo hearing before the division or commission can be found in the OCD Online: Imaging under the case number (#).

If you have any questions regarding this application, please contact me.

Thank you, Marlene Salvidrez marlene.salvidrez@state.nm.us

Subject: The Oil Conservation Division (OCD) has approved the application,

Application ID: 30245

Date: June 3, 2021 at 1:32:42 PM MDT

To: <darin@abadieschill.com>

To whom it may concern (c/o Darin Savage),

The OCD has approved the submitted *Application for an administrative hearing,* re-hearing or de novo hearing before the division or commission

The case number is 22019 and the hearing date has provisionally been set for Thursday, July 1, 2021.

The Application for an administrative hearing, re-hearing or de novo hearing before the division or commission can be found in the OCD Online: Imaging under the case number (#).

If you have any questions regarding this application, please contact me.

Thank you, Marlene Salvidrez marlene.salvidrez@state.nm.us

Subject: The Oil Conservation Division (OCD) has approved the application,

Application ID: 33504

Date: June 24, 2021 at 9:28:52 AM MDT

To: <darin@abadieschill.com>

To whom it may concern (c/o Darin Savage for CIMAREX ENERGY CO. OF COLORADO),

The OCD has approved the submitted *Prehearing Statement* for:

 Case: Horizontal Spacing and Proration Unit and Compulsory Pooling, Crest 2-1-6 State Fed Com 2H [22018]

Party: CIMAREX ENERGY CO. OF COLORADO

Representing Law Firm: Abadie & Schill, PC

Representing Attorney: Darin Savage

Witnesses: 4

Total Testimony Time: 120

The Prehearing Statement can be found in the OCD Online: Imaging under the case number (#).

If you have any questions regarding this application, please contact me.

Thank you, Marlene Salvidrez marlene.salvidrez@state.nm.us

Subject: The Oil Conservation Division (OCD) has approved the application,

Application ID: 33505

Date: June 24, 2021 at 9:29:41 AM MDT

To: <darin@abadieschill.com>

To whom it may concern (c/o Darin Savage for CIMAREX ENERGY CO. OF COLORADO),

The OCD has approved the submitted *Prehearing Statement* for:

- Case: Compulsory pooling, Crest 2-1-6 State Fed Com 1H [22019]
- Party: CIMAREX ENERGY CO. OF COLORADO
- Representing Law Firm: Abadie & Schill, PC
- Representing Attorney: Darin Savage
- Witnesses: 4
- Total Testimony Time: 120

The Prehearing Statement can be found in the OCD Online: Imaging under the case number (#).

If you have any questions regarding this application, please contact me.

Thank you, Marlene Salvidrez marlene.salvidrez@state.nm.us

#### Mailing Report

						_					
Interest WI	Owner Cimarex Energy Co./Magnum Hunter Production, Inc.	Address 600 N. Marienfeld St., Ste. 600	CITY Midland	State	79701	USPS # 70200640000212348803	Certified Mail	Date Mailed 6.10.21	Status Delivered	Date Delivered 6/14/21	Green Card Returned? YES
WI	EOG Resources, Inc.	5505 Champions Dr.	Midland	TX	79706	70200640000212348834	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	OXY Y-1 Company	5 Greenway Plaza, Suite 110	Houston	TX	77045	70200640000212348636	Certified Mail	6.10.21	Delivered	6/16/21	YES
WI	David Petroleum Corporation	116 West First Street	Roswell	NM	88203	70200640000212348827	Certified Mail	6.10.21	Delivered per USPS.com	6/14/21	NO
WI	Slash Exploration Limited Partnership	P.O. Box 1973	Roswell	NM	88202	70200640000212348742	Certified Mail	6.10.21	Delivered	6/16/21	YES
WI	Breckenridge Partnership, Ltd.	500 N. Main Street, Ste. 1000	Roswell	NM	88201	70200640000212348360	Certified Mail	6.10.21	RETURNED	N/A	NO
ORRI	Edsel B. Neff, Jr.	403 Tierra Berrenda	Roswell	NM	88201	70200640000212348346	Certified Mail	6.10.21	UNDELIVERABLE Delivered	6/14/21	YES
ORRI	Thomas R. Nicholoff	P.O. Box 392	Roswell	NM	88202	70200640000212348476	Certified Mail	6.10.21	RETURNED	N/A	NO
WI	Camterra Resources Partners, Ltd.	100 Crescent Court, Suite 1800	Dallas	TX	75201	70200640000212348810	Certified Mail	6.10.21	UNDELIVERABLE Delivered	6/17/21	YES
WI	Ann E. Creamer, Trustee of the Dean	205 Boyd Avenue	Midland	TX	79705	70200640000212348841	Certified Mail	6.10.21	Delivered	N/A	YES; Unsigned
WI	Family Trust Established Under the Will of Hal Stone Dean, Deceased Isramco Energy, LLC	1001 West Loop South #750	Houston	TX	77027	70200640000212348858	Certified Mail	6.10.21	Delivered	6/16/21	YES
		-									
WI	WPX Energy Permian, LLC now Devon	3500 One Williams Center	Tulsa	OK	74122	70200640000212348711	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	Bivins Energy Corporation	4925 Greenville Avenue #814	Dallas	TX	75206	70200640000212348797	Certified Mail	6.10.21	Delivered per USPS.com	6/17/21	NO
WI	Stroube Energy Corporation	4925 Greenville Avenue #915	Dallas	TX	75206	70200640000212348629	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	Glenrock Capital, LLC	208 N. Market Street, Suite 200	Dallas	TX		70200640000212348865	Certified Mail	6.10.21	RETURNED UNDELIVERABLE		
ORRI	Spence Ranch, LLC	4736 East Highway 190	Eldorado	TX	76936	70200640000212348315	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Cal Farley's Boys Ranch	600 SW 11th Avenue	Amarillo	TX	79101	70200640000212348384	Certified Mail	6.10.21	Delivered per USPS.com	6/14/21	NO
ORRI	Gates Properties, Ltd.	P.O. Box 81119	Midland	TX	79708	70200640000212348377	Certified Mail	6.10.21	Delivered	6/15/21	YES
ORRI	Margaret Jean Gates	706 West Grand	Artesia	NM	88210	70200640000212348513	Certified Mail	6.10.21	Delivered	6/16/21	YES
ORRI	John Andrew Gates	5280 Bainbridge Drive	Boise	ID	83703	70200640000212348506	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Debra L. Gates, Trustee of the Isaiah L. Gates Trust U/T/A dated October 16,	2531 9th Avenue	Twin Falls	ID	83301	70200640000212348322	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	1997 Debra L. Gates, Trustee of the Testamentary Trust FBO Amanda Jean	2531 9th Avenue	Twin Falls	ID	83301	70200640000212348537	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Gates UWO James Rex Gates John McLendon Nail Revocable	1520 Mesquite St.	Wichita Falls	TX	76302	70200640000212348339	Certified Mail	6.10.21	Delivered	6/15/21	YES
ORRI	Trust, Doris King, Trustee First National Bank, Artesia, Trustee of the Rex and Florence Wheatley Trust U/T/A dated July 23, 1979, Agent for	f 2001 West Main Street	Artesia	NM	88210	70200640000212348421	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Sarah E. Wheatley, Trustee of the Wheatley Family Trust U/T/A dated February 12, 1990 CRM 2018, LP	P.O. Box 51933	Midland	TV	79710	70200640000212348520	Certified Mail	6.10.21	Delivered	6/15/21	YES
ORRI	First National Bank, Artesia, Trustee of the Rex and Florence Wheatley Trust U/T/A dated July 23, 1979, Agent for the heirs or devisees of Joanne E. Kanner, who apparently	f 2001 West Main Street	Artesia	NM	88210	70200640000212348452	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	is Abbe Kanner First National Bank, Artesia, Trustee of the Rex and Florence Wheatley Trust U/T/A dated July 23, 1979, Agent for Claire Jean Carter, Trustee of the Claire Jean Carter Trust	7 2001 West Main Street	Artesia	NM	88210	70200640000212348469	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	U/T/A dated December 20, 1983 First National Bank, Artesia, Trustee of the Rex and Florence Wheatley Trust U/T/A dated July 23, 1979, Agent for Richard W. Bentwood and Jean T. Bentwood, Co-Trustees of the Bentwood Revocable Living		Artesia	NM	88210	70200640000212348445	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Trust U/T/A dated September 10, 1996		A.Atu	ND4	88310	70200640000212348438	025.134.2	6 10 21	RETURNED	NUA	NO
OKKI	First National Bank, Artesia, Trustee of the Rex and Florence Wheatley Trust U/T/A dated July 23, 1979, Agent for Dr. John N. Bentwood	2001 West Main Street	Artesia	NM	88210	/0200040000212348438	Certified Mail	6.10.21	UNDELIVERABLE	N/A	NO
ORRI	First National Bank, Artesia, Trustee of the Rex and Florence Wheatley Trust U/T/A dated July 23, 1979, Agent for Barbara Bentwood	7 2001 West Main Street	Artesia	NM	88210	70200640000212348483	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	McCahan Michele J. Gressett	4958 Mill Run Rd.	Dallas Midland	TX	75244	70200640000212348575	Certified Mail	6.10.21	Delivered DETURNED	N/A	YES; Unsigned
ORRI	Stipp Family, LP	P.O. Box 2613	Midland	TX	79702	70200640000212348551	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Caddo Minerals, Inc.	2714 Bee Cave Rd #202	Austin		78746	70200640000212348544	Certified Mail	6.10.21	Delivered per USPS.com	6/14/21	NO
WI	Colgate Production, LLC	300 N Marienfeld St, Suite 1000	Midland		79701	70200640000212348919	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Marshall & Winston, Inc.	P.O. Box 50880	Midland		79710	70200090000034200359	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Challenger Crude, Ltd.	3525 Andrews Highway	Midland		79703	70210350000153171330	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Tierra Media Resources, LP	P.O. Box 9758	Midland		79708	70210350000153171279	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Jerlyn Investments, LLC	1607 Country Club Drive	Midland	TX	79701	70210350000153171248	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Joe R. Henderson	4473 Hackberry Ct	Midland	TX	79707	70200090000034200342	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	CU C 191	ATTO
WI	Jeanne R. Hendrick [Possible successor to Joe R. Henerson]	1215 Bomar Street	Houston		77006	70210350000153171293	Certified Mail	6.10.21	Delivered	6/16/21	YES
WI	H-S Minerals and Realty, Ltd.	P.O. Box 27284	Austin	TX	78755	70200640000212348230	Certified Mail	6.10.21	Delivered	6/21/21	YES
WI	Hill Investments, Ltd.	P.O. Box 27284	Austin	TX	78755	70200640000212348896	Certified Mail	6.10.21	Delivered	6/21/21	YES
WI	Hill Revocable Trusts No Trustee(s) Named	3343 Locke Ave #103	Fort Worth	TX	76107	70200640000212348902	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	MSWRT Michael Scott Waltrip, Trustee [Possible successor to Hill Revocable Trusts]	550 Bailey Avenue, Suite 302	Fort Worth	TX	76107	70200640000212348650	Certified Mail	6.10.21	RETURNED UNDELIVERABLE		



WI	MLH Trust Properties Margery Linn Hanna, Trustee [Possible successor to Hill Revocable]	550 Bailey Avenue, Suite 302	Fort Worth	TX	76107	70200090000034200311	Certified Mail	6.10.21	RETURNED UNDELIVERABLE		
WI	Trusts] Waltrip Energy, LLC	3343 Locke Ave #103	Fort Worth	TX	76107	70200640000212348704	Certified Mail	6.10.21	RETURNED	N/A	NO
WI	Gasco Energy, Ltd.	421 NW 13th St, Suite 210	OKC	OK	73103	70200090000034200243	Certified Mail	6.10.21	UNDELIVERABLE Delivered	N/A	YES
WI	Thomas Hill Puff Trust	P.O. Box 470605	Fort Worth	TX	76147	70200090000034200281	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Dorothy Jean Keenom, Trustee Nancy Puff Jones Trust	P.O. Box 470605	Fort Worth	TX	76147	70200090000034200236	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Dorothy Jean Keenom, Trustee Dorothy Jean Keenom, Individually	P.O. Box 470605	Fort Worth	TX	76147	70200090000034200304	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	McCrea Trust No. 1	P.O. Box 1715	Midland	TX	79702	70200640000212348773	Certified Mail	6.10.21	RETURNED	N/A	NO
WI	Horseshoe Oil & Gas Corporation [Possible successor to McCrea	P.O. Box 1715	Midland	TX	79702	70200640000212348926	Certified Mail	6.10.21	UNDELIVERABLE RETURNED UNDELIVERABLE		
WI	Trust No. 1] Enoch Energy, Inc. [Possible successor to McCrea	P.O. Box 601533	Dallas	TX	75360	70200640000212348889	Certified Mail	6.10.21	Delivered	6/17/21	YES
WI	Trust No. 1] Castlerock Energy Exploration [Possible successor to McCrea	P.O. Box 592137	San Antonio	TX	78259	70200640000212348872	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Trust No. 1] McCrea Energy, LLC [Possible successor to McCrea	P.O. Box 2626	Fredericksburg	TX	78624	70200640000212348780	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Trust No. 1] Geraldine L. Zoller	P.O. Box 1446	Marble Falls	TX	78654	70200090000034200533	Certified Mail	6.10.21	RETURNED	N/A	NO
WI	J.M. Wellbom Trust u/a/d October 23, 1992, J.M. Welbom, Trustee	602 Indiana Ave	Lubbock	TX	79415	70210350000153171262	Certified Mail	6.10.21	UNDELIVERABLE Delivered	6/14/21	YES
WI	Emest Angelo, Jr.	410 N Main	Midland	TX	79701	70200090000034200267	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Jane B. Ramsland Oil & Gas	1004 N. Big Spring St., Suite 500	Midland	TX	79701	70210350000153171309	Certified Mail	6.10.21	Delivered per USPS.com	6/14/21	NO
WI	Partnership, Ltd. J. Barnes Ramsland, aka Jane Barnes Ramsland	P.O. Box 10505	Midland	TX	79702	70210350000153171316	Certified Mail	6.10.21	Delivered	N/A	YES
WI	C.R. Burch, aka Claudia Jane Ramsland	P.O. Box 10505	Midland	TX	79702	70200090000034200540	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Bahnhof Holdings, LP	P.O. Box 10505	Midland	TX	79702	70210350000153171354	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Elizabeth A. Ramsland, aka Elizabeth Ann Ramsland	P.O. Box 10505	Midland	TX	79702	70200090000034200274	Certified Mail	6.10.21	Delivered	N/A	YES
WI	V. Elaine Barnes, aka V. Elaine Murphy	P.O. Box 505	Midland	TX	79702	70200640000212348612	Certified Mail	6.10.21	Delivered	N/A	YES; Unsigned
WI	Christine Ray, aka Christine Bames, aka Christine Bames Mallams, aka	400 W Illinois, Suite 1100	Midland	TX	79701	70210350000153171217	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	Christine Barnes Motycka TTCZ Properties LLC	P.O. Box 40909	Austin	TX	40909	70200640000212348667	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Craig W. Barr	1031 NW 43rd Ave	Camas	WA	98607	70210350000153171323	Certified Mail	6.10.21	Delivered	6/17/21	YES
WI	Thomas R. Barr	P.O. Box 39225	Charlotte	NC	28278	70210350000153171361	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	Taylor Barr Molitierno, aka Taylor	P.O. Box 78694	Charlotte	NC	28271	70210350000153171224	Certified Mail	6.10.21	Delivered	6/17/21	YES
WI	R. Barr Zachariah J. Reid	P.O. Box 505	Midland	TX	79702	70200640000212348698	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Steve C. Barnes, aka Steven Clement Barnes	P.O. Box 10505	Midland	TX	79702	70200640000212348728	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Julie Ellen Barnes	P.O. Box 10505	Midland	TX	79702	70200090000034200335	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Sleepy Wynn, aka Forest Sleepy Wynn, aka W. Forrest Wynn	4925 Greenville Ave, Suite 900	Dallas	TX	75206	70200090000034200298	Certified Mail	6.10.21	Delivered	7/22/21	YES
WI	Forrest Jacob Wynn	PO Box 601659	Dallas	TX	75360	70200090000034200250	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	Taylor Mays Wynn	PO Box 601659	Dallas	TX	75360	70210350000153171255	Certified Mail	6.10.21	Delivered	6/24/21	YES
WI	Adrienne Suzanne Wynn Beauchamp Charitable Remainder Unitrust John J. Klein and G. Todd Bright,	4925 Greenville Ave, Suite 900	Dallas	TX	75206	70200090000034200328	Certified Mail	6.10.21	"IN TRANSIT"		NO
WI	Co-Trustees C. F. Wynn, aka Claude Forest	P.O. Box 6832	Houston	TX	77265	70210350000153171347	Certified Mail	6.10.21	Delivered	6/15/21	YES
WI	Wynn, aka Claude F. Wynn WFW Family Limited Partnership	4925 Greenville Ave, Suite 900	Dallas	TX	75206	70200640000212348681	Certified Mail	6.10.21	Delivered per USPS.com	6/18/21	NO
WI	Tocor Investments, Inc.	P.O. Box 293	Midland	TX	79702	70200640000212348674	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Patrick K. Monaghan Trust under Trust Agreement dated November	2610 W. Sunnyside Ave.	Chicago	IL	60625	70200640000212348599	Certified Mail	6.10.21	Delivered per USPS.com	6/14/21	NO
	24, 2010 Patrick K. Monaghan, Trustee										
WI	Solar Flare Investments, LLC	1801 Red Bud Lane, Suite B-248	Round Rock	TX	78664	70210350000153171286	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Cal-Mon Oil Company	500 West Texas Ave, Suite 1200	Midland	TX	79701	70200090000034200380	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Estate of A.T. Carleton Carolyn Elaine Carleton, Personal Representative	2471 Alton Street	Denver	CO	80238	70200640000212348407	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	Estate of Corinne Phillips Carleton Carolyn Elaine Carleton, Personal Representative [Possible successor to the Estate	2471 Alton Street	Denver	CO	80238	70200090000034200373	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	[Possible successor to the Estate of A.T. Carleton   Cathryn Carleton Martin Generation- Skipping Trust Cathryn Carleton Martin, Trustee [Possible successor to the Estate	2471 Alton Street	Denver	со	80238	70200090000034200366	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
WI	of A.T. Carleton] Carolyn Carleton Martin Generation- Skipping Trust Carolyn Carleton Martin, Trustee [Possible successor to the Estate	2471 Alton Street	Denver	со	80238	70200090000034200526	Certified Mail	6.10.21	"IN TRANSIT"		
WI	Skipping Trust Phillips Townes Carleton, Trustee [Possible successor to the Estate	2471 Alton Street	Denver	со	80238	70200640000212348605	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	of A.T. Carleton] J Bar Cane Royalty, LLC	P.O Box 3660	Roswell	NM	88202	70200640000212348490	Certified Mail	6.10.21	Delivered	6/15/21	YES

ORRI	David Cagle	215 E 58th St 5th Floor	NYC	NY	10022	70200640000212348414	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Estate of Tom C. Wanty	1042 Lakeside Drive S.E.	Grand Rapids	MI	49506	70200640000212348568	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	N/A	NO
ORRI	Forrest Dunlap III	PO Box 4111	Horseshoe Bay	TX	78657	70200640000212348353	Certified Mail	6.10.21	Delivered	6/15/21	YES
ORRI	Manada Resources, LP	415 W Wall St., Suite 1200	Midland	TX	79701	70200640000212348582	Certified Mail	6.10.21	RETURNED UNDELIVERABLE	6/14/21	YES; Unsigned
ORRI	Canyon Properties, LLC	1500 Broadway, Suite 1212	Lubbock	TX	79401	70200640000212348391	Certified Mail	6.10.21	Delivered	6/14/21	YES; Unsigned
WI	BXP Partners V, LP	3890 W Northwest Hwy, Suite 670	Dallas	TX	75220	70200640000212348957	Certified Mail	6.10.21	Delivered	N/A	YES
WI	Ronald R. Collins	205 San Marin Drive, Suite 3	Novato	CA	94945	70200640000212348766	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Ronald R. Collins Trust	205 San Marin Drive, Suite 3	Novato	CA	94945	70200640000212348759	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Stacie J. May Administrative Trust	64001 E Highway 36	Byers	CO	80103	70200640000212348735	Certified Mail	6.10.21	Delivered	N/A	YES; Unsigned
WI	Cherokee Legacy Minerals, Ltd.	P.O. Box 3217	Albany	TX	76430	70200640000212348940	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Kenebrew Minerals, LP	P.O. Box 917	Idalou	TX	79329	70200640000212348971	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Charles J. Kinsolving	HC 65 Box 209	Crossroads	NM	88114	70200090000034200212	Certified Mail	6.10.21	Delivered	6/17/21	YES
WI	3SD Holdings, LLC	221 Doran Road	Lovington	NM	88260	70200090000034200229	Certified Mail	6.10.21	Delivered	6/14/21	YES
WI	Ashley Dean Crow	P.O. Box 97	Quanah	TX	79252	70200640000212348964	Certified Mail	6.10.21	Delivered	6/22/21	YES
WI	State of New Mexico c/o Commissioner of Public Lands	310 Old Santa Fe Trail	Santa Fe	NM	87501	70200640000212348643	Certified Mail	6.10.21	Delivered	N/A	YES
WI	United States of America c/o Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508	70200640000212348933	Certified Mail	6.10.21	Delivered	6/14/21	YES

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> </ul>	A. Signature  X Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery  D. Is delivery address different from item 1? Yes
Sleepy Wynn Forrest 4925 Greenville Ave, Suite 900 Dallas, Texas 75206	If YES, enter delivery address below: No
9590 9402 6586 1028 2879 73	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Signature Confirmation □ Signature Confirmation □ Signature Confirmation
2. Article Number (Transfer from service label) 7020 0090 0000 3420 0298	Mail Restricted Delivery  [Nail Restricted Delivery   Mail Restricted Delivery    [Nail Restricted Deli
PS Form 3811 July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  Article Addressed to:  Castlerock Energy Exploration P.O. Box 592137 San Antonio, Texas 78259	A Signature  X		
9590 9402 4008 8079 4667 63	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect On Delivery ☐ Priority Mail Express® ☐ Registered Mail Testricted Delivery ☐ Return Receipt for Merchandise		

2 Article Number (Transfer from service label)

PS Form 3811, July 2015 PSN 7530-02-000-9053

0640 0002 1234 8872

7020

☐ Collect on Delivery

red Mail

☐ Collect on Delivery Restricted Delivery

red Mail Restricted Delivery r \$500)

☐ Signature Confirmation™

☐ Signature Confirmation

Restricted Delivery

	100		
SE	NDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DEL	IVERY
	Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature  X  B. Received by (Printed Name)	☐ Agent☐ Addresse☐ C. Date of Deliver
	Michele J. Gressett 4958 Mill Run Rd. Dallas, TX 75244	D. Is delivery address different from iter If YES, enter delivery address below	
	9590 9402 6114 0209 5775 34  Article Number (Transfer from service label) 7020 0640 0002 1234 8575	☐ Adult Signature ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	Priority Mail Express® Registered Mail™ Registered Mail Restrict Delivery Return Receipt for Merchandise Signature Confirmation™ Signature Confirmation Restricted Delivery

#### No to the COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. D. Is delivery address different from 1? ☐ Yes If YES, enter delivery address below I No Taylor Barr Molitierno P.O. Box 78694 Charlotte, North Carolina 28271 3. Service Type Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Certified Mail® Delivery ☐ Signature Confirmation™ 9590 9402 6586 1028 2876 38 ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Signature Confirmation ☐ Collect on Delivery Restricted Delivery Restricted Delivery 2. Article Number (Transfer from service label) I Mail 1224 5317 I Mail Restricted Delivery DOOT 7021 0350

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  Article Addressed to:  BXP Partners V, LP 3890 W Northwest Hwy, Suite 670 Dallas, Texas 75220	A. Signature  X  Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery  D. Is delivery address different from item 1?  If YES, enter delivery address below:  No		
9590 9402 6586 1028 2879 11	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Priority Mail Express® ☐ Registered Mail Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation		
7020 0640 0002 1234 8957	Collect on Delivery Restricted Delivery  Mail  Mail Restricted Delivery		

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Craig W. Barr 1031 NW 43rd Ave Camas, Washington 98607



9590 9402 6586 1028 2877 13

2. Article Number (Transfer from service label)

1323 5317 0007 0350 7027

ail Restricted Delivery

(over \$500)

COMPL	ETE THI	IS SECTION	ON ON DE	ELIVERY

A. Signature

B. Received by (Printed Name)

☐ Agent ☐ Addressee

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes I No

- Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- Certified Mail® ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery Delivery Restricted Delivery
- ☐ Signature Confirmation™ ☐ Signature Confirmation

☐ Priority Mail Express®

☐ Registered Mail Restricted

☐ Registered Mail™

Delivery

Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

SI	ENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
	Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature  X  B. Received by (Printed Name)	☐ Agent ☐ Addressee ☐ C. Date of Delivery
1.	Stacie J. May Administrative Trust 64001 E Highway 36 Byers, Colorado 80103	D. Is delivery address different from If YES, enter delivery address	
2.	9590 9402 6586 1028 2881 09 Article Number (Transfer from service label) 7020 0640 0002 1234 8735	B. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail Restricted Delivery ☐ O0)	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
PS	Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt

SEN	IDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
Pi Sc	omplete items 1, 2, and 3.  rint your name and address on the reverse of that we can return the card to you.  It tach this card to the back of the mailpiece, on the front if space permits.	A. Signature  X  B. Received by (Printed Name)	Agent  Addressee  C. Date of Delivery	
1. Ar	Camterra Resources Partners, Ltd. 100 Crescent Court, Suite 1800 Dallas, Texas 75201	D. Is delivery address different from If YES, enter delivery address to		
	9590 9402 6586 1028 2880 48	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery	☐ Priority Mail Express® ☐ Registered Mail <sup>™</sup> ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation <sup>™</sup> ☐ Signature Confirmation	
2. ^-	7020 0640 0002 1234 88	Collect on Delivery Restricted Delivery  Restricted Delivery	Restricted Delivery	

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Part .

Isramco Energy, LLC 1001 West Loop South #750 Houston, Texas 77027



9590 9402 6586 1028 2879 80

2. Article Number (Transfer from service label)

7020 0640 0002 1234 8858

COMPLETE THIS SECTION ON DELIVERY

A. Signature

B. Received by (Printed Name) C. Pate of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes

Agent

Addressee

- 3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
  ☐ Registered Mail™
- ☐ Registered Mail Restricted
  Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation
  Restricted Delivery

ail Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse □ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: I No John McLendon Nail Revocable Trust, Doris King, Trustee 1520 Mesquite St. Wichita Falls, Texas 76302 Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Certified Mail® Delivery 9590 9402 6114 0209 5778 00 ☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Collect on Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery Restricted Delivery 2. Article Number (Transfer from service label) ☐ Signature Confirmation d Mail **PEEB** Restricted Delivery 0640 1534 0005 Mail Restricted Delivery 7020 500) PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. □ Agent Print your name and address on the reverse X ☐ Addressee so that we can return the card to you. B, Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1 Article Addressed to D. Is delivery address different from item 1? If YES, enter delivery address below: □ No OXY Y-1 Company 5 Greenway Plaza, Suite 110 Houston, Texas 77046 3. Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Certified Mail® Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ 9590 9402 6586 1028 2881 92 ☐ Collect on Delivery ☐ Signature Confirmation ☐ Collect on Delivery Restricted Delivery Restricted Delivery 2. Article Number (Transfer from service label) Mail 8636 0002 1,234 Mail Restricted Delivery 0640 7020

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:         <ul> <li>Charles J. Kinsolving</li> <li>HC 65 Box 209</li> <li>Crossroads, New Mexico 88114</li> </ul> </li> </ul>	A. Signature  X. (Aally   Kung   Agent   Addressed   A
9590 9402 6586 1028 2879 42	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Registered Mail Express® ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Registered Mail Restricted Delivery
7020 0090 0000 3420 021	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:         <ul> <li>Jeanne R. Hendrick</li> <li>1215 Bomar Street</li> <li>Houston, Texas 77006</li> </ul> </li> </ul>	A. Signature  X  Addresse  B. Received by (Printed Name)  C. Date of Deliver  D. Is delivery address different from item 1?  If YES, enter delivery address below:		
9590 9402 6586 1028 2875 53  2. Article Number (Transfer from service label)  7021 0350 0001 5317 1293	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Ail ☐ Aail Restricted Delivery ☐ Collect Operation Restricted Delivery ☐ Collect Operation Restricted Delivery ☐ Collect Operation Restricted Delivery		

#### COMPLETE THIS SECTION ON DELIVERY **SENDER: COMPLETE THIS SECTION** A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. C. Date of Delivery B. Received by (Printed Name) Attach this card to the back of the mailpiece, or on the front if space permits. . . . A delegand to D. Is delivery address different from item 17 If YES, enter delivery address below: □ No Ernest Angelo, Jr. 410 N Main Midland, Texas 79701

0267

Service Type

☐ Adult Signature

Certified Mail®

☐ Collect on Delivery

i Mail

Adult Signature Restricted Delivery

☐ Collect on Delivery Restricted Delivery

1 Mail Restricted Delivery

☐ Certified Mail Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

9590 9402 6586 1028 2878 81

0090 0000 3420

Anti-la Number (Transfer from service label)

7020

Domestic Return Receipt

☐ Priority Mail Express®

☐ Registered Mail Restricted

☐ Signature Confirmation™

☐ Signature Confirmation

Restricted Delivery

☐ Registered Mail™

Delivery

SENDER: COMPLETE THIS SECTION	
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X  Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery
Jerlyn Investments, LLC 1607 Country Club Drive Midland, Texas 79701	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 6586 1028 2875 84	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
702 <mark>1 0350 0001 53</mark> 17 1248	d Mail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X James Henry Addressee  B. Received by (Printed Name) C. Date of Delivery  769 C19 06-19-21
Challenger Crude, Ltd. 3525 Andrews Highway Midland, Texas 79703	D. Is delivery address different from item 1?
9590 9402 6586 1028 2878 36  2. Article Number (Transfer from service label)	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Ired Mail ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	r \$500)  Domestic Return Receipt

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse Х □ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: D. Is delivery address different from item 1? If YES, enter delivery address below: □ No Manada Resources, LP 415 W Wall St., Suite 1200 Midland, Texas 79701 Service Type □ Priority Mail Express® □ Adult Signature □ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery Certified Mail® 9590 9402 6114 0209 5775 27 ☐ Return Receipt for ☐ Certified Mail Restricted Delivery Merchandise ☐ Collect on Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation 0640 0002 Mail Restricted Delivery Mail Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

(OVE 4500)

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Kenebrew Minerals, LP P.O. Box 917 Idalou, Texas 79329



9590 9402 6586 1028 2879 35

2. Article Number (Transfer from service label)

7020 0640 0002 1234 8971

#### COMPLETE THIS SECTION ON DELIVERY

# A. POSTAL SERVICE

Agent Addresse

B. Receive Po (Fanco Name) 98 C. Date of Delivery

D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No

- 3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
  ☐ Collect on Delivery Restricted Delivery
  - 1 Mail
  - Mail Restricted Delivery
- Delivery
  ☐ Signature Confirmation™

□ Registered Mail Restricted

☐ Priority Mail Express®

☐ Registered Mail™

☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X  B. Received by (Printed Name)	☐ Agent ☐ Addressee C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different fro If YES, enter delivery address	
Canyon Properties, LLC 1500 Broadway, Suite 1212 Lubbock, Texas 79401		
9590 9402 6114 0209 5777 32	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail ™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Return Receipt for Merchandise</li> </ul>
2. Article Number (Transfer from service label)	☐ Collect on Delivery Restricted Delivery	<ul> <li>☐ Signature Confirmation™</li> <li>☐ Signature Confirmation</li> </ul>
7020 0640 0002 1234 8391		Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON	I DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X  B. Received by (Printed Name)	☐ Agent ☐ Addressee ☐ C. Date of Delivery
Colgate Production, LLC 300 N Marienfeld St, Suite 1000 Midland, Texas 79701	D. Is delivery address different fro	
9590 9402 4008 8079 4668 00	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise
7020 0640 0002 1234 8919	☐ Collect on Delivery Restricted Delivery  d Mail  d Mail Restricted Delivery  \$500)	□ Signature Confirmation™     □ Signature Confirmation     Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

-

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

3SD Holdings, LLC 221 Doran Road Lovington, New Mexico 88260



9590 9402 6586 1028 2879 59

2. Article Number (Transfer from service label)

7020 0090 0000 3420 0229

COMPLETE THIS SECTION ON DELIVERY A. Signature ☐ Agent ☐ Addressee C. Date of Delivery B. Received by (Printed-Name) D. Is delivery address different from item 1? If YES, enter delivery address below: □ No 3. Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Certified Mail® Delivery Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery ☐ Insured Mail

Mail Restricted Delivery

Domestic Return Receipt

Restricted Delivery

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Edsel B. Neff Jr. 403 Tierra Berrenda Dr. Roswell NM 88201



9590 9402 6114 0209 5779 30

2. Article Number (Transfer from service label)

7020 0640 0002 1234 8346

PS Form 3811, July 2015 PSN 7530-02-000-9053

# 

- Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- Certified Mail®
- ☐ Sertified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery nsured Mail
  - nsured Mail Restricted Delivery over \$500)
- ☐ Priority Mail Express®☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation
  ☐ Signature Confirmation

Restricted Delivery

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? If YES, enter delivery address below: □ No Margaret Jean Gates 706 West Grand Artesia, New Mexico 88210 Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery □ Registered Mail Restricted Certified Mail® Delivery ☐ Return Receipt for ☐ Certified Mail Restricted Delivery 9590 9402 6114 0209 5776 19 Merchandise ☐ Collect on Delivery Add La Nimber (Transfer from service label) ☐ Signature Confirmation™ ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Mail 7020 0640 0005 1234 8513 Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Mail Restricted Delivery

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X  Agent  Addressed  B. Received by (Printed Name)  C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1?  Yes
Slash Exploration Limited Partnership P.O. Box 1973 Roswell, New Mexico 88202	If YES, enter delivery address below: No
9590 9402 6586 1028 2880 93	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Signature Confirmation
2. Article Number (Transfer from service label) 7020 0640 0002 1234 8742	Collect on Delivery Restricted Delivery  Id Mail  Id Mail Restricted Delivery  \$500)

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Forrest Dunlap III PO Box 4111 Horseshoe Bay, TX 78657



9590 9402 6114 0209 5777 63

2. Article Number (Transfer from service label)

7020 0640 0002

8353 1234

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON	DELIVERY
A. Signature	Agent D Addressee
B. Received by (Printed Name)	C. Date of Delivery
D. Is delivery address different from If YES, enter delivery address	
3. Service Type  Adult Signature  Adult Signature Restricted Delivery  Certified Mail®  Certified Mail Restricted Delivery  Collect on Delivery  Collect on Delivery Restricted Delivery  red Mail  red Mail Restricted Delivery  r \$500)	□ Priority Mail Express®     □ Registered Mail™     □ Registered Mail Restricted Delivery     □ Return Receipt for Merchandise     □ Signature Confirmation™     □ Signature Confirmation Restricted Delivery

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Cherokee Legacy Minerals, Ltd. P.O. Box 3217 Albany, Texas 76430



9590 9402 6586 1028 2879 04

2. Article Number (Transfer from service label)

8940 1.234

7020 0640 0005 Mail Restricted Delivery

COMPLETE THIS SECTION ON DELIVERY

A. Signature Х

Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes □ No

Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

Certified Mail® ☐ Certified Mail Restricted Delivery

☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery

Mail

☐ Registered Mail™ ☐ Registered Mail Restricted Delivery

□ Priority Mail Express®

□ Signature Confirmation™ ☐ Signature Confirmation

Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

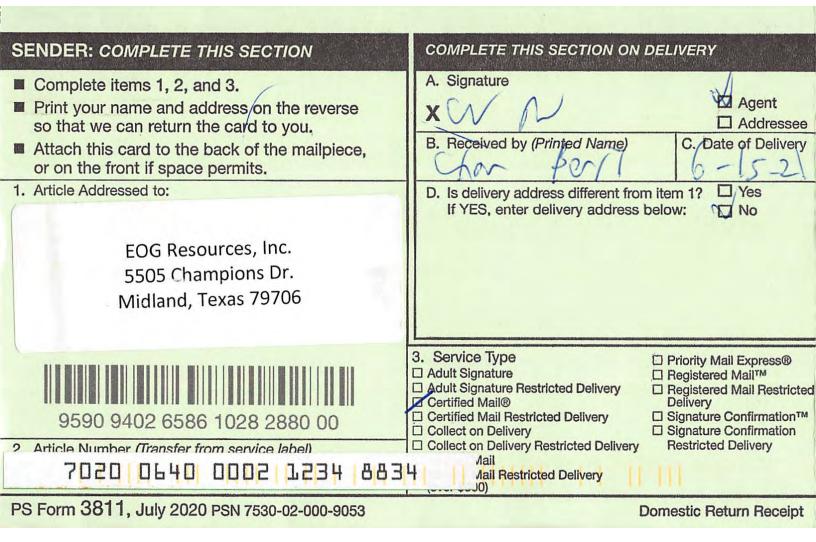
Sec. 4. 10. 10.	SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY
	<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		A. Signature  A. Signature  Addressee  B. Received by (Printed Name)  C. Date of Delivery
	J Bar Cane Royalty, LLC PO Box 3660 Roswell, New Mexico 88202		D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
	9590 9402 6114 0209 5776 33  2. Article Number (Transfer from service label) 7020 0640 0002 1234 849	000000	Service Type  Adult Signature  Adult Signature Restricted Delivery Certified Mail® Certified Mail Restricted Delivery Collect on Delivery Collect on Delivery Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery Mail Restricted Delivery
	PS Form 3811, July 2015 PSN 7530-02-000-9053		Domestic Return Receipt

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: ☐ Yes D. Is delivery address different from item 1? If YES, enter delivery address below: □ No Cimarex Energy Co./Magnum Hunter Production, Inc. 600 N. Marienfeld St., Ste. 600 Midland, Texas 79701 Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Certified Mail® Delivery ☐ Signature Confirmation™ ☐ Certified Mail Restricted Delivery 9590 9402 6586 1028 2880 31 ☐ Collect on Delivery ☐ Signature Confirmation ☐ Collect on Delivery Restricted Delivery Restricted Delivery Mail 0640 0002 Mail Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

(סטפר שטטט)

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
1. Article Addressed to:  V. Elaine Barnes P.O. Box 505 Midland, Texas 79702	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 6586 1028 2882 15	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Mail Mail Restricted Delivery  Mail Mail Restricted Delivery  Mail Mail Restricted Delivery  Mail Mail Restricted Delivery  Mail Mail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  A. Signature  Addressee  B. Received by (Printed Name)  C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
Tierra Media Resources, LP P.O. Box 9758 Midland, Texas 79708	
9590 9402 6586 1028 2876 69  2. Article Number (Transfer from service label)	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery    Adult Signature Restricted Delivery   Registered Mail Restricted Delivery   Signature Confirmation Restricted Delivery   Adult Signature Confirmation Restricted Delivery
7021 0350 0001 5317 1279	√ail Restricted Delivery 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature  X
CRM 2018, LP P.O. Box 51933 Midland, TX 79710	
9590 9402 6114 0209 5776 02	3. Service Type □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Signature Confirmation™
2. Article Number ( <i>Transfer from service label</i> ) 7020 0640 0002 1234 8520	Mail Signature Confirmation
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER. COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
Marshall & Winston, Inc. P.O. Box 50880 Midland, Texas 79710	
9590 9402 6586 1028 2877 68	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Signature Confirmation □ Signature Confirmation
	☐ Collect on Delivery Restricted Delivery Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Gates Properties, Ltd. P.O. Box 81119 Midland, Texas 79708



9590 9402 6114 0209 5779 23

2. Article Number (Transfer from service label)

7020 0640 0002 1234 8377

PS Form 3811, July 2015 PSN 7530-02-000-9053

### COMPLETE THIS SECTION ON DELIVERY A. Signature ☐ Agent ☐ Addressee B. Received by (Printed Name) C., Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below: Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery □ Registered Mail Restricted ☑ Certified Mail® Delivery ☐ Return Receipt for Certified Mail Restricted Delivery Merchandise ☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

ed Mail Restricted Delivery

☐ Insured Mail

\$500)

☐ Signature Confirmation™

☐ Signature Confirmation

Domestic Return Receipt

Restricted Delivery

SI	ENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY
	Complete items 1, 2, and 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature  X
1.	Ronald R. Collins 205 San Marin Drive, Suite 3 Novato, California 94945		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
2	9590 9402 6586 1028 2880 79	חחקחח	B. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Registered Mail Express® ☐ Registered Mail Restricted Delivery
۷.	Article Number (Transfer from service label) 7020 0640 0002 1234 6		PLL estricted Delivery

		The second secon
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON D	ELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X  B. Received by (Printed Name)  DAN 17	Agent  Addressee  C. Date of Delivery
1. Article Addressed to:	D. Is delivery address different from If YES, enter delivery address be	
TTCZ Properties LLC P.O. Box 40909 Austin, Texas 40909		
9590 9402 6586 1028 2881 78	☐ Adult Signature ☐ ☐ Adult Signature Restricted Delivery ☐ ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ ☐ Collect on Delivery ☐	☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation
2. Article Number (Transfer from service label)	☐ Collect on Delivery Restricted Delivery  Mail	Restricted Delivery
2050 0P40 0005 7534 9PP	Mail Restricted Delivery	nendala han mini koronen roomis III yeen ta sa kirista sa
PS Form 3811, July 2020 PSN 7530-02-000-9053	Do	omestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
1. Article Addressed to:	D. Is delivery address different from item 1? Yes
Dorothy Jean Keenom, Individually P.O. Box 470605 Fort Worth, Texas 76147	If YES, enter delivery address below: No POBOX 470605  + worth TX 76147
9590 9402 6586 1028 2875 22	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Signature Confirmation ☐ Signature Confirmation
2. Article Number (Transfer from service label)	Collect on Delivery Restricted Delivery Restricted Delivery
7020 0090 0000 3420 0304	Mail Restricted Delivery 00)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

Complete items 1, 2, and 3.

White the

- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Nancy Puff Jones Trust Dorothy Jean Keenom, Trustee P.O. Box 470605 Fort Worth, Texas 76147



9590 9402 6586 1028 2878 50

2. Article Number (Transfer from service label)

0000 0000 3420 7020

COMPLETE THIS SECTION ON DELIVERY A. Signature □ Agent ☐ Addressee B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? If YES, enter delivery address below:

- Service Type
- □ Adult Signature
- ☐ Adult Signature Restricted Delivery
- Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- Collect on Delivery Restricted Delivery ired Mail
  - ired Mail Restricted Delivery (over \$500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™ ☐ Registered Mail Restricted
- Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

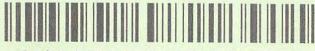
Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON D	ELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>Article Addressed to:</li> </ul>	A. Signature  X Bm R7 71 Co19  B. Received by (Printed Name)  Salar Flore Investments  D. Is delivery address different from If YES, enter delivery address be	☐ Agent ☐ Addresse ☐ C. Date of Delivery ☐ 6-14-21 Item 1? ☐ Yes Flow: ☐ No
Solar Flare Investments, LLC 1801 Red Bud Lane, Suite B-248 Round Rock, Texas 78664		
9590 9402 6586 1028 2876 21 2 Article Number (Transfer from convice label) 7021 0350 0001 5317 1286	☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery	☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation Restricted Delivery☐
	r (over \$500)	No.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X / (Lenny )
Thomas Hill Puff Trust Dorothy Jean Keenom, Trustee P.O. Box 470605 Fort Worth, Texas 76147	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No POBOX 470605 F-1 WOOTH TY 76147
9590 9402 6586 1028 2875 39  2. Article Number (Transfer from service label) 7020 0090 0000 3420 028:	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ ail ☐ ail Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail Testricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece. or on the front if space permits.
- 1. Article Addressed to:

Bureau of Land Management 301 Dinosaur Trail Santa Fe, New Mexico 87508



9590 9402 6586 1028 2878 98

2. Article Number (Transfer from service label)

8933 0005 1234 7020 0640

COMPLETE THIS SECTION ON DELIVERY A. Signature ☐ Agent X Addressee B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below: T No

- 3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery Mail

**/lail Restricted Delivery** 

- ☐ Priority Mail Express® ☐ Registered Mail™ Registered Mail Restricted
- Delivery ☐ Signature Confirmation™
- ☐ Signature Confirmation
  - Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1 Article Addressed to:

Ronald R. Collins Trust 205 San Marin Drive, Suite 3 Novato, California 94945



9590 9402 6586 1028 2880 86

a Autiala Niumbau Monafau fram annian laball

7020 0640 0002 1234 8759

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x & C-19

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

Is delivery address different from item 1?
 If YES, enter delivery address below:

☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery ☐ Certified Mail®

☐ Certified Mail Restricted Delivery ☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

d Mail

d Mail Restricted Delivery

over \$500)

☐ Priority Mail Express®
☐ Registered Mail™

□ Registered Mail Restricted Delivery
 □ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse X ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? If YES, enter delivery address below: □ No McCrea Energy LLC PO Box 2626 Fredericksburg, TX 78624 Service Type □ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Certified Mail® Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ 9590 9402 6586 1028 2880 55 ☐ Collect on Delivery ☐ Signature Confirmation ☐ Collect on Delivery Restricted Delivery Restricted Delivery 2. Article Number (Transfer from service label) **Mail** 7020 0640 8780 0005 1234 Mail Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X Addressee  B. Received by (Printed Name)  C. Date of Delivery
Tocor Investments, Inc. P.O. Box 293 Midland, Texas 79702	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 6586 1028 2881 61  2. Article Number (Transfer from service label)	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect Opelivery ☐ Collect Opelivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

#### COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. Z Agent Print your name and address on the reverse X ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: D. Is delivery address different from item 1? If YES, enter delivery address below: □ No Zachariah J. Reid P.O. Box 505 Midland, Texas 79702 Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™ ☐ Adult Signature Restricted Delivery □ Registered Mail Restricted Certified Mail® Delivery ☐ Signature Confirmation™ ☐ Certified Mail Restricted Delivery 9590 9402 6586 1028 2881 47 ☐ Collect on Delivery ☐ Signature Confirmation ☐ Collect on Delivery Restricted Delivery Restricted Delivery 2. Article Number (Transfer from service label) Mail 7020 0640 0002 6234 | Mail Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
1. Article Addressed to:  State of New Mexico c/o Commissioner of Public Lands 310 Old Santa Fe Trail Santa Fe, New Mexico 87501	D. Is delivery address different from item 1?  Yes If YES, enter delivery address below:  No
9590 9402 6586 1028 2882 08  2. Article Number (Transfer from service label) 7020 0640 0002 3234 8643	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail  Mail Restricted Delivery  Mail  Mail Restricted Delivery  Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Registered Mail Express® ☐ Registered Mail TM ☐ Signature Confirmation ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X M College Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery
J.M. Wellborn Trust u/a/d October 23, 1992, J.M. Welborn, Trustee 602 Indiana Ave Lubbock, Texas 79415	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
9590 9402 6586 1028 2875 60 2 Article Number (Transfer from cervice labell 7021 0350 0001 5317 1262	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Collect on Delivery ☐ Collect on Deliv
PS Form 3811, July 2020 PSN 7530-02-000-9053	ed Mail Restricted Delivery \$500)  Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X	
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
J. Barnes Ramsland, aka Jane Barnes Ramsland P.O. Box 10505 Midland, Texas 79702		
9590 9402 4008 8079 4667 56	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Priority Mail Express® ☐ Registered Mail TM ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise	ricte
2. Article Number (Transfer from service label)	☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmatio ☐ Signature Confirmatio	
2057 0320 0007 2374 T37P	red Mail Restricted Delivery Restricted Delivery	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  A. Signature  Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery
Gasco Energy, Ltd. 421 NW 13th St, Suite 210 Oklahoma City, Oklahoma 73103	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
9590 9402 6586 1028 2878 67  2 Article Number (Transfer from service label) 7020 0090 0000 3420 0243	3. Service Type  □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Iail □ Iail Restricted Delivery □ Cover \$500) □ Priority Mail Express® □ Registered Mail™ □ Registered Mail Restricted Delivery □ Signature Confirmation □ Restricted Delivery

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
Elizabeth A. Ramsland P.O. Box 10505 Midland, Texas 79702	D. Is delivery address different from item 1?  Yes If YES, enter delivery address below:  No
9590 9402 6586 1028 2879 66  2. Article Number ( <i>Transfer from service label</i> )	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Signature Confirmation ☐ Restricted Delivery
7020 0090 0000 3420 0274	Vail Vail Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	C	COMPLETE THIS SECTION ON	DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reviso that we can return the card to you.</li> <li>Attach this card to the back of the mail or on the front if space permits.</li> </ul>	/erse	A. Signature  K MMHH  B. Received by (Printed Name)	Agent Addressee C. Date of Delivery
1. Article Addressed to:		<ol> <li>Is delivery address different from If YES, enter delivery address</li> </ol>	
Julie Ellen Barnes P.O. Box 10505 Midland, Texas 79702			
		Service Type Adult Signature	☐ Priority Mail Express® ☐ Registered Mail™
	□ A	Adult Signature Restricted Delivery Certified Mail®	☐ Registered Mail Restricted Delivery
9590 9402 6586 1028 2877 4	11	Certified Mail Restricted Delivery Collect on Delivery	☐ Signature Confirmation™☐ Signature Confirmation
2. Article Number (Transfer from service label)		Collect on Delivery Restricted Delivery	Restricted Delivery
7 <mark>020  0090  0000  34</mark> 2	0 0335	lail Rest <mark>ricted Delivery      </mark>	1
PS Form 3811, July 2020 PSN 7530-02-000	)-9053		Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DI	ELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X	☐ Agent ☐ Addressee C. Date of Delivery
1. Article Addressed to:  Bahnhof Holdings, LP P.O. Box 10505 Midland, Texas 79702	D. Is delivery address different from in If YES, enter delivery address be	
9590 9402 4008 8079 4668 24  Addiela Number (Transfer from service label) 7021 0350 0001 5317 135	☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery	Priority Mail Express® Registered Mail™ Registered Mail Restricted Delivery Return Receipt for Merchandise Signature Confirmation™ Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Do	mestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X MM 444 D Agent  D Addressee  B. Received by (Printed Name)  C. Date of Delivery
Steve C. Barnes P.O. Box 10505 Midland, Texas 79702	D. Is delivery address different from item 1?
9590 9402 6586 1028 2881 23  2. Article Number (Transfer from service label) 7020 0640 0002 1234 8728	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Mail ☐ Mail Restricted Delivery ☐ Mail ☐ Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery ☐ Signature Confirmation
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.
- 1. Article Addressed to:

Taylor Mays Wynn PO Box 601659 Dallas, Texas 75360



9590 9402 6586 1028 2875 77

Article Number (Transfer from service label)

7021 0350 0001 5317

1255

Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DEL	IVERY
A. Signature	III Agent
- Wywyy rows	☐ Addressee
B. Received by (Printed Name)	C. Pate of Delivery
<ul> <li>D. Is delivery address different from iter</li> <li>If YES, enter delivery address below</li> </ul>	

- Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express® ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
  - ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X
C.R. Burch, aka Claudia Jane Ramsland P.O. Box 10505 Midland, Texas 79702	D. Is delivery address different from item 1?  Yes If YES, enter delivery address below:  No
9590 9402 6586 1028 2876 45  2 Article Number (Transfer from service label)  7020 0090 0000 3420 0540	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Collect On Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation Restricted Delivery ☐ Signature Confirmation Restricted Delivery
1020 0090 0000 3420 0540	I Mail Res <mark>tricted Delivery</mark>

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece. or on the front if space permits.
- 1 Article Addressed to:

Ashley Dean Crow P.O. Box 97 Quanah, Texas 79252



9590 9402 6586 1028 2879 28

2. Article Number (Transfer from service label)

1234 7020 0640 0002

PS Form 3811, July 2020 PSN 7530-02-000-9053

# COMPLETE THIS SECTION ON DELIVERY

A. Signature

Agent Addressee

B. Received by (Printed Name)

renda

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes

- 3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

il Restricted Delivery

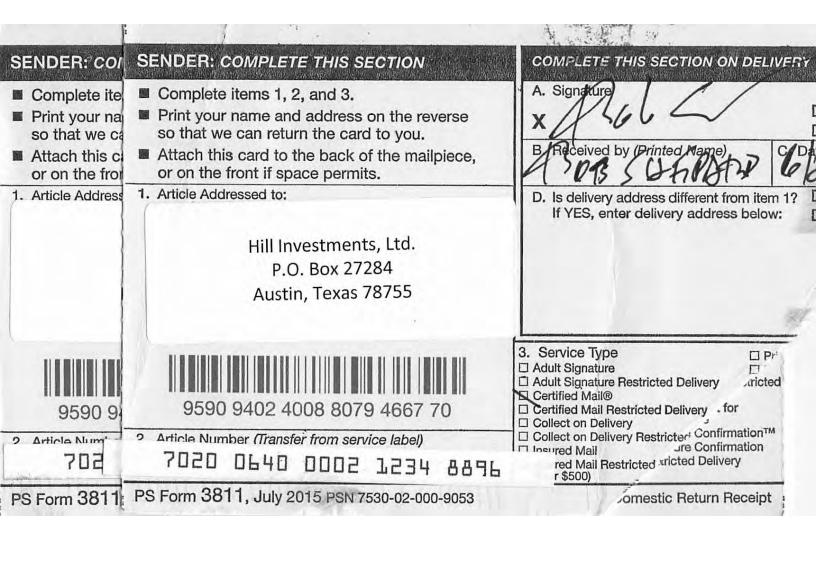
- ☐ Priority Mail Express® ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™ ☐ Signature Confirmation
  - Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON D	ELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  X  B. Received by (Printed Name)	☐ Agent ☐ Addressee  C. Date of Delivery
Ann E. Creamer, Trustee of the Dean Family Trust Established Under the Will of Hal Stone Dean 205 Boyd Avenue Midland, Texas 79705	D. Is delivery address different from If YES, enter delivery address be	
9590 9402 6586 1028 2879 97  2 Article Number (Transfer from service label)  7020 0640 0002 1234 884	☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Collect Mail	<ul> <li>□ Priority Mail Express®</li> <li>□ Registered Mail ™</li> <li>□ Registered Mail Restricted Delivery</li> <li>□ Signature Confirmation™</li> <li>□ Signature Confirmation Restricted Delivery</li> </ul>
PS Form 3811, July 2020 PSN 7530-02-000-9053	Do	mestic Return Receipt

15/14

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece,</li> </ul>	A. Signature  Agent  Addressee  B. Ricelved by (Printed Name)  C. Vate of Delivery
or on the front if space permits.  1. Article Addressed to:	D. Is delivery address different from item 1?  Yes
HS Minerals and Realty, Ltd. P.O. Box 27284 Austin, Texas 78755	If YES, enter delivery address below:
9590 9402 6586 1028 2878 12	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Signature Confirmation ☐ Signature Confirmation
2. Article Number ( <i>Transfer from service labell</i> 7020 0640 0002 1234 8230	i Mail Restricted Delivery  (over \$500)  Restricted Delivery  Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  Agent  Addressee  B. Received by (Printed Name)  C. Date of Delivery
C. F. Wynn P.O. Box 6832 Houston, Texas 77265	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
9590 9402 6586 1028 2878 43  2 Article Number (Transfer from service label)	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery ☐ Restricted Delivery
7021 0350 0001 5317 1347	d Mail d Mail Restricted Delivery 500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>■ Complete items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> <li>1. Article Addressed to:</li> <li>Enoch Energy, Inc.         <ul> <li>P.O. Box 601533</li> <li>Dallas, Texas 75360</li> </ul> </li> </ul>	A. Signature  X Ad My
9590 9402 4008 8079 4667 87	3. Service Type  ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation™
7020 0640 0002 1234 888	C Signature Confirmation

#### ABADIE I SCHILL PC



Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

June 10, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co. for horizontal spacing and compulsory

pooling, Eddy County, New Mexico Crest 2-1-6 State Fed Com 1H Well

Case No. 22019

#### Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. has filed the enclosed application, Case No. 22019, with the New Mexico Oil Conservation Division for creating a standard 484.63-acres, more or less, horizontal spacing unit to cover the N/2 N/2 of Sections 2 and 1-20S-29E; and the N/2 N/2 of Section 6-20S-30E, NMPM, Eddy County, New Mexico, and to pool all uncommitted mineral owners in the Bone Spring formation underlying said unit, as described in the enclosed application.

A hearing has been requested before a Division Examiner on July 1, 2021, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely at the same scheduled time. For information about remote access, you can visit the Division's website at: http://www.emnrd.state.nm.us/OCD/hearings.html, or call (505) 476-3441.

O: 970.385.4401 • F: 970.385.4901

You are being notified as an interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Riley Morris at (432) 620-1966 or at rmorris@cimarex.com.

Sincerely,

Darin C. Savage

Attorney for Cimarex Energy Co.

#### **ABADIE I SCHILL PC**



Colorado New Mexico
Louisiana Texas
Kansas Utah
Nebraska Wyoming
Montana California
Oklahoma North Dakota

June 10, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Cimarex Energy Co. for horizontal spacing and compulsory

pooling, Eddy County, New Mexico Crest 2-1-6 State Fed Com 2H Well

Case No. 22018

#### Dear Interest Owners:

This letter is to advise you that Cimarex Energy Co. has filed the enclosed application, Case No. 22018, with the New Mexico Oil Conservation Division for creating a standard 479.39-acre, more or less, horizontal spacing unit to cover the S/2 N/2 of Sections 2 and 1-20S-29E; and the S/2 N/2 of Section 6-20S-30E, NMPM, Eddy County, New Mexico, and to pool all uncommitted mineral owners in the Bone Spring formation underlying said unit, as described in the enclosed application.

A hearing has been requested before a Division Examiner on July 1, 2021, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely at the same scheduled time. For information about remote access, you can visit the Division's website at: http://www.emnrd.state.nm.us/OCD/hearings.html, or call (505) 476-3441.

O: 970.385.4401 • F: 970.385.4901

You are being notified as an interest owner and are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: The names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Riley Morris at (432) 620-1966 or at rmorris@cimarex.com.

Sincerely,

Darin C. Savage

Attorney for Cimarex Energy Co.

# **Carlsbad Current Argus.**

# Affidavit of Publication Ad # 0004777883 This is not an invoice

ABADIE SCHILL P.C. 555 RIVERGATE LANE SUITE B4-18

**DURANGO, CO 81301** 

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

06/12/2021

Legal Clerk

Subscribed and sworn before me this June 12, 2021:

State of WI, County of Brown

-NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004777883 PO #: CASE No. 22018 # of Affidavits1

This is not an invoice

CASE No. 22018: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners, as well as the known and unknown heirs, devisees, assigns and successors of EOG RESOURCES, INC., OXY Y-1 COMPANY, DAVID PETROLEUM CORPORATION, SLASH EXPLORATION LIMITED PARTNERSHIP, BRECKENRIDGE PARTNERSHIP LTD., EDSEL B. NEFF, JR., THOMAS R. NICHOLOFF, CAMTERRA RESOURCES PARTNERS LTD., ANN E. CREAMER TRUSTEE OF THE DEAN FAMILY TRUST ESTABLISHED UNDER THE WILL OF HAL STONE DEAN, DECEASED, ISRAMCO ENERGY LLC, WPX ENERGY PERMIAN LLC, BIVINS ENERGY CORPORATION, STROUBE ENERGY CORPORATION, GLENROCK CAPITAL LLC, SPENCE RANCH LLC, CAL FARLEY'S BOYS RANCH, GATES TRUSTE OF THE LESTAMENTARY TRUST JOHN ANDREW GATES, DEBRA L. GATES TRUSTEE OF THE ISAIAH L. GATES TRUSTEE OF THE TESTAMENTARY TRUST FBO AMANDA JEAN GATES UWO JAMES REX GATES, JOHN MCLENDON NAIL REVOCABLE TRUST, DORIS KING TRUSTEE, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUSTE OF THE WHEATLEY FAMILY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR SARAH E. WHEATLEY TRUSTEE OF THE WHEATLEY FAMILY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR THE HEIRS OR DEVISEES OF JOANNE E. KANNER, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR THE HEIRS OR DEVISEES OF JOANNE E. KANNER, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR CLAIRE JEAN CARTER TRUSTEE OF THE CLAIRE JEAN CARTER TRUSTE OF THE CLAIRE JEAN CARTER TRUSTE OF THE CLAIRE JEAN CARTER TRUSTEE OF THE CLAIRE JEAN CARTER TRUSTE OF THE CLAIRE JEAN CARTER TRUSTE OF THE CLAIRE JEAN CARTER TRUSTE OF THE CLAIR CASE No. 22018: Notice to all affected parties and persons 23, 1979, AGENT FOR CLAIRE JEAN CARTER TRUSTEE OF THE CLAIRE JEAN CARTER TRUST U/T/A DATED DECEMBER 20, 1983, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR RICHARD W. BENTWOOD AND JEAN T. BENTWOOD, CO-TRUSTEES OF THE BENTWOOD REVOCABLE LIVING TRUST U/T/A DATED SEPTEMBER 10, 1996, FIRST LIVING TRUST U/T/A DATED SEPTEMBER 10, 1995, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR DR. JOHN N. BENTWOOD, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR BARBARA BENTWOOD MCCAHAN, MICHELE J. GRESSETT, STIPP FAMILY LP, CADDO MINERALS, INC., COLGATE PRODUCTION LLC, MARSHALL & WINSTON INC., CHALLENGER CRUDE LTD., TIERRA MEDIA RESOURCES LP, JERLYN INVESTMENTS LLC, JOE R. HENDERSON, JEANNE R. HENDRICK [POSSIBLE SUCCESSOR TO JOE R. HENERSON], H-S MINERALS AND REALTY LTD., HILL INVESTMENTS LTD., HILL REVOCABLE TRUSTS, MSWRT MICHAEL SCOTT WALTRIP TRUSTEE [POSSIBLE SUCCESSOR TO HILL REVOCABLE TRUSTS], MLH TRUST PROPERTIES, MARGERY LINN HANNA TRUSTEE CABLE TRUSTS, MSWRT MICHAEL SCOTT WALTRIP TRUSTEE [POSSIBLE SUCCESSOR TO HILL REVOCABLE TRUSTS], MLH TRUST PROPERTIES, MARGERY LINN HANNA TRUSTEE [POSSIBLE SUCCESSOR TO HILL REVOCABLE TRUSTS], WALTRIP ENERGY LLC, GASCO ENERGY LTD., THOMAS HILL PUFF TRUST DOROTHY JEAN KEENOM TRUSTEE, NANCY PUFF JONES TRUST DOROTHY JEAN KEENOM TRUSTEE, NANCY PUFF JONES TRUST DOROTHY JEAN KEENOM TRUSTEE, NO. 1, HORSESHOE OIL & GAS CORPORATION [POSSIBLE SUCCESSOR TO MCCREA TRUST NO. 1], ENOCH ENERGY, INC. [POSSIBLE SUCCESSOR TO MCCREA TRUST NO. 1], ENOCH ENERGY, INC. [POSSIBLE SUCCESSOR TO MCCREA TRUST NO. 1], GERALDINE L ZOLLER, J.M. WELLBORN TRUST U/A/D OCTOBER 23, 1992, J.M. WELBORN TRUSTEE, ERNEST ANGELO, JR., JANE B. RAMSLAND OIL & GAS PARTNERSHIP LTD., J. BARNES RAMSLAND AKA JANE BARNES RAMSLAND, C.R. BURCH AKA CLAUDIA JANE RAMSLAND, BAHNHOF HOLDINGS LP, ELIZABETH A. RAMSLAND AKA ELIZABETH ANN RAMSLAND, V. ELAINE BARNES AKA V. ELAINE MURPHY, CHRISTINE RAY AKA CHRISTINE BARNES AKA CHRISTINE BARNES MALLAMS AKA CHRISTINE BARNES MOTYCKA, TTCZ PROPERTIES LLC, CRAIG W. BARR, THOMAS R. BARR, TAYLOR BARR MOLITIERNO AKA TAYLOR R. BARR, ZACHARIAH J. REID, STEVE C. BARNES AKA STEVEN CLEMENT BARNES, JULIE ELLEN BARNES, SLEEPY WYNN AKA FOREST WYNN A WYNN, IAYLON MATS WYNN, ADRIENNE SUZANNE WYNN BEAUCHAMP CHARITABLE REMAINDER UNITRUST JOHN J. KLEIN AND G. TODD BRIGHT CO-TRUSTES, C. F. WYNN AKA CLAUDE FOREST WYNN AKA CLAUDE F. WYNN, WFW FAMILY LIMITED PARTNERSHIP, TOCOR INVESTMENTS, INC., PATRICK K. MONAGHAN TRUST UNDER TRUST AGREEMENT DATED NOVEMBER 24, 2010 PATRICK K. MONAGHAN TRUSTEE, SOLAR FLARE INVESTMENTS LLC, CAL-MON OIL COMPANY, ESTATE OF A.T. CARLETON CAROLYN ELAINE CARLETON, PERSONAL REPRESENTATIVE, ESTATE OF CORINNE PHILLIPS CARLETON CAROLYN ELAINE CARLETON, PERSONAL REPRESENTATIVE, CATHEYON CARLETON MARTIN GENERATION-SKIPPING TRUST CATHRYN CARLETON MARTIN TRUSTEE [POSSIBLE SUCCESSOR TO THE ESTATE OF A.T. CARLETON], CAROLYN CARLETON MARTIN GENERATION-SKIPPING TRUST CAROLYN CARLETON MARTIN TRUSTEE [POSSIBLE SUCCESSOR TO THE ESTATE OF A.T. CARLETON], CAROLYN CARLETON MARTIN TRUSTEE [POSSIBLE SUCCESSOR TO THE ESTATE OF A.T. CARLETON], PHILLIPS TOWNES CARLETON GENERATION-CARLETON], PHILLIPS TOWNES CARLETON GENERATION-

IPOSSIBLE SUCCESSOR TO THE ESTATE OF A.T. CARLETON],
J BAR CANE ROYALTY LLC, DAVID CAGLE, ESTATE OF TOM
C. WANTY, FORREST DUNLAP III, MANADA RESOURCES LP,
CANYON PROPERTIES LLC, BXP PARTNERS V LP, RONALD R.
COLLINS, RONALD R. COLLINS TRUST, STACIE J. MAY ADMINISTRATIVE TRUST, CHEROKEE LEGACY MINERALS LTD.,
KENEBREW MINERALS LP, CHARLES J. KINSOLVING, 3SD
HOLDINGS LLC, ASHLEY DEAN CROW, of Cimarex Energy
Co.'s application for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New
Mexico. through its Oil Conservation Division, hereby gives
notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on July 1, 2021, at 1220 S. St. Francis, Santa
Fe, New Mexico, 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit
the Division's website at: http://www.emnrd.state.nm.us/OC
D/hearings.html, or call (505) 476-3441. Cimarex Energy
Co., at 600 N. Marienfeld St., Suite 600, Midland, TX, 79701,
seeks an order from the Division: (1) creating a standard
479.39-acre, more or less, horizontal spacing and proration
unit comprised of the S/2 N/2 of Sections 2 and 1, Township
20 South, Range 29 East; and the S/2 N/2 of Section 6,
Township 20 South, Range 30 East; NMPM, Eddy County,
New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation underlying said unit.
Cimarex proposes to dedicate the HSU to its Crest 2-1-6
State Fed Com 2H Well, an oil well, proposed to be horizontally drilled from a surface location in the SW/4 NW/4 (Unit
E) of Section 2 to a bottom hole location in the SE/4 NE/4
(Unit H) of Section 6. The completed interval and first take
and last take point for the well proposed in the unit, meet
the Division's statewide setback requirements for horizontal
oil wells. Also to be considered will be the cost of drilling
and completing the well. The well and lands are located approximately 12 miles northeast of Carlsbad, Ne

# Affidavit of Publication Ad # 0004777899 This is not an invoice

ABADIE SCHILL P.C. 555 RIVERGATE LANE SUITE B4-18

**DURANGO, CO 81301** 

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

06/12/2021

Legal Clerk

Subscribed and sworn before me this June 12, 2021:

State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004777899 PO #: CASE No. 22019 # of Affidavits1

This is not an invoice

CASE No. 22019: Notice to all affected parties and persons having any right, title, interest or claim to this case, including overriding royalty interest owners, as well as the known and unknown heirs, devisees, assigns and successors of EOG RESOURCES, INC., OXY Y-1 COMPANY, DAVID PETROLEUM CORPORATION, SLASH EXPLORATION LIMITED PARTNERSHIP, BRECKENRIDGE PARTNERSHIP LTD., EDSEL B. PARTNERSHIP, BRECKENRIDGE PARTNERSHIP LTD., EDSEL B. NEFF, JR., THOMAS R. NICHOLOFF, CAMTERRA RESOURCES PARTNERS LTD., ANN E. CREAMER TRUSTEE OF THE DEAN FAMILY TRUST ESTABLISHED UNDER THE WILL OF HAL STONE DEAN, DECEASED, ISRAMCO ENERGY LLC, WPX ENERGY PERMIAN LLC, BIVINS ENERGY CORPORATION, STROUBE ENERGY CORPORATION, GLENROCK CAPITAL LLC, SPENCE RANCH LLC, CAL FARLEY'S BOYS RANCH, GATES PROPERTIES LTD., MARGARET JEAN GATES, JOHN ANDREW GATES. DEBRA L. GATES TRUSTEE OF THE ISAIAH L. GATES PROPERTIES LTD., MARGARET JEAN GATES, JOHN ANDREW GATES, DEBRA L. GATES TRUSTEE OF THE ISAIAH L. GATES TRUSTEE OF THE ISAIAH L. GATES TRUST U/T/A DATED OCTOBER 16, 1997, DEBRA L. GATES TRUSTEE OF THE TESTAMENTARY TRUST FBO AMANDA JEAN GATES UWO JAMES REX GATES, JOHN MCLENDON NAIL REVOCABLE TRUST, DORIS KING TRUSTEE, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR SARAH E. WHEATLEY TRUSTEE OF THE WHEATLEY FAMILY TRUST U/T/A DATED FEBRUARY 12, 1990, CRM 2018 LP, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR THE HEIRS OR DEVISEES OF JOANNE E. KANNER, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR CLAIRE JEAN CARTER TRUSTEE OF THE 23, 1979, AGENT FOR CLAIRE JEAN CARTER TRUSTEE OF THE 23, 1979, AGENT FOR CLAIRE JEAN CARTER TRUSTEE OF THE CLAIRE JEAN CARTER TRUST U/T/A DATED DECEMBER 20, 1983, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR RICHARD W. BENTWOOD AND JEAN T. 1979, AGENT FOR RICHARD W. BENTWOOD AND JEAN T. BENTWOOD, CO-TRUSTEES OF THE BENTWOOD REVOCABLE LIVING TRUST U/T/A DATED SEPTEMBER 10, 1996, FIRST NATIONAL BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR BANK, ARTESIA TRUSTEE OF THE REX AND FLORENCE WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT FOR WHEATLEY TRUST U/T/A DATED JULY 24, 1979, AGENT WHEATLEY TRUST U/T/A DATED JULY 25, 1979, AGENT WHEATLEY WHEAT WHEATLEY TRUST U/T/A DATED JULY 23, 1979, AGENT FOR BARBARA BENTWOOD MCCAHAN, MICHELE J. GRESSETT, STIPP FAMILY LP, CADDO MINERALS, INC., COLGATE PRODUCTION LLC, MARSHALL & WINSTON INC., CHALLENGER CRUDE LTD., TIERRA MEDIA RESOURCES LP, JERLYN INVESTMENTS LLC, JOE R. HENDERSON, JEANNE R. HENDRICK (POSSIBLE SUCCESSOR TO JOE R. HENERSON), H-S MINERALS AND REALTY LTD., HILL INVESTMENTS LTD., HILL REVOCABLE TRUSTS, MSWRT MICHAEL SCOTT WALTRIP TRUSTEE [POSSIBLE SUCCESSOR TO HILL REVOCABLE TRUSTS], MLH TRUSTE PROPERTIES MARGERY LINN HANNA TRUSTEE ALS AND REALTY LTD., HILL INVESTMENTS LTD., HILL REVOCABLE TRUSTS, MSWRT MICHAEL SCOTT WALTRIP TRUSTEE
[POSSIBLE SUCCESSOR TO HILL REVOCABLE TRUSTS],
MLH TRUST PROPERTIES, MARGERY LINN HANNA TRUSTEE
[POSSIBLE SUCCESSOR TO HILL REVOCABLE TRUSTS],
WALTRIP ENERGY LLC, GASCO ENERGY LTD., THOMAS HILL
PUFF TRUST DOROTHY JEAN KEENOM TRUSTEE, NANCY
PUFF JONES TRUST DOROTHY JEAN KEENOM TRUSTEE,
DOROTHY JEAN KEENOM, INDIVIDUALLY, MCCREA TRUST
NO. 1, HORSESHOE OIL & GAS CORPORATION [POSSIBLE
SUCCESSOR TO MCCREA TRUST NO. 1], ENOCH ENERGY
INC. [POSSIBLE SUCCESSOR TO MCCREA TRUST NO. 1],
CASTLEROCK ENERGY EXPLORATION POSSIBLE SUCCESSOR
TO MCCREA TRUST NO. 1], MCCREA ENERGY LLC [POSSIBLE
SUCCESSOR TO MCCREA TRUST NO. 1], GERALDINE L
ZOLLER, J.M. WELLBORN TRUST U/A/D OCTOBER 23, 1992,
J.M. WELBORN TRUSTEE, ERNEST ANGELO, JR., JANE B.
RAMSLAND OIL & GAS PARTNERSHIP LTD., J. BARNES
RAMSLAND OIL & GAS PARTNERSHIP TOO.
RAMSLAND OIL & GAS PARTNERSHIP AND
RAMSLAND OIL & GAS PARTNERSHIP AND
RAMSLAND OIL ELLEN BARNES AKA V. ELAINE
BARNES MALLAMS AKA CHRISTINE BARNES AKA V. ELAINE
BARNES MALLAMS AKA CHRISTINE BARNES AKA V. ELAINE
BARNES MALLAMS AKA CHRISTINE BARNES AKA V. ELAINE
BARNES MALLAMS AKA CHRIS [POSSIBLE SUCCESSOR TO THE ESTATE OF A.T. CARLETON], J BAR CANE ROYALTY LLC, DAVID CAGLE, ESTATE OF TOM C. WANTY, FORREST DUNILAP III, MANADA RESOURCES LP, CANYON PROPERTIES LLC, BXP PARTNERS V LP, RONALD R. COLLINS, RONALD R. COLLINS TRUST, STACIE J. MAY ADMINISTRATIVE TRUST, CHEROKEE LEGACY MINERALS LTD., KENEBREW MINERALS LP, CHARLES J. KINSOLVING, 35D HOLDINGS LLC, ASHLEY DEAN CROW, of Cimarex Energy Co.'s application for approval of a spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division Examiner will conduct a public hearing at 8:15 a.m. on July 1, 2021, at 1220 S. St. Francis, Santa Fe, New Mexico, 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For information about remote access, you can visit the Division's website at: http://www.emnrd.state.nm.us/OCD/hearings.html, or call (505) 476-3441. Cimarex Energy Co., at 600 N. Marienfeld St., Suite 600, Midland, TX, 79701, seeks an order from the Division: (1) creating a standard 484.63-acre, more or less, horizontal spacing and proration unit comprised of the N/2 N/2 of Sections 2 and 1, Township 20 South, Range 29 East; and the N/2 N/2 of Section 6, Township 20 South, Range 30 East; NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Bone Spring formation underlying said unit. Cimarex proposes to dedicate the unit to its Crest 2-1-6 State Fed Com 1H Well, an oil well, proposed to be horizontally drilled from a surface location in SW/4 NW/4 (Unit E) of Section 2 to a bottom hole location in Lot 1 (aka NE/4 NE/4) of Section 6. The completed interval and first take and last take points for the well and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the well and unit; and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located appro

## STATE OF NEW MEXICO

# ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

IN THE MATTTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

Application of Cimarex Energy Company for Hearing De Novo of Case 21429 Eddy County, New Mexico

Case No. 21744

REPORTER'S TRANSCRIPT OF PROCEEDINGS

COMMISSION HEARING

THURSDAY, JULY 8, 2021

AGENDA ITEM NO. 5

BEFORE: ADRIENNE SANDOVAL, COMMISSION CHAIR GREG BLOOM, COMMISSIONER TERRY WARNELL, COMMISSIONER

This matter came on for hearing before the New Mexico Oil Conservation Commission on Thursday, July 8, 2021, Via the Webex Virtual Conferencing Platform, hosted by the New Mexico Energy, Minerals and Natural Resources Department

Reported by: Mary Therese Macfarlane

New Mexico NM CCR #122 PAUL BACA COURT REPORTERS

500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102

(505) 843-9241

EXHIBIT \_

		Page 2
1	FOR CIMAREX ENERGY COMPANY:	
2	Darin Savage, Esq.	
3	ABADIE & SCHILL, PC 214 McKenzie Street	
4	Santa Fe, NM 87501 (970) 395-4401	
5	darin@abadieschill.com	
6		
7	FOR COLGATE OPERATING:	
8	Ernest L. Padilla, Esq PADILLA LAW FIRM	•
9	P.O. Box 2523 1512 S. St. Francis Dr:	io
10	Santa Fe, NM 87505	ıve
11	(505) 988-7577 padillalawnm@outlook.co	om
12		
13	INDEX	
14	CASE NUMBER 21744	PAGE
15	CASE CALLED:	3
16	ARGUMENT BY MR. PADILLA:	4
17	ARGUMENT BY MR. SAVAGE:	10
18	MOTION TO VACATE PENDING MOTIONS AND MOVE TO REGULARLY SCHECULED SEPTEMBER	45
19		
20	MOTION TO MOVE DE NOVO HEARING IN CASE 21744 TO REGULARLY SCHEDULED COMMISSION	45
21		
22		
23		
24		
25		
1		

```
1 COMMISSION CHAIR SANDOVAL: Well, so --
```

- 2 MR. SAVAGE: I hope that was clear. I kind of
- 3 meandered a little bit on that, but...
- 4 COMMISSION CHAIR SANDOVAL: I quess I have a
- 5 follow-up question.
- 6 So I mean I think the Commission, in
- 7 granting the de novo hearing, you know, did have concerns
- 8 about whether or not the requirements, the good faith
- 9 effort to -- I can't remember the exact language, but to
- 10 contact the parties, et cetera, all of that, whether or
- 11 not that was followed, but I don't think we've gone
- 12 through -- I mean, at this point we haven't...
- Sorry, I'm like --
- 14 MR. SAVAGE: I think it's one of those mornings.
- 15 COMMISSION CHAIR SANDOVAL: We haven't, like,
- 16 considered, you know, a lot of evidence or testimony or
- 17 any of those components in that. But what you're asking
- 18 the Commission is to make a decision today that there's
- 19 enough evidence that there was not a good faith effort,
- 20 and that the Order should be invalidated and it should be
- 21 sent back to the Division.
- MR. SAVAGE: Madam Chair, I believe that's
- 23 correct. I believe that the Commission went up to the
- 24 point to confirm as a factual matter that the arguments
- 25 that Colgate made about the misconduct/misrepresentations,

1 that the argument was compelling. So the Commission has

- 2 acknowledged at this point that the argument is
- 3 compelling.
- I believe that we -- the evidence, all the
- 5 evidence for a final determination on that question is of
- 6 record before the Commission. I believe that you're
- 7 correct that Colgate is asking for a final determination
- 8 on that assessment.
- 9 So I believe technically the Commission has
- 10 not made -- has not tipped the scale in that manner, but
- 11 it has gone up to the precipice, and what is remaining is
- 12 a final determination.
- 13 COMMISSION CHAIR SANDOVAL. Okay. I guess what
- 14 I'm initially thinking, Mr. Moander, is give, you know,
- 15 the Commissioners the opportunity to, you know, ask as
- 16 many questions here as we need, and then go into executive
- 17 section to discuss that.
- Is that an option?
- 19 MR. MOANDER: No, --
- 20 COMMISSION CHAIR SANDOVAL: No.
- 21 MR. MOANDER: -- Madam Chair. No, this is -- so
- 22 there are a couple of options, because I will admit that
- 23 the parties in this case have really brought some very
- 24 fine-tuned issues that are not typical, nor are they
- 25 easily cut-and-dry items, I think.

1 So the Commission can decide whether or not

- 2 to grant or deny the motion today, it's allowed to do
- 3 that.
- 4 Besides that the Commission has had success
- 5 requesting some additional briefing, but we also have a
- 6 deadline line of about, what, two months from now to have
- 7 the final determination hearing.
- 8 So the Commission could solicit some
- 9 additional argument, some proffers of evidence, that's
- 10 always permissible, and hold a decision in abeyance until
- 11 the next meeting. That is also an option, I think.
- 12 Again these are not -- these are pretty
- 13 complicated issues with some case law that I have
- 14 certainly not seen before, but the -- so, yes, the
- 15 Commission has some options here. Really there is only
- 16 two I see. I'm always open to alternatives to that. But,
- 17 yeah, I mean I will acknowledge from a legal standpoint
- 18 there's some complexity here and it's not the norm for
- 19 this Commission.
- 20 COMMISSION CHAIR SANDOVAL: But at the end of
- 21 the day the Commission has the choice on any case, if we
- 22 so choose, to pull it from the Division to the Commission.
- MR. MOANDER: Yes, that's correct.
- 24 I think that -- see, the concern that I see
- 25 with this, and this is sort of speaking to the parties,

1 too, is that really one of benefits of de novo, whether

- 2 it's de novo on the record or I guess we will call it
- 3 pure de novo, is that the parties get to provide evidence
- 4 about all of claims that have been made in both motions.
- 5 And argument of parties, even though they may have
- 6 documents, is still -- it's not quite the level of
- 7 evidence that will be solicited and provided in a de novo
- 8 hearing where there is witnesses that can be cross
- 9 examined, documents that can be discussed, or challenged,
- 10 even. And the whole idea of de novo, regardless of its
- 11 flavor, is to actually flesh out almost everything the
- 12 parties are concerned about in these motions, and at that
- 13 point in time the Commission would have the ability to
- 14 dismiss certain claims or relief sought, then issue
- 15 Findings of Fact.
- 16 My concern is if even though there may be
- 17 procedural flaws below, those issues were -- if the
- 18 parties don't bring those up in the hearing I would be
- 19 completely floored, because that would be something I
- 20 would almost expect as a matter of course here. And so
- 21 the issue of like Procedurally Defective Order could be
- 22 discussed at some length, and like why this Order is no
- 23 good and why the Commission should ultimately reject it.
- I'm not seeing the prejudice here that the
- 25 parties are arguing for, but I mean I'm more than happy to

- 1 hear some fine-tuned arguments on that.
- 2 COMMISSION CHAIR SANDOVAL: Commissioners Bloom,
- 3 or Warnell, do you have any questions for the parties?
- 4 COMMISSIONER BLOOM: Yes. Let me think here
- 5 which one I want to go with first.
- I guess we'll stick with -- let's keep
- 7 talking about the Motion to Invalidate and Vacate.
- 8 Mr. Savage, how do you feel -- how would
- 9 you feel if Cimarex went into the de novo hearing with the
- 10 current Order R-21575 in place? How do you see that
- 11 impacting Cimarex's case at the de novo hearing?
- MR. SAVAGE: Well, there's several issues there
- 13 that I'd like to point out.
- 14 First of all, and this will really not
- 15 affect Cimarex's interest, but there is a question about
- 16 whether or not that stain or tarnish from the Commission's
- 17 Order about the status of and description of Colgate's
- 18 conduct. To me there's a question about whether or not
- 19 that would prejudice Colgate. It seems like a return to
- 20 the Division with Colgate being allowed to fully satisfy
- 21 and fulfill the statutory requirements would provide a
- 22 clear playing field and level playing field for both
- 23 parties that would sequester and eradicate whatever
- 24 controversy surrounding Colgate's conduct.
- So it seems like a very clean way to

- 1 proceed.
- 2 COMMISSIONER BLOOM: So you're saying,
- 3 Mr. Savage, that's what would happen if the existing Order
- 4 was invalidated and vacated.
- 5 MR. SAVAGE: If the existing Order was
- 6 invalidated, yes, the parties would return to the Division
- 7 and there would be a clean slate, basically, both
- 8 procedurally and any other way. Colgate could cure
- 9 whatever issues they had with their proceedings by doing
- 10 it anew and Cimarex would be returned, restored to the
- 11 position prior to the harm committed upon Cimarex and the
- 12 harm committed upon the proceedings.
- 13 And so there would be an erad- -- you know,
- 14 a clean slate and there would be no question of prejudice.
- 15 I think with the alternative you have
- 16 prejudice that continues to haunt these proceedings and
- 17 affect both Colgate negatively and affect Cimarex
- 18 negatively.
- The other question I have, and, you know,
- 20 and this is something is that the Commission would have to
- 21 consider and, you know, address would be -- what would be
- 22 appropriate and the reasoning for what is appropriate.
- So that we have current cases, and they're
- 24 referenced in Cimarex's motion, in which the Commission
- 25 did return the cases and applications to the Division for

- 1 rehearing of the units.
- 2 So there is precedent, there is a
- 3 precedent. I'm not sure if the reasoning has been fully
- 4 provided, but there is a precedent for returning to the
- 5 Division.
- 6 So in some ways, you know, Cimarex looks at
- 7 that treatment of those parties and wonders which -- is
- 8 it -- it is an advantage to have that opportunity to go
- 9 back to the Division and have your case, you know,
- 10 reconsidered or reheard.
- 11 So Cimarex looks at that and wonders should
- 12 the same treatment be afforded to Cimarex, and what is --
- 13 and if it is, or if it's not, what is the reasoning and
- 14 basis for that treatment of one party versus another
- 15 party.
- 16 That's -- that's -- that's kind of the
- 17 large overriding issue. And I agree with Mr. Moander,
- 18 it's very complicated and very complex and there's nuances
- 19 in there, and I don't have a full answer for that.
- 20 But Cimarex looking at how other parties
- 21 are allowed to go back to the Division, we would like to
- 22 be afforded that, unless there is a very substantial
- 23 reason that that should not be allowed.
- 24 And I think Cimarex has provided a
- 25 procedural pathway for allowing that and still have a

- 1 secure Order at the end.
- COMMISSIONER BLOOM: Mr. Padilla, would you like
- 3 to respond?
- 4 MR. PADILLA: Mr. Savage is arguing that
- 5 essentially the Commission cannot make a decision from a
- 6 brand new case. To go to the Division doesn't make any
- 7 sense, because we are never going to finish this case.
- 8 For one, the Commission already granted a de novo hearing,
- 9 and I don't see any reason to go back.
- Now, in terms of prejudice, we cited
- 11 authority that a stayed Order has no -- should have no
- 12 effect. And, you know, the Division granted the Order,
- 13 but I think that the main thing is that the Commission now
- 14 has an opportunity to assess whether or not Colgate did
- 15 not provide sufficient dialogue in terms of trying to get
- 16 joinder in this case.
- We're obviously going to go back and bring
- 18 all that forward to see whether or not Cimarex addressed
- 19 the proposals that were made by Colgate, and that has to
- 20 be considered by the Division. And certainly in terms of
- 21 we already made an argument that they simply messed up the
- 22 Notice requirement.
- Now, that's an issue that's not before the
- 24 Commission now, but all of that has to be decided by the
- 25 Commission, the totality of circumstances of why, you

- 1 know, Cimarex completely dropped the ball here.
- 2 And so now they are trying to get back in
- 3 the game and we are starting all over again. I don't see
- 4 the reason to go back, and I don't know what the procedure
- 5 is. I know that Mr. Savage is addressing, because he's
- 6 been a lawyer in the Ascent/Mewbourne/Apache -- I'm in
- 7 that monitoring for EOG, but those cases have been bounced
- 8 up and down from the Commission to the Division and
- 9 arguments back and forth. We simply would like to avoid
- 10 all that of and go back and not argue about collateral
- 11 attack on the State Order.
- I don't see any reason why that would have
- 13 any prejudicial effect on the Commission. The Commission
- 14 is supposed to be looking at this all over again, and we
- 15 start -- and they conceded that they had the opportunity
- 16 to present their case to the Commission.
- 17 But to say that the Commission cannot -- by
- 18 implication cannot make the decision I think is entirely
- 19 wrong, that the Commission can decide whether or not --
- 20 uh, which application to approve.
- 21 COMMISSIONER BLOOM: Mr. Padilla, how would --
- 22 I'm sorry. How would Colgate be harmed by vacating the --
- 23 in effect, as you said, the State Order should have no
- 24 effect on the de novo hearing.
- MR. PADILLA: Well, one of the reasons is that

- 1 if this goes beyond, I would like to exhaust
- 2 administrative remedies. We can go back to argue 7-2-13
- 3 and whether or not it's appropriate to grant a de novo
- 4 hearing in the first place under the circumstances that
- 5 the Commission did. So going back to consider factual
- 6 allegations would just simply delay Colgate's ability to
- 7 exhaust administrative remedies if we decide to go there.
- 8 COMMISSIONER BLOOM: Okay. Thank you. I don't
- 9 have any further questions on this point. At some point I
- 10 might like to return to the issue of the Motion to Dismiss
- 11 and issues with BLM and the Potash raised by Colgate.
- 12 COMMISSION CHAIR SANDOVAL: Mr. Warnell, do you
- 13 have any additional questions of the parties?
- 14 COMMISSIONER WARNELL: Madam Chair, I appreciate
- 15 both Mr. Padilla and Mr. Savage's comments, and I have
- 16 nothing at this time.
- 17 COMMISSION CHAIR SANDOVAL: Okay. Well, we now
- 18 have to figure out what to do.
- 19 I quess I'm sort of -- I'm struggling with
- 20 sending it back down to the Division. And why I say that
- 21 is because I think, you know, the Commission has heard
- 22 enough information and enough on the record from the
- 23 previous hearings that there is a question as to whether
- 24 or not that good faith effort was -- you know, was gone
- 25 through on Colgate's side. But I would want additional,

1 like, testimony, evidence, et cetera, to make that -- you

- 2 know, make like a sort of official ruling on that, or, you
- 3 know, to invalidate the Order.
- I'm not in a place where I feel like
- 5 there's enough, we've heard enough evidence and
- 6 testimony -- well, we haven't heard any testimony -- to
- 7 invalidate that Order, which leaves us, I think, at the
- 8 place where we have the Order stayed, the Order was stayed
- 9 at the last hearing, and I do think that de novo appeal is
- 10 the place where all of that comes out, where the evidence
- 11 and testimony should be made and the Commission would then
- 12 make that decision.
- So I don't think the Order at this point
- 14 should be invalidated. Now, that may be something that we
- 15 come to at the de novo hearing, but I'm not there today.
- 16 MR. MOANDER: And I just want to note for the
- 17 benefit of the parties and the Commission, in the second
- 18 paragraph of Order 21679-A that the effect of the Order
- 19 has Colgate ceasing operations pursuant to the underlying
- 20 Division Order, and then in the third paragraph, the
- 21 matter -- that this stays in effect either until the
- 22 Commission reaches a resolution or the parties settle out.
- So the impact of the Order is
- 24 long-reaching, essentially through the end of this de novo
- 25 appeal, or if the parties come to some mutual agreement.

1 So it's lengthy and it's, I read, strongly.

- 2 It was crafted that way based on the Commission's
- 3 decision.
- 4 So just put that out there.
- 5 MR. SAVAGE: Madam Chair, if I may comment based
- 6 on the comments that you made.
- 7 It sounds to me like if that's how we would
- 8 proceed at the de novo level, that there would be a
- 9 consideration of whether the Order is invalid along with
- 10 the consideration of the merits of the Development Plans.
- 11 It sound to me like Cimarex could approach -- could
- 12 prevail based on two bases. One basis would be that
- 13 Cimarex submits a superior plan, and that would show the
- 14 superior prevention of waste, protection of correlative
- 15 rights, et cetera; but the other means of prevailing at
- 16 the de novo hearing would be severed from the merits of
- 17 the superior plan, and that would be a showing that the
- 18 Order on its face, based on the evidence, is invalid.
- 19 So the Commission could rule that the Order
- 20 is invalid and that would allow Cimarex to prevail, and
- 21 it's possible it could allow Cimarex to prevail without
- 22 having a superior plan.
- So, for example, let's say Cimarex submits
- 24 a plan, Colgate submits plan. Colgate's plan is actually
- 25 superior in terms of prevention of waste and optimal

- 1 development. Cimarex could argue that levied in the case
- 2 that we show definitively that the Order is invalid. So
- 3 once that Order is invalidated Colgate has no Order to go
- 4 forward if it shows it has a superior plan, and therefore
- 5 Cimarex wins, prevails with what would be an inferior
- 6 plan.
- 7 And that seems to be a logical
- 8 inconsistency that kind of contradicts the policy of
- 9 completing applications, and that's the prevention of
- 10 waste, protection of correlative rights.
- So, you know -- so that -- you know, that
- 12 just seems like an inconsistency in the de novo hearing.
- 13 I don't know what your opinion might be on that.
- 14 COMMISSION CHAIR SANDOVAL: I think, Mr. Moander
- 15 (sic), the intent of a de novo hearing is to hear all of
- 16 the pieces. We have each of these competing applications.
- 17 One of the criteria for compulsory pooling is, again, the
- 18 good faith effort, so that's inherent in either of your --
- 19 that would be inherent in sort of either of your showings,
- 20 but I don't think that that representation there is
- 21 accurate. I think it's just inherent in both of your
- 22 cases, you need to both -- well, you can show whatever you
- 23 want to, you can bring whatever you want to at the
- 24 hearing, but typically the core pieces of Compulsory
- 25 Pooling Applications is that good faith effort. And, you

1 know, whatever representations that you bring to the

- 2 Commission.
- 3 So I don't think the representation you
- 4 made just now was accurate, but inherent in both of the
- 5 representations I think should be --
- 6 MR. SAVAGE: So --
- 7 COMMISSION CHAIR SANDOVAL: (inaudible) as that.
- 8 MR. SAVAGE: Right. Yes.
- 9 So if I understand this correctly, the
- 10 Commission would issue an Order that would override the
- 11 Division Order based on hearing both applications.
- 12 COMMISSION CHAIR SANDOVAL: Mr. Moander, do you
- 13 want to go into the procedure of it? We haven't made a
- 14 decision yet here, either yet. We are just having a
- 15 discussion, and that was my initial discussion.
- 16 So I might -- then Mr. Moander, if you have
- 17 any pieces on procedure or whatever, jump in, but then I
- 18 would like to hear from the other commissioners and know
- 19 where you guys are.
- 20 MR. MOANDER: So ultimately the Commission is
- 21 going to issue -- there would be a Final Order issued in
- 22 this matter, which by its very nature is -- although
- 23 likely, I mean I am not a prognosticator and I don't
- 24 pretend to be, but will likely have elements in some
- 25 capacity that would override any lower, like the Division

- 1 Order.
- 2 It may not. It may also change the Order.
- 3 As I say, the evidence isn't in.
- But whatever Order would come out of the
- 5 Commission would presumably, under the procedure -- and
- 6 I'll try to pull these up now -- would supersede the
- 7 Division Order. I don't think I have seen an adjudication
- 8 where that's not the case, but I certainly could be wrong.
- 9 Let me check on this real quick and I will
- 10 opine a little further here in just a moment.
- MR. SAVAGE: Mr. Moander, if I could point out,
- 12 so then the determination of whether or not --
- 13 COMMISSION CHAIR SANDOVAL: Mr. Savage, can the
- 14 commissioners --
- 15 MR. SAVAGE: Oh, I'm sorry. Yes, please.
- 16 COMMISSION CHAIR SANDOVAL: Hold for a minute.
- 17 I would like to hear from the commissioners.
- 18 Commissioner Bloom or Warnell?
- 19 COMMISSIONER BLOOM: Commissioner Warnell,
- 20 please go ahead.
- 21 COMMISSIONER WARNELL: I have some band width
- 22 issues here.
- I would like to see what Mr. Moander has to
- 24 say here before I comment any further.
- 25 COMMISSIONER BLOOM: Madam Chair, I think as I

1 can see the de novo hearing, I would picture both parties

- 2 making fresh presentations, essentially a fresh
- 3 presentation of their best plans at that point, and we
- 4 wouldn't be going back and looking at what Colgate
- 5 presented in the previous OCD hearing.
- We spent a decent amount of time in
- 7 previous meetings, of course, looking at this, and, you
- 8 know, I look at the Order and I think it's point then says
- 9 "Finally Cimarex argues that Colgate effectively engaged
- 10 in fraud by filing the original pooling application that
- 11 contained material misrepresentations of fact," end quote.
- 12 And that material misrepresentation was
- 13 about the good faith effort to negotiate with other
- 14 parties, and we never saw Colgate come back and prove that
- 15 that wasn't the case, that they had negotiated. So I'm
- 16 not -- I don't know that I need to -- I don't know that
- 17 the Commission needs to take action today to invalidate
- 18 and vacate the previous Order, but I could see that being
- 19 part of what would happen at some point in the de novo
- 20 hearing if this were to arise again.
- 21 And maybe Mr. Moander has more to add. Or
- 22 we can take a 10-minute break and give him some time to
- 23 review.
- 24 MR. MOANDER: I would be appreciative of that.
- 25 The alternative is the Commission could --

- 1 I mean the Commission could continue this matter till
- 2 after we here the other items on the agenda and we can
- 3 resume. Because it did occur to me that the status
- 4 conference should not take very long and we could probably
- 5 release those attorneys so they don't have to sit
- 6 necessarily and listen to this. That's also an option.
- 7 COMMISSION CHAIR SANDOVAL: That would be fine,
- 8 continuing this to the end of the agenda today, unless you
- 9 guys want a break.
- 10 COMMISSIONER BLOOM: Madam Chair, I would be
- 11 fine with going to the status hearing, Permian Oil Field
- 12 Partners, and continuing this hearing shortly after that.
- 13 COMMISSION CHAIR SANDOVAL: Mr. Moander, do we
- 14 need like a formal motion?
- MR. MOANDER: That's a good question. It's
- 16 still on the agenda, so I don't think it needs to be --
- 17 like, no motion to table or anything like that is
- 18 required.
- 19 An abundance of caution it never hurts to
- 20 do a quick vote, especially with a composition this small
- 21 so it would be nice and formal. So I think there would be
- 22 some value in maybe considering that.
- 23 COMMISSION CHAIR SANDOVAL: Is there a motion to
- 24 continue Agenda Item No. 6 until after we have heard the
- 25 status conference for agenda Items No. 6, 7, 8 and 9?

1 COMMISSIONER BLOOM: Yes, Madam Chair. I move

- 2 to continue Agenda Item No. 6 until after we have heard
- 3 Agenda Items 7, 8 and 9.
- 4 COMMISSION CHAIR SANDOVAL: Just to be clear do
- 5 you mean continue Agenda Item No. 5?
- 6 COMMISSIONER BLOOM: Oh, I'm sorry, Madam Chair.
- 7 Yes, continue Item No. 5 until after we've heard Agenda
- 8 Items Nos. 6, 7, 8 and 9.
- 9 COMMISSION CHAIR SANDOVAL: Is there a second?
- 10 COMMISSIONER WARNELL: Madam Chair, I second
- 11 that.
- 12 COMMISSION CHAIR SANDOVAL: Thank you.
- 13 Mr. Moander, would you do a roll call vote, please.
- 14 MR. MOANDER: Yes, Madam Chair.
- 15 Commissioner Warnell.
- 16 COMMISSIONER WARNELL: Approved.
- 17 MR. MOANDER: Commissioner Bloom.
- 18 COMMISSIONER BLOOM: Approved.
- MR. MOANDER: Madam Chair.
- 20 COMMISSION CHAIR SANDOVAL: Approved.
- 21 MR. MOANDER: Motion carries.
- 22 COMMISSION CHAIR SANDOVAL: All right. Mr.
- 23 Savage and Mr. Padilla, hang tight. We will finish up
- 24 after we conclude Agenda Items 6, 7, 8 and 9.
- 25 (Time noted 10:23 a.m.)

Page 37 (Note: Agenda items 6, 7, 8, 9 heard.) 1 (Note: A recess was taken.) 2 3 (Time noted 10:45 a.m.) COMMISSION CHAIR SANDOVAL: Well, I think it's now time to go back. 5 MR. MOANDER: Yes. 6 COMMISSION CHAIR SANDOVAL: Commissioner Bloom? 7 COMMISSIONER BLOOM: I'm back now. 8 COMMISSION CHAIR SANDOVAL: Okay. All right. I 9 think we have the gang all back together. 10 So we are back on Agenda Item No. 5, Case 11 No. 21744. 12 Mr. Moander, I believe you were looking 13 into a couple of things. 14 Would you, like to open it up, please. 15 MR. MOANDER: Yes. So I wanted to just address 16 some of the concerns here, because I think Mr. Savage 17 brought up a good point, and that is it's -- he was 18 attempting to clarify whether the Commission sought to 19 effectively rule that the merits hearing would encompass 20 potentially two avenues of victory for his client, one of 21 them being the attack on the underlying Order and 22 23 invalidating it, and the other being the actual merits of 24 the matter. In taking a look at the various statutes 25

1 like 70-2-13, as well as some of the language in 19.15.4

- 2 NMAC, too, but taking a look at 19.15.4.16C, which
- 3 concerns a hearing on motions, or those motions here, my
- 4 suggestion is at this point -- because one of the problems
- 5 I'm struggling with is I think the parties, that's why
- 6 they are in front of the Commission. I think that an
- 7 evidentiary hearing at the August setting on the issue of
- 8 whether or not -- I hope I don't get this wrong, whether
- 9 or not Colgate met the requirements of conference before
- 10 filing its original application at the Division level
- 11 would be appropriate, because we would get actually
- 12 substantive evidence on the record for everybody involved,
- 13 the parties would have the opportunity to demonstrate
- 14 either the deficiency or lack of deficiency in the
- 15 original Division's application, and it would be
- 16 consistent with 19.5.4.16C to have that resolved prior to
- 17 a merits hearing, because it is, I suppose, possible that
- 18 at this point that a merits hearing be determined as being
- 19 not necessary.
- 20 So a motions hearing on -- sorry, an
- 21 evidentiary hearing specifically concerning the Notice
- 22 requirements that have been complained about.
- 23 Give me just a second, because if we take a
- 24 look at the application to re-open the case by Cimarex I
- 25 note here that the legal arguments about having a de novo

1 hearing Cimarex focuses on -- it's first argument is that

- 2 Colgate failed to negotiate, contrary to the agreement to
- 3 engage in good faith negotiations. And that I think
- 4 stands out, as well, because it's clearly the focal point
- 5 of the application, and to resolve whether it actually
- 6 happened or not would determine the future of this case as
- 7 a de novo matter.
- 8 So again to distill this down, I would
- 9 recommend or I do recommend an evidentiary hearing for the
- 10 July -- sorry, August docket for OCC. The Commission can
- 11 enforce subpoenas, although customarily that is not an
- 12 issue, but if the Commission proceeds with that, the
- 13 parties can bring in whoever they needed to testify one
- 14 way or the other.
- 15 COMMISSION CHAIR SANDOVAL: Thank you Mr.
- 16 Moander.
- To add, just to clarify. In your proposal,
- in the August OCC we would hear evidence and testimony on
- 19 first the issue of whether or not the Order from the
- 20 Division should be invalidated because Colgate didn't
- 21 follow the good faith negotiation requirement. Is that
- 22 correct?
- 23 MR. MOANDER: Yes. Add to that, or maybe
- 24 clarify it, I think I would suggest the Commission hold in
- 25 abeyance its rulings on the two pending motions until the

- 1 conclusion of the evidentiary hearing in August.
- 2 COMMISSION CHAIR SANDOVAL: And then depending
- 3 upon the outcome of the August hearing would dictate
- 4 whether or not we move forward with the September hearing.
- 5 MR. MOANDER: That's correct. Any
- 6 determinations made at the conclusion of the evidentiary
- 7 hearing would essentially determine the future of the
- 8 remainder of the case, if any.
- 9 And I do want to comment just to the
- 10 parties that, you know, I realize this has been a rather
- 11 tedious process, but I also recognize that both parties
- 12 are bringing issues before the Commission that don't --
- 13 they don't have a lot of history, so the Commission is
- 14 trying here, if I may speak for them as their counsel,
- 15 very diligently to get this right so that whatever comes
- 16 out at the end is reliable and viable for the parties.
- 17 So at least from my perspective I
- 18 appreciate your tolerance of this, because I want to get
- 19 it right for you, as well. (Note: Pause.)
- 20 COMMISSION CHAIR SANDOVAL: Okay. Commissioners,
- 21 do you have any questions for Mr. Moander or additional
- 22 thoughts?
- 23 COMMISSIONER BLOOM: Madam Chair, Mr. Moander,
- 24 are we then holding in abeyance both the -- I think it was
- 25 the Motion to Invalidate and Vacate and also the Motion to

- 1 Dismiss until that point?
- 2 MR. MOANDER: That would be correct. I think
- 3 there is an order for these to be evaluated, and the
- 4 primary motion to be dealt with is the one concerning
- 5 vacating the underlying Division Order.
- 6 COMMISSIONER BLOOM: I guess as I consider it at
- 7 this point, I wouldn't -- I think I'm going to leave it
- 8 there.
- 9 Thank you, Mr. Moander.
- 10 COMMISSIONER WARNELL: Madam Chair, Commissioner
- 11 Warnell here. I see no harm to either party if we were to
- 12 put this on the OCC August docket.
- 13 COMMISSION CHAIR SANDOVAL: Thank you, Mr.
- 14 Warnell.
- I agree. I think -- you know, there's
- 16 been -- you know in the previous hearings conversations
- 17 surrounding whether or not the good faith effort was
- 18 undergone, but I would like to hear testimony and
- 19 witnesses to that effect so that the Commission, you know,
- 20 has enough information to make a decision on that issue
- 21 itself.
- 22 So is there a motion to hold the motion --
- 23 is there a motion to hold the motions in abeyance until
- the next regularly scheduled OCC hearing on August 12th,
- 25 and have the parties provide testimony and witnesses?

1 MR. PADILLA: Madam Chair, if I may, this is

- 2 Ernest Padilla.
- I know that I have vacated or continued
- 4 cases because Mark Hajdik, who would be my main witness,
- 5 is unavailable in August, and I think we had Division
- 6 hearings somewhere around August 15th and we continued
- 7 those.
- 8 So if you want to hear additional testimony
- 9 as the Commission considering, can I ask for witness
- 10 availability on August 12th? Other than that, I should
- 11 add that --
- 12 COMMISSION CHAIR SANDOVAL: Mr. Moander, how do
- 13 we take that into consideration?
- MR. MOANDER: It's fair if a party has witness
- 15 unavailability. I mean, that's understandable.
- 16 But, Mr. Padilla, what's the likelihood --
- 17 and I missed his name and apologize, but that your witness
- 18 might be able to appear by video.
- 19 MR. PADILLA: I --
- MR. MOANDER: No idea?
- MR. PADILLA: I have no idea, and I particularly
- 22 wouldn't want to do that. But that's neither here nor
- 23 there. I'm just -- I know that I continued cases on a
- 24 number of Colgate into September because of that
- 25 unavailability.

1 MR. MOANDER: Okay. So then I think the next

- 2 question is, we obviously want to -- we don't want to kick
- 3 the can down the road any further than absolutely
- 4 necessary.
- 5 Mr. Savage, would you voice an objection if
- 6 we need to reschedule the merits hearing to ensure that
- 7 both parties can bring their witnesses to address the
- 8 Commission for purposes of the evidentiary hearing?
- 9 Mr. Savage, if you are speaking, I can't
- 10 hear you.
- MR. SAVAGE: How's that?
- MR. MOANDER: That's better.
- 13 MR. Savage: I guess I'm not sure if I
- 14 understand. Were we going to change that evidentiary
- 15 hearing to August 12th? Was that --
- 16 MR. MOANDER: So the original proposal was to
- 17 have the evidentiary hearing on August 12th. Mr. Padilla
- 18 voiced concern about the availability of the witness and
- 19 that he had continued other cases, based on that witness'
- 20 unavailability in August, which would mean that we would
- 21 probably -- unfortunately, I know the OCC has some
- 22 difficulty with special meetings so we really try to keep
- 23 everything on scheduled meetings dates.
- 24 So based on all of that, whether you would
- 25 object or have a concern about rescheduling the merits

- 1 hearing, so that way all parties can provide all their
- 2 necessary witnesses in an evidentiary hearing that I would
- 3 suspect that's probably looking into September.
- 4 MR. SAVAGE: So the merits hearing, would be --
- 5 MR. MOANDER: Switched back. It would need to
- 6 be under the circumstances.
- 7 MR. SAVAGE: That would be -- as long as we are
- 8 pushing it back, that would be okay. I have to check with
- 9 my client to see what's available for them, but, you
- 10 know -- yeah, if -- you know, fortunately setting dates so
- 11 they are in sequence and allow witnesses, that would be
- 12 great.
- MR. MOANDER: How does --
- 14 COMMISSION CHAIR SANDOVAL: Mr. Moander. What
- 15 about -- I mean, we already have -- well, we of course
- 16 have the de novo hearing on the docket for September,
- 17 which means that likely all the parties are available.
- 18 What if we do the evidentiary hearing in
- 19 September and move the de novo hearing to October?
- 20 MR. MOANDER: I think that's a great proposal,
- 21 Madam Chair. And that gives the parties enough time to
- 22 ensure availability for a merits hearing as well as the
- 23 evidentiary hearing.
- 24 COMMISSION CHAIR SANDOVAL: Okay. That would
- 25 be -- yeah, that makes sense. Okay.

Is there a motion to hold the motions that

- 2 we considered today in abeyance until an evidentiary
- 3 hearing on the regularly scheduled September OCC hearing
- 4 date, and then move the subsequent de novo hearing date
- 5 into the regularly scheduled October OCC hearings date?
- 6 COMMISSIONER BLOOM: Yes. I am just looking --
- 7 one second here.
- 8 Okay. Uhm, Madam Chair I would move to
- 9 move the Motions to Invalidate and Vacate and the Motion
- 10 to Dismiss until the regularly scheduled September meeting
- of the OCC and move the de novo hearing for Case 21744 to
- 12 our regularly scheduled OCC October meeting.
- 13 COMMISSIONER WARNELL: Madam Chair, Commissioner
- 14 Warnell. I would second that motion.
- 15 COMMISSION CHAIR SANDOVAL: Thank you.
- 16 Mr. Moander, will you do a roll call.
- 17 MR. MOANDER: Yes, Madam Chair.
- 18 Commissioner Warnell?
- 19 COMMISSIONER WARNELL: Approved.
- 20 MR. MOANDER: Commissioner Bloom.
- 21 COMMISSIONER BLOOM: Approved.
- MR. MOANDER: And Madam Chair.
- 23 COMMISSION CHAIR SANDOVAL: Approved.
- MR. MOANDER: The motion carries.
- 25 COMMISSION CHAIR SANDOVAL: Well, Mr. Savage and

1	STATE OF NEW MEXICO
2	ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
3	OIL CONSERVATION COMMISSION.
4	THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR
5	THE PURPOSE OF CONSIDERING:
6	Application of Colgate Operating, LLC for
7	Compulsory Pooling, Eddy County, New Mexico OCD Case No. 21629
8	Commission Case No. 21744
9	
10	
11	REPORTER'S TRANSCRIPT OF PROCEEDINGS THURSDAY, APRIL 14, 2022
12	REGULAR MEETING
13	AGENDA ITEM NO. 5 RULING AND STATUS CONFERENCE
14	This matter came on for hearing before the
15	New Mexico Oil Conservation Commission on Thursday, April 14, 2022, via Webex Virtual Conferencing
16	Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department.
17	and Nacarar Nessarces separement.
18	PRESENT:
19	COMMISSION CHAIR: Adrienne Sandoval COMMISSIONER: Greg Bloom (State Land Office)
20	
21	COMMISSION SECRETARY: Florene Davidson
22	Reported by: Mary Therese Macfarlane.
23	New Mexico CCR #122 PAUL BACA COURT REPORTERS
24	500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102
25	(505) 843-9241

1	APPEARANCES	
2	FOR COLGATE OPERATING: Ernest L. Padilla, Esq. P.O. Box 2523	
3	Santa Fe, NM 87504 (505) 988.7577	
4	padillalawnm@outlook.com	
5	FOR CIMAREX ENERGY: Darin C. Savage, Esq. Abadie & Schill, PC	
6	214 McKenzie Stree Santa Fe, NM 87501	
7	(970) 385-4401 darin@abadieschill.com	
8		
9	CONTENTS	
10	CASE NOS. 21621, 21744	PAGE
11	CASE CALLED:	3
12	STATUS UPDATE BY MR. SAVAGE:	3
13	STATUS UPDATE BY MR. PADILLA:	5
14	MOTION TO APPROVE ORDER IN CASE NO. 21621:	9
15	ORDER APPROVED:	10
16	APPROVAL OF MOTIONS/REPLIES/RESPONSES SCHEDULE:	15
17		
18	·	
19		
20		
21		
22		
23		
24		
25		

```
responses and replies a maximum of seven pages, not
2 including any attachments or exhibits.
             COMMISSIONER AMPOMAH: Madam Chair, a quick
3
  question.
4
                  So in the Final Order I think we made a
5
6 decision on the Cimarex application for hearing de novo,
7 so is that the same thing that we are going to talk about,
  or the same number?
             COMMISSION CHAIR SANDOVAL: We did.
                                                  Hold on.
9
  Let me pull up the Final Order.
10
             COMMISSIONER AMPOMAH: Okay. (Note:
                                                  Pause.)
11
             COMMISSION CHAIR SANDOVAL: So I believe that
12
13 the -- we --
                  I've got an old copy up.
                                            (Note:
                                                    Pause.)
14
             COMMISSIONER BLOOM: Madam Chair, if you will
15
16 permit me.
             COMMISSION CHAIR SANDOVAL: The -- oh, go ahead.
17
             COMMISSIONER BLOOM: Yeah.
                                         My understanding, in
18
19 paragraph 111 we say that Cimarex's application in this
20 matter for a hearing de novo before OCC is denied.
             COMMISSIONER AMPOMAH:
                                    Is denied.
21
             COMMISSIONER BLOOM: Related back to the
22
23 question of whether proper Notice was given, but that this
24 was a bifurcation of the case, and that there is still a
  de novo hearing potentially pending on the other side.
25 l
```

```
COMMISSION CHAIR SANDOVAL: Yes. So there's two
1
2 pieces to this case. We bifurcated it back six, eight
3 months ago. So there was the case for the good faith
4 Notice effort that we decided on, which is this Order, and
  then there's this additional de novo case. So there are
   two separate issues.
             COMMISSIONER AMPOMAH: Thank you, Madam Chair.
7
             COMMISSION CHAIR SANDOVAL: Just for clarity's
8
   sake I'll remake the motion.
9
                  Okay. For de novo Case No. 21744 -- I
10
11 actually don't know if that is the right case number.
             COMMISSIONER BLOOM: The prior case was 21629.
12
             COMMISSION CHAIR SANDOVAL: Okay. We'll get
13
14 there.
                  De novo Case No. 21744, motions are due May
15
16 5th, responses are due by the 19th of May, replies are due
17 by the 27th. All of these are limited to seven pages of
18 the core response or reply or motion, and that does not
19 include attachments and/or exhibits.
                  Is there a second to that motion?
20
             COMMISSIONER BLOOM: Madam Chair, I second.
21
             COMMISSION CHAIR SANDOVAL: Mr. KreienKamp,
22
23 would you do a roll call vote, please.
             MR. KREIENKAMP: Yes, Madam Chair.
24
                  On the motion. Chair Sandoval?
25
```

From: Darin - Work <darin@abadieschill.com>

Subject: OCC Case No. 21744

Date: April 18, 2022 at 2:57:30 PM MDT

To: "Moander, Christopher" <cmoander@nmag.gov>

Cc: Ernest Padilla <padillalawnm@outlook.com>, Adam Rankin

<agrankin@hollandhart.com>, Andrew Schill <andrew@abadieschill.com>, "Bill

Zimsky" <bill@abadieschill.com>, Luke Kittinger <luke@abadieschill.com>

Chris, good afternoon,

At the April 14 status conference, the parties were instructed to submit Motions, Responses and Replies starting May 5 to address procedural matters regarding the de novo hearing in Case No. 21744 and to determine if the de novo hearing. which had been granted to Cimarex as a party of record, in Order No. R-21679, would consist of just the Colgate application or consist of hearing the competing applications. The Chair had stated at the status conference that the de novo hearing had been bifurcated from the evidentiary hearing, which was designed to determine if the order was valid or invalid and the proper forum to hear the applications. As we read the rules, when a party of record makes application for a de novo hearing within the deadline to hear an adverse decision, the party has a right to a de novo hearing, whether the order is valid or not. At a de novo hearing on the merits, it shouldn't matter the order's status. The final status of the order is for the OCC to determine based on presentations and arguments at the de novo hearing on the merits, which have not yet occurred. But it looks like Paragraph 111 in Order No. R-21679-C has preempted that opportunity by rescinding the de novo hearing, without explanation. The Chair had mentioned, that based on the bifurcation, the OCC would reevaluate the sentence in Para. 111 and revise. However, it looks like the sentence was issued in its original form.

The parties were instructed to file Motions by May 5 to address how to proceed with the de novo hearing and whether the competing applications should be included, but Paragraph 111 would preclude such arguments and preempt the Motions, except for Colgate's Motion which would be prejudicial to Cimarex. In other words, the language in Paragraph 111 does not provide a level playing field for both parties in their Motions to consider the status of the de novo hearing.

Order No. R-21679-C Paragraph 111 looks like a final conclusion that would not allow for Cimarex's Motion, except for a request for rehearing under 19.15.4.25 NMAC as the only remaining option, which did not appear to be the intent of the OCC during discussions at the status conference.

I don't believe Cimarex can argue in a Motion to overturn a conclusion in a final order, unless you want Cimarex to file the Motion it was instructed to file pursuant to 19.15.4.25 NMAC. If Cimarex files a Motion to Rehear, it would present the legal issues involving Cimarex's right to a de novo hearing and have the hearing limited to those legal issues. If this is the preferred procedure, which without a

**7** 

revision of Paragraph 111 would be the only option, Cimarex has a 20 day deadline after the entry of the OCC order, which puts our deadline at May 4 instead of May 5. As a result, it might be preferable to move the Motion deadline for the parties to May 4.

Please advise.

Thanks, Darin

#### DARIN SAVAGE

Abadie | Schill P.C.

214 McKenzie Street, Santa Fe, New Mexico 87501

*P* | *970.385.4401* :: *F* | *970.385.4901* :: *C* | *970.764.8191* 

CONFIDENTIAL NOTICE: This electronic transmission and any documents or other writings sent with it constitute confidential information which is intended only for the named recipient and which may be legally privileged. If you have received this communication in error, do not read it. Please reply to the sender at Abadie & Schill, PC that you have received the message in error. Then delete it. Any disclosure, copying, distribution or the taking of any action concerning the contents of this communication or any attachment(s) by anyone other than the named recipient is strictly prohibited.

## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX ENERGY CO. FOR HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22018

APPLICATION OF CIMAREX ENERGY CO. FOR HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 22019

## **ENTRY OF APPEARANCE**

Padilla Law Firm, P.A. (Ernest L. Padilla) enters an appearance as counsel for Colgate Operating, LLC in the above captioned cases.

Respectfully submitted,

PADILLA LAW FIRM, P.A.

## /s/ Ernest L. Padilla

Ernest L. Padilla Post Office Box 2523 Santa Fe, New Mexico 87504 (505) 988-7577 padillalawnm@outlook.com padillalaw@gwestoffice.net

## **CERTIFICATE OF SERVICE**

I hereby certify that on June 21, 2021, I served a copy to the following counsel of record via electronic mail:

Darin C. Savage
William E. Zimsky
Andrew D. Schill
Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck

darin@abadieschill.com
bill@abadieschill.com
andrew@abadieschill.com
mfeldewert@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

/s/ Ernest L. Padilla

Ernest L. Padilla



# STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF CIMAREX ENERGY CO. FOR HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

**CASE NO. 22018** 

APPLICATION OF CIMAREX ENERGY CO. FOR HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

**CASE NO. 22019** 

# PRE-HEARING STATEMENT

This Pre-hearing Statement is submitted by COLGATE OPERATING, LLC, by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

# **APPEARANCES OF PARTIES**

AFFEARANCES OF FARTIES		
APPLICANT:	CIMAREX ENERGY CO.	
ATTORNEY:	Darin C. Savage William E. Zimsky Andrew D. Schill ABADIE & SCHILL, PC 214 McKenzie Street Santa Fe, New Mexico 87501 (970) 385-4401 darin@abadieschill.com bill@abadieschill.com andrew@abadieschill.com	
OPPOSITION OR OTHER PARTY:	COLGATE OPERATING LLC	
ATTORNEY:	Ernest L. Padilla Padilla Law Firm, P.A. P.O. Box 2523 Santa Fe, NM 87504 (505) 988-7577 padillalawnm@outlook.com	

EXHIBIT 9

EOG Resources, Inc

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck HOLLAND & HART P.O. Box 2208 Santa Fe, NM 87504

T: 505-988-4421 F: 505-983-6043

mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com

# STATEMENT OF CASE

# **APPLICANT:**

Applicant's applications call for compulsory pooling for its Crest 2-1-6 State Fed Com 2H well in Case 22018 and Crest 2-1-6 State Fed Com 1H Well in Case 22019.

# **OPPOSITION OR OTHER PARTY:**

The Cimarex cases are competing cases with the Colgate Operating, LLC cases now before the Oil Conservation Commission in Case 21744 in a de novo proceeding. In that case the Commission stayed Order R-21575 which was issued in Case 21629 by the Division. Presently, the parties are on a motions schedule imposed by the Commission before a de novo hearing set by the Commission for September 16, 2021. Both Colgate and Cimarex have filed dispositive motions which affect these cases.

## PROPOSED EVIDENCE

# **APPLICANT**

WITNESSES		EST. TIME	EXHIBITS	
Name	Title	Est. time	Exhibits	
Mark Hajdik	Landman	15 minutes	Approximately 6	
		15 minutes	Approximately 10	
Sergio Ojeda	Geologist			
Jordan Cox	Engineer	20 minutes	Approximately 6	
Jordan Cox	Liiginica			

# **OPPOSITION**

WITNESSES EST. TIME EXHIBITS

# **PROCEDURAL MATTERS**

A status conference should be held to determine the procedure for moving these cases to Commission Case 21744 to be heard as part of the de novo proceeding.

PADILLA LAW FIRM, P.A.

# /s/ Ernest L. Padilla

Ernest L. Padilla Attorney for Colgate Operating, LLC PO Box 2523 Santa Fe, New Mexico 87504 505-988-7577 padillalawnm@outlook.com

# **CERTIFICATE OF SERVICE**

I certify that on June 24, 2021, I served a copy of the foregoing pleading by electronic mail to:

Darin C. Savage
William E. Zimsky
Andrew D. Schill
Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck

darin@abadieschill.com
bill@abadieschill.com
andrew@abadieschill.com
mfeldewert@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

/s/ Ernest L. Padilla

Ernest L. Padilla

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division** 1220 S. St Francis Dr. **Santa Fe, NM 87505** 

QUESTIONS

Action 33697

## **QUESTIONS**

Operator:	OGRID:
CIMAREX ENERGY CO.	215099
600 N. Marienfeld Street	Action Number:
Midland, TX 79701	33697
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

#### QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witness	Not answered.
Testimony time (in minutes)	Not answered.

## STATE OF NEW MEXICO

# ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION FOR THE PURPOSE OF CONSIDERING:

Application of Cimarex Energy Company for Hearing De Novo of Case No. 21629, Eddy County, New Mexico

> Division Case No. 21629 De Novo Case No. 21744

## REPORTER'S TRANSCRIPT OF PROCEEDINGS

TUESDAY, FEBRUARY 22, 2022

## COMMISSION HEARING

This matter came on for hearing before the New Mexico Oil Conservation Commission on Tuesday, February 22, 2022 via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources

## IN ATTENDANCE:

ADRIENNE SANDOVAL
WILLIAM AMPOMAH
GREG BLOOM
CHRIS MOANDER
FLORENE DAVIDSON

COMMISSION CHAIR
COMMISSIONER
COMMISSION COUNSEL
COMMISSION SECRETARY

Reported by:

Mary Therese Macfarlane

New Mexico CCR #122

PAUL BACA COURT REPORTERS

500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102

(505) 843-9241

EXHIBIT

		Page 2
1	APPEARANCES	
2	FOR CIMAREX ENERGY: Darin C. Savage, Esq. Abadie & Schill, PC 214 McKenzie Stree	
4	Santa Fe, NM 87501 (970) 385-4401 darin@abadieschill.com	
5		
6	FOR COLGATE OPERATING, LLC:	
7	Ernest L. Padilla, Esq. P.O. Box 2523 Santa Fe, NM 87504	
8	(505) 988.7577 padillalawnm@outlook.com	
9	<b>L</b>	
10	FOR EOG RESOURCES, INCORPORATED:	
11	Adam G. Rankin, Esq. Holland & Hart	
12	110 North Guadalupe, Suite Santa Fe, New Mexico 87501	1
13	(505) 988-4421 agrankin@hollandhart.com	
14		
15	CONTENTS	
16	CASE NO. 21744	PAGE
17	CASE CALLED:	3
18	OPENING STATEMENT BY MR. SAVAGE:	5
19	OPENING STATEMENT BY MR. PADILLA:	7
20	MOTION TO LIMIT SCOPE OF HEARING:	10
21	RULING ON MOTION:	12
22		
23		
24		
25		

```
1 (Time noted 1:02 p.m.)
```

- 2 COMMISSIONER CHAIR SANDOVAL: It is 1:02 on
- 3 2-22, and we will get started again after lunch.
- 4 Coming in this afternoon we finished up
- 5 Case No. 21324, and we will start on Case No. 21744, the
- 6 Application of Cimarex Energy Company for De Novo Hearing
- 7 of Case No. 21629.
- 8 Mr. Savage, would you like to make a brief
- 9 opening statement?
- 10 MR. SAVAGE: I would, Madam Chair. Thank you.
- 11 Good morning, Madam Chair, Commissioners,
- 12 Mr. Moander and Counsel. In this evidentiary hearing
- 13 Cimarex respectfully submits that the evidence today will
- 14 show that Colgate Energy and affiliate Colgate Operating,
- 15 LLC, did not satisfy its obligation of making attempts to
- 16 reach a voluntary agreement with Cimarex Energy Company,
- 17 both under the Division's rules and the pooling statute.
- 18 After Colgate sent out its well proposal on
- 19 July 10, 2020, in Case 21629, a pooling case, they had
- 20 only one email exchange with Cimarex, an exchange initiate
- 21 by Cimarex, for which Colgate did not directly answer the
- 22 question posed. Nor did Colgate provide Cimarex with an
- 23 agreement that it could review in any meaningful way.
- 24 Under the OCD rules and policies an
- 25 application to a pooling procedure is required not only to

1 send out the initial -- uh, an applicant to a pooling

- 2 procedure is required not only to send out the initial
- 3 well proposal but it is further required to show evidence
- 4 of attempts to reach a voluntary agreement through a
- 5 record of good faith negotiations.
- 6 The evidence provided in this hearing will
- 7 not only show that Colgate did not satisfy these
- 8 requirements but also made matters worse by making
- 9 misrepresentations, or what Cimarex argues and believes
- 10 are misrepresentations in the exhibits and testimony
- 11 before the OCD.
- 12 An applicable analogy to the purpose behind
- 13 the OCD's rules and policies regarding the requirement for
- 14 good faith negotiations is the concept of informed consent
- 15 taken from the medical profession, for example. A form
- 16 issued to a patient requesting agreement for a procedure
- 17 is not valid unless the patient is provided information
- 18 that informs the agreement. In the same way, the record
- 19 of communications required by the OCD following the well
- 20 proposal ensures that a voluntary agreement has been
- 21 sought and entered into; and therefore if the owner does
- 22 fail or refuse to enter into the agreement then the record
- 23 of negotiations ensures that the owner's decision was
- 24 informed and therefore fully voluntary.
- 25 For an owner with substantial interest,

1 consideration at that time, if there is an objection or an

- 2 issue, because part of this hearing is to collect evidence
- 3 and have the Commission weigh it, and there is a
- 4 presumption that the Commission will take in as much
- 5 evidence as it needs to make its decision.
- As to the rebuttable presumption, it
- 7 probably would have been helpful to have something like --
- 8 well, both of these issues, one of them with the evidence
- 9 being a motion, or subject to a Motion in Limine perhaps
- 10 to exclude; and then the other one, moving the Commission
- 11 to accept and implement the rebuttable presumption. That
- 12 might have been subject to motion practice. But I think
- in this instance the Commission knows what it ruled upon
- 14 and it understands its own rulings, so I think you could
- 15 probably hold the decision in abeyance to see how the
- 16 evidence fleshes out, but ultimately I would advise the
- 17 commission when it renders its final decision to address
- 18 the rebuttable presumption request by Mr. Savage.
- 19 COMMISSIONER CHAIR SANDOVAL: It makes sense to
- 20 me.
- 21 MR. SAVAGE: Thank you, Madam Chair.
- MR. MOANDER: So, Madam Chair, is that a ruling
- 23 that you're going to hold a decision in abeyance on these?
- 24 COMMISSIONER CHAIR SANDOVAL: I'm sorry. Yes.
- 25 I could have been clearer.

- 1 A. Applicant.
- Q. How many Well Proposals do you receive -- do you
- 3 receive numerous Well Proposals? Can you give an idea of
- 4 the volume that you receive?
- 5 A. Quite a few.
- Q. And you have a full system, in-house system
- 7 that's very detailed, in which you place these proposals
- 8 in, you tag them with the information, and then you
- 9 monitor them; is that correct?
- 10 A. That's correct.
- 11 Q. And is that monitoring based in large part on
- 12 the obligation of the applicant to provide -- to make
- 13 affirmative attempts under the rules of the OCD?
- A. Correct. We can tell how pertinent and how
- 15 likely a well proposal -- I guess a project is going to be
- 16 drilled, based on the amount of correspondence we have
- 17 received from that operator.
- 18 So an operator -- they send out a well proposal,
- 19 and it follows up pursuant to the obligations under the
- 20 rules and the statute. They send you a -- they
- 21 affirmatively send you a JOA or Operating Agreement to try
- 22 to satisfy the rules of (inaudible) a voluntary agreement.
- 23 Those would be registered in your system as a higher
- 24 priority than somebody who sends out a well proposal, you
- 25 reach out, you try to reach out, they give one response,

- 1 answer questions that are not leading.
- 2 COMMISSIONER CHAIR SANDOVAL: I tend to agree.
- 3 Mr. Savage, can you reframe the questions, please.
- 4 MR. SAVAGE: Yes. Thank you, Madam Chair. I
- 5 withdraw those questions.
- 6 Q. Can you describe the conditions, Mr. Coffman,
- 7 under which you received and misplaced, or Cimarex
- 8 received and misplaced by accident the Notice that Colgate
- 9 sent?
- 10 A. We did receive that on Christmas Eve, and during
- 11 Christmas Eve obviously a lot of people take vacation
- 12 time. And during that time, as well, we were working from
- 13 home per Cimarex' safety guidelines during the pandemic.
- MR. SAVAGE: And -- yes. And, Madam Chair, I
- 15 know that the Commission ruled on this question, but the
- 16 circumstances are certainly informative of the situation,
- 17 we believe.
- 18 Q. Mr. Padilla brought up the fact -- the question
- 19 about whether one additional email would have satisfied
- 20 the criteria for good faith negotiations, and you
- 21 responded that it would depend on the content and the
- 22 substance of that email; is that correct?
- 23 A. Yes.
- 24 Q. So do you agree that -- I mean, there could be
- any number of emails that were exchanged, but if the

- 1 right?
- 2 A. (Note: No audible response.)
- 3 Q. I guess you didn't hear my question.
- 4 If you're the target of a well proposal or
- 5 a pooling application that's not -- it doesn't have a JOA
- 6 attached to it, do you disregard it?
- 7 A. No. If it meets the basic OCD requirements that
- 8 can result in a hearing being filed, and then we would not
- 9 disregard it.
- 10 Q. Well, Cimarex is saying that burden was on you
- 11 to follow up. What do you have to say to that argument?
- 12 A. I would say -- well, I answered their question,
- 13 and if they had further questions, I never received those.
- 14 Uhm, it's not uncommon to -- for working interest owners
- 15 go radio silent on you until Hearing Notices go out, and
- 16 then at that point they do realize that you're serious.
- 17 And I still didn't get a response. I just
- 18 assumed they were satisfied with seeing the hearing.
- 19 Q. So you think it's a two-way street, or what do
- 20 you have to say about negotiations back and forth?
- 21 A. I would assume it's a two-way street, because I
- 22 don't -- or I believe it's a two-way street, because I
- 23 don't know what they need. I don't know if they have,
- 24 working interest owner has accurate -- you know, I
- 25 don't -- I don't know what their questions are, can be all

# STATE OF NEW MEXICO

# ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSIONFOR THE PURPOSE OF CONSIDERING:

Application of Cimarex Energy Company for Hearing De Novo of Case 21629 Eddy County, New Mexico DE NOVO CASE NO. 21744

## COMMISSION HEARING

DAY TWO

PAGES 111-203

THURSDAY, MARCH 10, 2022

This matter came on for hearing before the New Mexico Oil and Gas Commission on Thursday, March 10, 2022, via Webex Virtual Conferencing Platform hosted by the New Mexico Energy, Minerals and Natural Resources Department

## PRESENT

ADRIENNE SANDOVAL
GREG BLOOM
WILLIAM AMPOMAH
CHRISTOPHER MOANDER
FLORENE DAVIDSON

COMMISSION CHAIR
COMMISSIONER (SLO)
COMMISSIONER (ENMRD)
COMMISSION COUNSEL
COMMISSION CLERK

REPORTED BY:

Mary Therese Macfarlane, CCR New Mexico CCR No. 122 PAUL BACA PROFESSIONAL COURT REPORTERS 500 4th Street, Suite 105 Albuquerque, NM 87102 (505) 843-9241

PAUL BACA PROFESSIONAL COURT REPORTERS 500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM

EXHIBIT

11

		<del></del>
		Page 112
1	APPEA	R A N C E S
2	FOR CIMAREX ENERGY:	Darin C. Savage, Esq. Abadie & Schill, PC
3		214 McKenzie Stree Santa Fe, NM 87501
4		(970) 385-4401 darin@abadieschill.com
5		
6	FOR COLGATE OPERATING, LLC:	Ernest L. Padilla, Esq. P.O. Box 2523
7		Santa Fe, NM 87504 (505) 988-7577
8		padillalawnm@outlook.com
9		
10	CONT	ENTS
11	DE NOVO CASE NO. 21744	
12	CASE CALLED:	
13	3 ARGUMENT ON MOTION BY MR. SAVAGE:	
14	RESPONSE ON MOTION BY MR. PADILLA: 170	
15	CLOSING ARGUMENT BY MR. SAVAGE: 181	
16	CLOSING ARGUMENT BY MR. PADILLA:	
17	CONTINUED FOR STATUS CONFERENCE: 2	
18		
19		
20		
21		
22		
23		
24		
25		

1 A. (Reading) Operatorship in north half/north half,

- 2 which abuts the other additional operating units due
- 3 north.
- Q. So it's basically descriptive in nature.
- A. I told you that, yes. I told you that it was
- 6 descriptive and it's describing what we were looking to do
- 7 and work out here.
- 8 Q. Thank you.
- 9 COMMISSION CHAIR SANDOVAL: Okay. There doesn't
- 10 need to be any attitude. He's asking questions at this
- 11 point that are appropriate. Please respond
- 12 professionally.
- 13 THE WITNESS: Okay.
- 14 COMMISSION CHAIR SANDOVAL: This is part of an
- 15 evidentiary hearing.
- 16 All right. Go ahead, Mr. Savage.
- 17 MR. SAVAGE: Thank you, Madam Chair.
- 18 Q. The second sentence in your response ends with,
- 19 quote, "We would be happy to talk some options for the
- 20 offsetting acreage in order to fully maximize development
- 21 of the area"; is that correct?
- 22 A. Yes.
- 23 Q. And would you describe the second sentence as a
- 24 statement that you were open to discussion? Is that fair?
- 25 A. Correct. I put the discussion back in their

- 1 camp to figure out what they were wanting to do.
- Q. It's basically that you were open to discussion.
- 3 You expressed that in this second sentence.
- 4 A. Yes.
- 5 Q. And more specifically, the discussion with
- 6 Cimarex, based on your email, would be a discussion about
- 7 the offsetting acreage, not a discussion about the
- 8 uncommitted acreage of the unit you wanted to pool, would
- 9 you agree? Based specifically on the expression of that
- 10 second sentence.
- 11 Would you agree with that?
- 12 A. I would say that I was answering Mr. Coffman's
- 13 questions.
- 14 Q. And you were expressing that you're open to
- 15 discuss the offset acreage; is that correct?
- 16 A. Correct. Because he was bringing up discussions
- 17 about acreage that we didn't have an interest in.
- 18 Q. Yeah. Thank you. I agree with that.
- 19 So is there any attempt in your second
- 20 sentence to ask or request Cimarex to enter an agreement
- 21 for the north half/north half unit to be pooled?
- A. It does not appear that way.
- 23 Q. In your email -- in your email, in your
- 24 response, could you have responded, for example by writing
- 25 "We would be happy to talk some option for operating