

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

**APPLICATION OF ROCKWOOD RESOURCES, LLC, ET AL.,
TO REOPEN MEWBOURNE OIL COMPANY'S
POOLING CASE NO. 21390, LEA COUNTY, NEW MEXICO**

**Reopen Case No. 22539
Re: Case No. 21390; Order No. R-12527**

**APPLICATION OF ROCKWOOD RESOURCES, LLC, ET AL.,
TO REOPEN MEWBOURNE OIL COMPANY'S
POOLING CASE NO. 21391, LEA COUNTY, NEW MEXICO**

**Reopen Case No. 22540
Re: Case No. 21391; Order No. R-12528**

**MEWBOURNE OIL COMPANY'S SECOND MOTION TO DISMISS ROCKWOOD'S
APPLICATIONS TO REOPEN**

For the reasons set forth below, the Applications filed by Rockwood Resources, LLC, Christine Brock, and Rebecca J. Babbitt (collectively "Rockwood") should be dismissed.

I. INTRODUCTION

On July 31, 2020, Mewbourne Oil Company ("Mewbourne") filed its applications to pool uncommitted interests within the Bone Spring formation in two 320-acre horizontal spacing units located in the N/2 of Sections 3 and 4, Township 18 South, Range 32 East in Lea County. In Case No. 21390, Mewbourne sought to pool interests in a 323.8-acre standard horizontal spacing unit comprised of the N/2 N/2 of Sections 3 and 4, and in Case No. 21391, Mewbourne sought to pool interests in a 320-acre standard horizontal spacing unit comprised of the S/2 N/2 of Sections 3 and 4. Following a hearing, the Oil Conservation Division ("OCD" or "Division") issued orders approving Mewbourne's applications on November 13, 2020. Mewbourne presented evidence that it satisfied the Division's notice requirements, and the Division concluded in the Orders that

Mewbourne “satisfied the notice requirements for the Applications and the hearing as required by 19.15.4.12 NMAC.” *See* Order Nos. R-21527, R-21528 (Exh. 1).

After the Orders were issued, Rockwood apparently acquired, or is seeking to acquire, pooled interests held by Christine Brock (“Brock”) and Rebecca Babbitt (“Babbitt”), both of whom were unlocatable, and now seeks to reopen the orders more than 15 months after they were issued. Rockwood’s applications are defective and should be dismissed, as allowing companies to knowingly acquire interests from unlocatable parties and then seek to re-open pooling orders months or years after the orders were issued is contrary to the Oil and Gas Act. In addition, Rockwood lacks standing to challenge the Orders, and Mewbourne satisfied the Division’s notice requirements. Rockwood’s Applications should be dismissed and Order Nos. R-21527 and R-21528 should remain in effect.

II. ARGUMENT

A. **Rockwood’s attempt to challenge pooling orders over a year after they were issued, when it knowingly acquired interests that were pooled as unlocatable, is contrary to the Oil and Gas Act.**

Rockwood requests that the Division re-open case Nos. 21390 and 21391 more than fifteen months after the Orders in those cases were issued. Brock and Babbitt were deemed unlocatable and their interests were pooled under Order Nos. R-21527 and R-21528. Rockwood, however, expended significant effort at some point after the Orders were issued to track down Babbitt and Brock and acquire their interests in the hopes of being able to undo the Orders and participate in Mewbourne’s wells. The Division should dismiss the applications, as Rockwood’s request conflicts with the Division’s obligation under the Oil and Gas Act to protect correlative rights and prevent waste. *See* NMSA 1978, § 70-2-11.

1. *Rockwood's applications are contrary to the Oil and Gas Act because they seek to impair the Division's ability to prevent waste and protect correlative rights.*

The Oil and Gas Act delegates to the Division broad authority over oil and gas development in New Mexico. Specifically, the Act provides:

The division shall have, and is hereby given, jurisdiction and authority over all matters relating to the conservation of oil and gas and the prevention of waste of potash as a result of oil or gas operations in this state. It shall have jurisdiction, authority and control of and over all persons, matters or things necessary or proper to enforce effectively the provisions of this act or any other law of this state relating to the conservation of oil or gas and the prevention of waste of potash as a result of oil or gas operations.

NMSA 1978, § 70-2-6. Consistent with the Act's purpose, Section 70-2-11 delegates to the Division the authority to prevent waste and protect correlative rights.

To facilitate the Division's obligation to prevent waste and protect correlative rights, Section 70-2-17(C) of the Act requires the Division to pool interests when owners have not agreed to do so. This section states:

owners have not agreed to pool their interests, and where one such separate owner, or owners, who has the right to drill has drilled or proposes to drill a well on said unit to a common source of supply, the division, to avoid the drilling of unnecessary wells or to protect correlative rights, or to prevent waste, *shall* pool all or any part of such lands or interests or both in the spacing or proration unit as a unit.

NMSA 1978, § 70-2-17(C) (emphasis added). Thus, the Division's pooling authority is central to its ability to protect correlative rights and prevent waste. The New Mexico Supreme Court has confirmed this authority, finding that the Act requires the Division to pool interests when the parties have not agreed to do so and gives the Division authority to modify any agreement between parties concerning pooling, as long as the action of the Division is "predicated on the prevention of waste." *Sims v. Mechem*, 1963-NMSC-103, ¶ 10, 382 P.2d 183, 185.

In this instance, the Division's pooling Orders found that while "[s]ome of the owners of the uncommitted interests [in the parcels to be pooled] have not agreed to commit their interests to the Unit[,] [t]he pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells." *See* Exh. 1 at p. 2, ¶¶ 12, 13, p. 9 at ¶¶ 12, 13. While Babbitt and Brock may have not consented to pool their interests, the Division was well within its authority to pool the interests to ensure the prevention of waste and protection of correlative rights.

Further, Mewbourne's correlative rights are predicated on its ability to develop its acreage as the Division has allowed. Speculators should not be permitted or encouraged to track down unlocatable parties months or years after pooling orders were issued and then seek to nullify the orders. This is particularly true as the Division's pooling orders require that the well operator "commence drilling the Well(s) within one year after the date of [the] Order, and complete each Well no later than one (1) year after the commencement of drilling the Well." Exh. 1 at p. 2, ¶ 19, p. 9, ¶ 19. Once a pooling order has been issued, operators rely on the order in proceeding to expend significant funds to develop their acreage.

Rockwood has chimed in after the time has run for Mewbourne to begin drilling its Wells to be in compliance with Order Nos. R-21527 and R-21528. It is unknown how long Rockwood took to locate the previously unlocatable parties, but it is known that Rockwood sought out these individuals. *See* Rockwood's Applications at ¶ 2 ("Rockwood was able to readily locate..."). Permitting parties to scour the Division's database, find cases with unlocatable parties, then attempt to locate those parties and attempt to purchase their interests to participate in the proceeds of a well they otherwise had no right to participate in would call into question any pooling order that involves unlocatable parties. Given the significant number of cases that involve unlocatable

parties, there would be no end to the challenges that would be filed with the Division and pooling orders would be rendered meaningless. This result is inconsistent with the Division's obligation to prevent waste and protect correlative rights because it would thwart pooling and, thereby, oil and gas development in New Mexico.

In *Continental Oil Co. v. Oil Conservation Comm'n*, 1962-NMSC-062, ¶ 27, 373 P.2d 809, 818, the New Mexico Supreme Court held that “[a]lthough subservient to the prevention of waste and perhaps to the practicalities of the situation, the protection of correlative rights must depend upon the commission's findings as to the extent and limitations of the right.” The prevention of waste is paramount under the Oil and Gas Act, which is why the Division is permitted to enter pooling orders even when parties are unlocatable. Allowing third parties to seek out individuals who were unable to be located, despite an operator's good faith and reasonably diligent efforts, would interfere with the Division's pooling authority and its charge to prevent waste. Accordingly, Rockwood's Applications should be dismissed.

2. *The Oil and Gas Act's de novo hearing process confirms that parties should not be permitted to challenge pooling orders months or years after they were issued.*

The Oil and Gas Act provides that, “[w]hen any matter or proceeding is referred to an examiner and the decision is rendered thereon, any party of record adversely affected shall have the right to have the matter heard *de novo* before the commission upon application filed with the division within thirty days from the time any such decision is rendered.” NMSA 1978, § 70-2-13. The Commission's adjudication regulation mirrors the statutory provision and similarly requires *de novo* appeals to be filed within 30 days after the Division's order is issued. 19.15.4.23(A) NMAC. While Rockwood is not seeking a *de novo* hearing before the Commission, the thirty (30) day limitation on *de novo* appeals confirms that pooling orders must be enforced and cannot be challenged for an unlimited amount of time.

Without time limitations like those set out in Section 70-2-13, parties could challenge the Division's orders at any time, regardless of the age of the order. This result would lead to a lack of certainty and finality of the orders issued by the Division. That outcome would be untenable for the Division and for the parties who rely on its orders, including parties who have drilled wells the Division has approved. This is particularly true when a third party actively tracks down parties properly deemed as unlocatable and seeks to undo the Division's orders.

Neither the Act nor the Commission's regulations authorize the Rockwood's chosen path, and policy dictates that parties should not be permitted to challenge pooling orders months, or years, after they were properly issued.

B. Rockwood lacks standing to re-open Case Nos. 21390 and 21391 because it lacks a cognizable injury that is likely to be redressed by the Division.

In these cases, Rockwood claims that Mewbourne inappropriately identified several pooled parties, including Brock and Babbitt, as unlocatable. As such, Rockwood alleges these parties suffered an injury due to their inability to exercise their right to participate in the Wells. Rockwood claims it has standing to submit its applications since it is the owner of Brock and Babbitt's interests "who were both deprived of actual notice and proper opportunity for election...." *See* Rockwood's Applications at 5. Rockwood, however, does not have a concrete or cognizable interest sufficient for the Division to determine that Rockwood has standing to reopen Case Nos. 22439 and 22540.

The Division's adjudication rules provide that "[t]he division, attorney general, an operator or producer or other person *with standing* may file an application with the division for an adjudicatory hearing. The director, upon receiving a division examiner's recommendation, may dismiss an application for an adjudicatory proceeding upon a showing that the applicant *does not have standing*." 19.5.4.8(A) NMAC (emphasis added). To establish standing, an individual filing

an application with the Division must meet the following elements: (1) injury in fact, (2) causation, and (3) redressability. *See, e.g., ACLU of New Mexico v. Santillanes*, 546 F.3d 1318, 1317 (10th Cir. 2008). Rockwood cannot establish that it suffered an “injury in fact,” meaning “the invasion of a legally protected interest which is (a) concrete and particularized, and (b) actual or imminent, not conjectural or hypothetical.” *Id.* at 1318. Moreover, Rockwood has failed to demonstrate “a causal connection between the injury and the conduct,” and that it is “likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision.” *Id.*

Standing is a jurisdictional prerequisite that is separate and distinct from the merits of the case. *See id.* at 1319; *Begay v. PNM*, No. CIV 09-0137 JB/RLP, 2010 WL 1781900, *13 (D.N.M. Apr. 15, 2010). “The burden of establishing standing rests upon the [applicant].” *Begay*, 2010 WL 1781900, at *13. Rockwood, Babbitt, and Brock¹ must demonstrate that they have standing in this instance by showing they have the right to participate in the wells that are subject to pooling Order Nos. R-12527 and R-12528. “[W]here the [opposing party] challenges standing, a court must presume lack of jurisdiction ‘unless the contrary appears affirmatively from the record.’” *Id.* (quoting *Renne v. Geary*, 501 U.S. 312, 315 (1991)).

The first element that a party must meet to establish standing is “injury in fact.” This means that Rockwood “must show that the conduct of which [it] complains has caused [it] to suffer an ‘injury in fact’ that a favorable judgment will redress.” *The Wilderness Soc. v. Kane County, Utah*, 632 F.3d 1162, 1168 (10th Cir. 2011). To establish an injury in fact, Rockwood must have an ownership interest in the proceeds of the wells at issue in pooling Order Nos. R-12527 and R-12528. *See Duran v. Doe*, No. 1:11-CV-00279-MCA, 2012 WL 10759328, at *2 (D.N.M. Feb. 1, 2012); *Commonwealth Property Advocates, LLC v. Saxon Mortg. Services, Inc.*, No. 10-CV-

¹ Utter is not a party to Rockwood’s Application and any dealings with Utter or his heirs are not currently before the Division. Rockwood cannot add parties through motions practice.

01347–PAB–KMT, 2011 WL 2600987, at *3 (D. Colo. June 30, 2011) (dismissing the plaintiff's quiet title claim for lack of standing because the plaintiff had “no legally cognizable interest in the property”); *see also Gallegos v. Quinlan*, 1980-NMSC-065 (holding that a plaintiff lacks standing to pursue a quiet title action when he has “no title or interest in the property”).

Babbitt and Rockwood fail to satisfy the injury in fact requirement because Babbitt has executed an agreement with Mewbourne to participate in and commit her interest to Mewbourne's Wells. *See* Supplemental Self-Affirmed Statement of M. Robb (Exh. 2) at ¶ 4. Because Babbitt/Rockwood would no longer be subject to the pooling Orders for the Babbitt interest, there is no invasion of any potentially legally protected interest. It is unclear why Rockwood seeks to consume the Division's time and resources by raising unnecessary issues involving Babbitt.

Further, as set out in Robb's Self-Affirmed Statement, Rockwood “elected to participate in and commit the interests it acquired from Babbitt to Mewbourne's Wells, *subject to Rockwood's ability to resolve title defects.*” *See* Self-Affirmed Statement of Mitch Robb (Exh. 3) at ¶ 6 (emphasis added). Both the Babbitt and Brock interests involve unresolved title issues. *See* Exh. 2 at ¶ 5. Babbitt and Brock may only convey such title, if any, as they had. *See Duran*, 2012 WL 10759328, at *2 (dismissing plaintiff's complaint because plaintiff did not have an ownership interest in the subject property). Conversely, an agreement to acquire Babbitt and Brock's interests within the pooled units conveys nothing if Babbitt and Brock do not actually have title or an interest within the units. *Id.* There is no indication in any of the briefing or numerous exhibits submitted by Rockwood that the title defects have been cured and that Rockwood actually has an ownership interest in the subject units.

Rockwood may only participate in the well if two conditions are met: (1) Babbitt and Brock transfer their interests to Rockwood; and (2) Rockwood resolves the defects in title. Should the

title defects be unable to be resolved, neither Rockwood, nor Babbitt, nor Brock would be eligible to participate in the Mewbourne Wells at issue. At best, Rockwood has made a “showing that the relief requested *might* redress” Babbitt and Brock’s alleged injuries by not being given actual notice, despite Mewbourne’s attempts, prior to the pooling Orders being issued. However, “[a] showing that the relief requested *might* redress the [party’s] injuries is generally insufficient to satisfy the redressability requirement.” *WildEarth Guardians v. Pub. Serv. Co. of Colorado*, 690 F.3d 1174, 1182 (10th Cir. 2012) (emphasis in original) (quoting *Utah v. Babbitt*, 137 F.3d 1193, 1213 (10th Cir. 1998)).

Rockwood makes no allegations as to any actual or even hypothetical injury due to the pooling orders issued in Case Nos. 21390 and 21391. Nor does Rockwood provide any evidence that it, or Babbitt or Brock, have a legally protected right to participate in the wells. Because Rockwood has not shown it has standing to reopen Case Nos. 21390 and 21391, Rockwood’s Applications should be dismissed as required by 19.5.4.8(A) NMAC.

C. The Division should reject Rockwood’s request to alter the notice requirements set out in 19.15.4.12 NMAC.

Rockwood claims that Mewbourne’s notices to Christine Brock and Rebecca J. Babbitt was defective because Mewbourne did not “exercise reasonable diligence” to locate the individuals as required by 19.15.4.12(B) NMAC. However, the OCD rules and “reasonable diligence” do not require the type of search undertaken by Rockwood’s counsel to locate Brock and Babbitt. Rule 19.15.4.12(1)(a) NMAC provides that a compulsory pooling applicant “shall give notice to each owner of an interest in the mineral estate of any portion of the lands the applicant proposes to be pooled or unitized whose interest is evidenced by a written conveyance document either *of record or known to the applicant at the time the applicant filed the application. . .*” Rule 19.15.4.12(B) goes on to state that “[w]hen an applicant has been unable to locate persons entitled to notice after

exercising reasonable diligence, the applicant shall provide notice by publication, and submit proof of publication at the hearing.”

Rockwood would like the OCD to adopt a new, heightened notice standard that entails the following: (1) attempt personal service from information obtained from public land records; (2) search the internet and call all numbers and send letters to all addresses for every variation of a potential interest holder’s name and potential relatives; and (3) notice publication. The Division should decline Rockwood’s invitation. Essentially, Rockwood seeks to circumvent the Oil and Gas Act and Division rules regarding rulemaking. *See* NMSA 1978, § 70-2-12.2(A) (“No rule shall be adopted pursuant to the Oil and Gas Act until after a hearing by the commission.”); 19.15.3.1 – 15 NMAC (setting out detailed “procedures for division rulemaking proceedings”). The changes to the notice requirements that Rockwood proposes necessitate a rulemaking so that all interested parties have an opportunity to participate and comment prior to a change taking place. *See* 19.15.3.10 (comments on rulemaking). Applications to re-open existing pooling orders are not the proper venue to request that the Division adopt new notice requirements.

Rockwood maintains *T.H. McElvain Oil & Gas L.P., et al. v. Benson-Montin-Greer Drilling Corp., Inc.*, 2017-NMSC-004, supports its position that OCD should adopt a new standard for “reasonable diligence” in personal service to interest owners. However, *T.H. McElvain* found that after a diligent search and inquiry, the individual’s “whereabouts were not readily ascertainable.” 2017-NMSC-004, ¶ 37. In *dicta*, the New Mexico Supreme Court stated “[t]oday, with relatively easy access to the internet, social media, and numerous global search engines, it is often not difficult to find persons whose identity and whereabouts are necessary to effectuate personal service of process.” *Id.* This does not, however, mean that “reasonable diligence” entails googling a potential interest holder’s name, searching several different variations of the person’s

name (none of which are her actual name), and calling and sending letters to all potential phone numbers and next of kin.

Further, as explained by Robb in his Supplemental Self-Affirmed Statement, Mewbourne searched county and BLM Records, made numerous phone calls, and used the LexisNexis subscription search service, Accurint, in an attempt to locate Babbitt and Brock. *See* Exh. 2 at ¶ 3. Accurint performs comprehensive searches of public records and is deemed more reliable than the various free “people finder” websites relied upon by Rockwood. *See id.* Thus, even assuming the more intensive internet research was required, Mewbourne performed that research.

Because the Division should not alter its notice requirements in the absence of a rulemaking and because Mewbourne complied with the notice requirements set out in 19.15.4.12 NMAC, Rockwood’s applications should be dismissed.

III. CONCLUSION

For the reasons set forth herein, Mewbourne respectfully requests the OCD dismiss Rockwood’s applications

Respectfully submitted,

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Certificate of Service

I hereby certify that on March 15, 2022, I caused a true and correct copy of the foregoing to be emailed to:

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/s/ Dana S. Hardy _____
Dana S. Hardy

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MEWBOURNE OIL COMPANY**

**CASE NO. 21390
ORDER NO. R-21527**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on November 3, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.

EXHIBIT 1

9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AES/jag

Date: 11/13/2020

CASE NO. 21390
ORDER NO. R-21527

Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: #21390	APPLICANT'S RESPONSE
Date: November 3, 2020	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company, 14744
Applicant's Counsel:	Hinkle Shanor LLP, Dana S. Hardy
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	MRC Permian, LLC
Well Family	Eastwatch
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Young Bone Spring North Pool, Code 65350
Well Location Setback Rules:	Standard Oil, 100' setback
Spacing Unit Size:	40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	323.8 acres
Building Blocks:	40 acres
Orientation:	West to East
Description: TRS/County	N/2 N/2 Sections 3 and 4, Township 18 South, Range 32 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-5
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

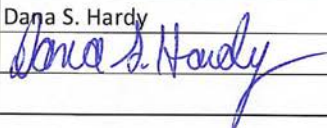
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Well #1	Eastwatch 4/3 B2DA Fed Com #1H (API # unassigned); SHL: 2140' FNL & 300' FWL (Sec. 4); BHL: 660' FNL & 100' FEL (Sec. 3); laydown; standard
Well #2	
Horizontal Well First and Last Take Points	FTP: 660' FNL and 100' FWL (Sec. 4); LTP: 660' FNL & 100' FEL (Sec. 3)
Completion Target (Formation, TVD and MD)	Bone Spring Formation; TVD: 8,350'; MD: 17,330'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-8
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-9
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-10
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-5
Pooled Parties (including ownership type)	Exhibit A-5
Unlocatable Parties to be Pooled	Exhibit A-5
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-5
Chronology of Contact with Non-Joined Working Interests	Exhibit A-7
Overhead Rates In Proposal Letter	Exhibits A, A-6

CASE NO. 21390
ORDER NO. R-21527

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Cost Estimate to Drill and Complete	Exhibit A-11
Cost Estimate to Equip Well	Exhibit A-11
Cost Estimate for Production Facilities	Exhibit A-11
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibits B-1, B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Pending
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3, A-4, A-5
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-1, B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	No special provision/stipulations
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	
Date:	3-Nov-20

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MEWBOURNE OIL COMPANY**

**CASE NO. 21391
ORDER NO. R-21528**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on November 3, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Mewbourne Oil Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.

9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

CASE NO. 21391
ORDER NO. R-21528

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well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AES/jag

Date: 11/13/2020

CASE NO. 21391
ORDER NO. R-21528

Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: #21391	APPLICANT'S RESPONSE
Date: November 3, 2020	
Applicant	Mewbourne Oil Company
Designated Operator & OGRID (affiliation if applicable)	Mewbourne Oil Company, 14744
Applicant's Counsel:	Hinkle Shanor LLP, Dana S. Hardy
Case Title:	APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	MRC Permian, LLC
Well Family	Eastwatch
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Young Bone Spring North Pool, Code 65350
Well Location Setback Rules:	Standard Oil, 100' setback
Spacing Unit Size:	40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West to East
Description: TRS/County	S/2 N/2 Sections 3 and 4, Township 18 South, Range 32 East, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-5
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

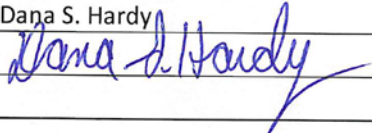
CASE NO. 21391
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Well #1	Eastwatch 4/3 B2EH Fed Com #1H (API # unassigned); SHL: 2170' FNL & 300' FWL (Sec. 4); BHL: 1980' FNL & 100' FEL (Sec. 3); laydown; standard
Well #2	
Horizontal Well First and Last Take Points	FTP: 1980' FNL and 100' FWL (Sec. 4); LTP: 1980' FNL & 100' FEL (Sec. 3)
Completion Target (Formation, TVD and MD)	Bone Spring Formation; TVD: 8,530'; MD: 17,480'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, Exhibit A
Production Supervision/Month \$	\$800, Exhibit A
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%, Exhibit A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-8
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit A-9
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit A-10
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-5
Pooled Parties (including ownership type)	Exhibit A-5
Unlocatable Parties to be Pooled	Exhibit A-5
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-5
Chronology of Contact with Non-Joined Working Interests	Exhibit A-7
Overhead Rates In Proposal Letter	Exhibits A, A-6

CASE NO. 21391
ORDER NO. R-21528

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Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Pending
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3, A-4, A-5
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits B-1, B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	No special provision/stipulations
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	
Date:	3-Nov-20

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

**APPLICATIONS OF ROCKWOOD RESOURCES,
LLC, et al., TO REOPEN MEWBOURNE OIL
COMPANY’S POOLING CASE NO. 21390, LEA
COUNTY, NEW MEXICO.**

CASE NO. 22539

**APPLICATIONS OF ROCKWOOD RESOURCES,
LLC, et al., TO REOPEN MEWBOURNE OIL
COMPANY’S POOLING CASE NO. 21391, LEA
COUNTY, NEW MEXICO.**

CASE NO. 22540

**SUPPLEMENTAL SELF-AFFIRMED STATEMENT OF
MITCH ROBB**

1. I am a landman for Mewbourne Oil Company (“Mewbourne”). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted.

2. I previously provided a self-affirmed statement in this matter on February 18, 2022 and am providing this supplemental self-affirmed statement to address issues raised by Rockwood Resources, LLC, Christine Brock, and Rebecca Babbitt in response to Mewbourne’s Motion to Dismiss.

3. Mewbourne used due diligence to attempt to locate all affected owners subject to compulsory pooling in Mewbourne’s applications, including Christine Brock (“Brock”) and Rebecca J. Babbitt (“Babbitt”). This due diligence consisted of searching county and BLM Records, making numerous phone calls, and using the LexisNexis subscription search service, Accurint. Accurint performs comprehensive searches of public records and is deemed far more reliable than the various free websites relied upon by Rockwood. None of these searches resulted in a correct address for Brock or Babbitt.

4. As I stated in my initial statement, Mewbourne has agreed to include Babbitt's interest in the wells.

5. As I previously informed Rockwood, the Brock interest also has unresolved title issues. In addition, it is my understanding that the letter agreement between Rockwood and Brock has expired and that Brock's interest has not been assigned to Rockwood. As a result, it is my understanding that Rockwood has not actually acquired Brock's interest.

6. I understand this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.



Mitch Robb

03/02/2022
Date

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

**APPLICATIONS OF ROCKWOOD RESOURCES,
LLC, et al., TO REOPEN MEWBOURNE OIL
COMPANY'S POOLING CASE NO. 21390, LEA
COUNTY, NEW MEXICO.**

CASE NO. 22539

**APPLICATIONS OF ROCKWOOD RESOURCES,
LLC, et al., TO REOPEN MEWBOURNE OIL
COMPANY'S POOLING CASE NO. 21391, LEA
COUNTY, NEW MEXICO.**

CASE NO. 22540

**SELF-AFFIRMED STATEMENT OF
MITCH ROBB**

1. I am a landman for Mewbourne Oil Company ("Mewbourne"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the Division, and my qualifications as an expert in petroleum land matters were accepted.

2. I am familiar with the applications filed by Mewbourne in Case Nos. 21930 and 21391 that pertain to the above-referenced cases.

3. On November 13, 2020, the Division issued Order Nos. R-21527 and R-21528 ("Orders") in Case Nos. 21390 and 21391 ("Cases"), respectively. The Orders pooled all uncommitted interests within the Bone Spring formation in a 323.8-acre standard horizontal spacing unit comprised of the N/2N/2 of Sections 3 and 4, Township 18 South, Range 32 East in Lea County, New Mexico (Case No. 21390) and a 320-acre standard horizontal spacing unit comprised of the S/2N/2 of Sections 3 and 4, Township 18 South, Range 32 East in Lea County, New Mexico (Case No. 21391) (collectively referred to as the "Units"). The Orders further dedicated the Units to Mewbourne's Eastwatch 4/3 B2DA Fed Com #1H and Eastwatch 4/3 B2EH

EXHIBIT 3

Fed Com #1H wells (collectively referred to as the “Wells”) and designated Mewbourne as Operator of the Units and Wells.

4. Mewbourne used due diligence to attempt to locate all affected owners subject to compulsory pooling in Mewbourne’s applications, including Christine Brock (“Brock”) and Rebecca J. Babbitt (“Babbitt”).

5. Mewbourne located Christine Brock through the BLM Serial Register and sent a well proposal and hearing notice to the address contained therein. Mewbourne also searched county records and made numerous phone calls in an attempt to locate Ms. Brock. *See* Exh. A-7 in Case Nos. 21390 and 21391.

6. Mewbourne attempted to locate Ms. Babbitt by searching county records but was unable to confirm a valid address. Mewbourne also made numerous phone calls in an attempt to locate Ms. Babbitt. *See* Exh. A-7 in Case Nos. 21390 and 21391. Regardless, Rockwood purchased Babbitt’s interests within the Units and executed an agreement with Mewbourne wherein Rockwood elected to participate in and commit the interests it acquired from Babbitt to Mewbourne’s Wells, subject to Rockwood’s ability to resolve title defects.

7. Notice of Mewbourne’s applications and the Division hearing was provided to all interested parties entitled to notice of its applications at least 20 days prior to the hearing date via certified mail at the parties’ most recent addresses. *See* Exhibit A-9 in Case Nos. 21390 and 21391. A certified mail response card was received on the mailing to Ms. Babbitt, although it was unsigned. *See id.*

8. Additionally, Mewbourne timely published notice of hearing of its application in Lea County and listed Babbitt and Brock as affected parties subject to compulsory pooling. *See* Exhibit A-9 in Case Nos. 21390 and 21391.

9. I understand this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 9 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.



Mitch Robb

02/18/2022
Date