

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

**APPLICATIONS OF READ & STEVENS, INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NOS. 24941-24942

**APPLICATIONS OF READ & STEVENS, INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NOS. 25145-25148

**APPLICATIONS OF V-F PETROLEUM INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NOS. 24994-24995 & 25116

**APPLICATIONS OF V-F PETROLEUM INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NOS. 25115 & 25117

**CAROLYN BEALL'S MOTION TO STRIKE
PAGES 165-167 FROM PERMIAN'S SUPPLEMENTAL EXHIBIT C-12**

Carolyn Beall ("Beall") files this *Motion to Strike Pages 165-167 from Permian's Supplemental Exhibit C-12*, because Read & Stevens, Inc. ("Permian") seeks to impermissibly admit evidence after hearing that is not part of the administrative record and is not within the jurisdiction of the Division. Permian opposes the requests herein; V-F Petroleum Inc. concurs with the relief requested herein. In support of her objection to Pages 165-167 of the Supplemental Exhibit C-12, Beall requests an OCD Hearing on this Motion and states the following:

Objection to Permian's Amended Exhibits filed on March 10, 2025

Permian's title opinion, found at pages 165-167 of Supplemental Exhibit C-12, is not part of the administrative record in this case and must be stricken. The title opinion was not prepared by Mr. Macha, Permian's land witness, or any other Permian witness at the Hearings. Rather, Permian seeks to impermissibly have the OCD make a title determination regarding Ms. Beall's interests rather than accepting her stated ownership in the proposed Unit, as presented at hearing

on February 27, 2025, through Landman Jordan Shaw, and in her *Notice of Ownership Interest and Objection to Case Nos. 25145-25146* (filed Feb. 6, 2025) that confirms ownership in the Third Bone Spring. However, the OCD lacks jurisdiction over contractual and title disputes, and New Mexico law has repeatedly recognized that “[e]xclusive jurisdiction of such matters reside in the courts of the State of New Mexico.” *In re TMBR/Sharp*, Order No. R-11700. For this reason, the OCD may not consider Permian’s Supplemental Exhibit C-12, pages 165-167 which include title records, outside of the jurisdiction of the Division and not properly admitted at any hearing in these cases.

At the conclusion of the continued Contested Hearing in these cases on February 27, the Technical Examiner requested additional information regarding all of the depth severances located in the Third Bone Spring, for purposes of determining the nature, location, and vertical extent of all depth severances in the proposed units. *See* Transcript, at 227-229 (OCD Feb. 27, 2025 Special Hearing). It was clear on the record that the OCD only requested clarification on the depth severance related to Ms. Beall and the other depth severances related to the pending applications. As stated on the record, Permian was to provide, as a “supplemental exhibit or however you wish to bring it in” a supplemental exhibit for purposes of “understanding of where the depth severance is, especially where it relates to the vertical limits that the Division is force pooling the interest of.”

Following hearing on these cases on January 28, and February 27, 2025, Permian has impermissibly attempted to admit a title opinion with its Revised Exhibits filed after hearing on March 10, 2025. *See* Permian’s Supplemental Exhibit C-12, at 165-67 (filed March 10, 2025). This is improper, and the addition of the title opinion in Permian’s ***Supplemental Exhibit C-12***, found at pages 165-167 in the Revised Exhibits, regarding Carolyn Beall’s ownership and her

ownership as it relates to the depth severance, is objected to and should not be admitted in these proceedings after hearing. There are multiple depth severances in the Third Bone Spring, and as provided Permian's Supplemental Exhibit C-12, the title opinion that was impermissibly submitted after hearing fails to address what was requested.

Permian seeks to impermissibly admit a title opinion, although the Division does not have jurisdiction to determine title. The only purpose for admitting the supplemental title opinion related to Ms. Beall's interests at Hearing is to rebut any allegations by Permian that Ms. Beall does not own an interest in the Third Bone Spring, which is being pooled in Case No. 25146. The Supplemental title opinion was never submitted at either hearing, despite Permian, as the applicant being afforded every right to do so. The Supplemental title opinion was never admitted into the administrative record and should be stricken for that reason.

B. Conclusion

For these reasons, Ms. Beall moves to strike a portion of Permian's Supplemental Exhibit C-12, found at pages 165-167, from the record in these cases. These pages from Permian's Proposed Supplemental Exhibit C-12 are not part of any request made by the OCD's Technical Examiner at the conclusion of the hearing, have not been subject to cross-examination, has not been admitted at any hearing in this matter, and should not be considered by the Division in these proceedings. Due to the nature of this Motion and the improper admission of Permian's Supplemental Exhibit C-12 pages 165-167, *Beall further requests a hearing on this matter at the Division's earliest setting.*

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", is positioned above a horizontal line.

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CERTIFICATE OF SERVICE

I certify that on March 21, 2025, the foregoing pleading was electronically filed by email with the New Mexico Oil Conservation Division Clerk and served on all parties of record through counsel, as follows:

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