

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

**IN THE CONSIDERATION OF THE FOLLOWING MATTER  
BY THE OIL CONSERVATION COMMISSION:**

**AMENDED APPLICATION OF ALPHA ENERGY  
PARTNERS, LLC, FOR COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO**

**OCD Case No. 25166  
Order No. 23961  
OCC Case No. 25700**

**APPLICATIONS OF ALPHA ENERGY  
PARTNERS II, LLC, FOR COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO**

**OCD Case No. 25496  
Order Nos. 23989  
OCC Case Nos. 25700**

**REPLY TO WARREN ANDERSON'S PLEADING**

Alpha Energy Partners II, LLC, and affiliate AEP II Operating, LLC (collectively referred to as "Alpha") through its undersigned attorneys, submits to the Oil Conservation Commission ("Commission" or "OCC") this Reply to Warren Anderson's Pleading ("Reply"). Alpha assumes that Anderson's Plea in Support of Appeal and *De Novo* Filing ("Pleading") is intended to be a response to Alpha's Amended Motion for Summary Judgment ("SJ Motion"), and Alpha states the following in support of its Reply:

**A. Introduction:**

1. In the Pleading filed by Warren Anderson ("Anderson"), presumably in response to Alpha's Motion, Anderson acknowledges that he was a party of record and participated in the hearings for a compulsory pooling of his uncommitted interests before the Oil Conservation Division ("Division" or "OCD"). See Anderson's Pleading, Part II, ¶ 1. The constitutional authority of a state to force pool uncommitted mineral interests into a unit for the development of the state's oil and gas resources has long been established and settled, as "[t]he first state

compulsory pooling statutes were enacted in New Mexico and Oklahoma in 1935.” Williams and Meyers Oil and Gas Law, Vol. 6, § 905.1 (1998). Such pooling statutes were upheld as constitutional in *Patterson v. Stanolind Oil and Gas Co.* and *Croxton v. State*.<sup>1</sup> *Id.*

2. Thus, any claim of trespass or anticipatory trespass against the Division for issuing pooling orders—after a party of record has been granted the right to participate in a hearing and have its objections heard—is without merit. *See, e.g.*, Exhibits B, C, D and E, filed by Anderson on December 10, 2025, in which Anderson claims that the Division’s Pooling Order Nos. R-23989 and R-23961 (“Pooling Orders”) create trespass and/or anticipatory trespass.<sup>2</sup>

3. In his Pleading, Anderson makes two general claims as the basis for his objections: (1) that the Division’s adjudication of the hearing was biased, lacked fairness, and lacked meaningful participation and notice (*see* Anderson’s Plea, Parts II and III); and (2) that Alpha did not engage in good-faith negotiations when it made efforts to reach a voluntary agreement prior to the hearing (*see* Anderson’s Pleading, Part II, ¶ 4; *see also* an Exhibit A, ¶ 2, sent by email dated December 10, 2025, in which Anderson states that Alpha failed to demonstrate good-faith negotiations.<sup>3</sup> Alpha shows herein that Anderson fails to substantiate and sustain both claims.

**B. Anderson Fails to Show and Establish that the Division’s Hearings in Case Nos. 25166 and 25496 were Biased, Unfair, or Lacked Meaningful Participation and Notice.**

4. Anderson alleges that the Division’s hearings in the Subject Cases were biased, unfair, did not allow for meaningful participation, and lacked notice. *see* Anderson’s Plea, Parts II

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<sup>1</sup> *Patterson v. Stanolind Oil and Gas Co.*, 182 Okla. 155, 77 P2d 83 (138), *appeal dismissed*, 305 U.S 376 (1939); *see also Croxton v. State*, 186 Oka. 249, 97 P.2d 11 (1939).

<sup>2</sup> The Exhibits were filed presumably to supplement Anderson’s Plea filed on November 20, 2025. It should be noted that Anderson did not send notice Plea to Alpha until December 10, 2025.

<sup>3</sup> Anderson submitted two different Exhibit As, one attached to the original Pleading titled, Exhibit A – Statement of Fairness and Equity, filed November 20, 2025, and an additional Exhibit A sent by email on December 10, 2025, titled, Exhibit A, Objection to Amended Application for Compulsory Pooling.

and III. However, Anderson provides no evidence whatsoever—no testimony, statements, or specific conduct from the hearings—to support these allegations. A party of record who attended and participated in the hearings, even if on a *pro se* basis bears the obligation to substantiate any accusations directed at the Division. *See* NMRA 1-011 (A) (“The signature of an attorney or party [not represented by an attorney] constitutes a certificate by the signer that the signer has read the pleading, motion, or other paper” and “that to the best of the signer’s knowledge, information, and belief there is good ground to support it.”) (emphasis added). Despite attending and participating in the hearings, Anderson identifies no specific statement, ruling, or action demonstrating bias or curtailed participation. Therefore, Anderson’s Pleading is groundless and without merit.

5. In fact, the hearing transcripts contain substantial evidence that the Subject Hearings were fair, unbiased, and provided Anderson with ample opportunity to express and argue his objections and concerns, as shown by the following statements and interactions with Anderson made by the Hearing Examiner, of which there are numerous examples in the transcripts. Moreover, the Hearing Examiner often assisted Anderson with procedural matters and made sure Anderson had opportunity to cross-examine witnesses with clear and comprehensible questions.

Examples of statements and interactions from Case No. 25166:

**Hearing Examiner:** Is there an objection?

**Mr. Anderson:** Yes. Mr. Examiner, this is Warren Anderson – [from] California.

**Hearing Examiner:** Okay. Mr. Anderson, good to hear that you’re with us. Are you objecting to question?

**Mr. Anderson:** Yes, I’m objecting to the person representing Alpha about leasing agreements, because they don’t have a leasing agreement in the South, where we are. Transcript (Tr.) dated March 4, 2025, Case No. 25166 at 78: 1-14.

**Hearing Examiner:** You’ll have an opportunity [to object], now that you’ve joined us, at – what time is it? 10:23? I’m not sure – what happened?

**Mr. Anderson:** It would – I came at nine, ‘cause it’s nine here. I didn’t – I didn’t understand the time difference sir.

**Hearing Examiner:** Okay. Mr. Anderson, even so, you’re still – it’s 10:24 a.m. here, Mountain Time, in New Mexico. You’ll have your opportunity to ask this witness questions.... *Id.* at 78: 19-25; 79: 1-3.

**Hearing Examiner:** Mr. Anderson?

Mr. Anderson: Yes, I – I do have some questions [for Cross-Examination]. Thank you. *Id.* at 82: 4-7

**Mr. Anderson:** I – I understand. I – I want – I just wanted to say – okay. No. I'll wait for my – for --- for the next – next one. No, I don't have no questions, or anything.

**Hearing Examiner:** All right. Mr. Coffman, I think I heard Mr. Anderson at least attempt to ask you was there a well proposal? And in the same way that Ms. Luck asked, did you make the same overtures to Mr. Anderson?

**Mr. Coffman:** Yes. *Id.* at 82: 23-25; 83: 1-9.

**Hearing Examiner:** Mr. Anderson, I think you've heard the answer; right?

**Mr. Anderson:** Yeah. But if this is Mr. Coffman, I spoke with Mr. Coffman. And they sent a compulsory pooling application for their answer.

**Hearing Examiner:** I – you know, Mr. Anderson, I can't help you with the legal issues. That's – you need to hire an attorney to help you with that. But it sound[s] – you know who to contact at Alpha, or to have your attorney contact Alpha. And it so it sounds like you don't – I was just trying to clarify that question for you.

**Mr. Anderson:** Okay. I – I appreciate it.

**Hearing Examiner:** You're welcome.

**Mr. Anderson:** And I will hire – I will hire a lawyer for that –

**Hearing Examiner:** Okay. Mr. –

**Mr. Anderson:** -- 'cause I object that – everything they're doing.

**Hearing Examiner:** I understand. Thank you. *Id.* at 84: 13-25; 85: 1-12.

Examples of statements and interactions from Case No. 25496:

**Hearing Examiner:** I am waiting for Mr. Samaniego, and I'm waiting for – is it Mr. Anderson? Are either of those parties with us?

**Mr. Anderson:** Yes.

**Hearing Examiner:** Hold on. I heard somebody. Hold on one second [Mr. Savage]. Go ahead.

**Mr. Anderson:** Yes, Mr. Anderson is here, Mr. Examiner.

**Hearing Examiner:** Okay. So you're entering an appearance for who?

**Mr. Anderson:** Mr. – I'm – I'm the landowner for the property in Eddy County, New Mexico.

**Hearing Examiner:** Yes, sir. My question is: You are entering an appearance for – is it just you, or is it you and your wife, or is there anyone else?

**Mr. Anderson:** I'm – I'm entering an appearance for Warren Anderson and Lily Anderson, sir.

**Hearing Examiner:** Okay perfect. Thank you. And I did get that document that you emailed today. It would be helpful if you would put a case number on your filing so we know where to put them, since you're not able to file them directly into the case yourself. Okay?

**Mr. Anderson:** Yes, sir.

**Hearing Examiner:** All right, so you'll have a chance to speak. Tr. dated Aug. 21, 2025, Case No. 25496 at 22: 17-25; 23: 1-24.

**Hearing Examiner:** Of course, [Mr. Savage] you'll present the case by affidavit. Mr. Anderson will be there to testify under oath as to his dealings with your client. And then we will take the case under advisement at that point and make a decision.

**Mr. Savage:** Yes. And Mr. Anderson does a right to a full hearing so our witnesses would be available and would provide any testimony. So yes, that would be basically the-

**Hearing Examiner:** Right. *Id.* at 26: 7-16.

**Hearing Examiner:** ....at this time I ask that Exhibits B and all sub-exhibits be admitted into the record. Are there any objections?

**Mr. Anderson:** Good I would. I would like to not object, but what are exhibits? Do they read them out?

**Hearing Examiner:** .... Mr. Anderson, there were exhibits filed in this case back on July 31<sup>st</sup> about almost a month ago, a little over. Excuse me, July 31<sup>st</sup>, almost a month ago. And I trust you know, you said you know how to use the imaging system.

**Mr. Anderson:** I don't. I don't think. I think I said I did not know how to use it.

**Hearing Examiner:** I understood you the other day to say that you understood and I thought we sent you a link to the imaging system? Is that true, Freya?

**Mr. Anderson:** I know what you are talking about now. I did see [them].

Hearing Examiner: Ah OK, if you used it. If you did use that link, it would take you where you could find this case and you could see all the documents, including yours that had been filed in this case. And if OK, good. And if you look at the document [filed] on July 31<sup>st</sup> of this year, there are actually two documents, there's excuse me, there are many documents filed on July 31<sup>st</sup>. The one I'm looking at...

**Mr. Anderson:** Yes.

**Hearing Examiner:** Is the one. They don't have titles, unfortunately. This is one of the largest of the documents. It's basically 10 megabytes large.

**Mr. Anderson:** Mm-hmmm

**Hearing Examiner:** It's the last of the July 31<sup>st</sup> filings before we got your filing on August 5<sup>th</sup>, and that document is exhibits we are talking about now.

**Mr. Anderson:** Ok. I got it. I remember I looked at [them].

**Hearing Examiner:** OK, OK, wonderful. And the exhibits have been admitted into evidence including so you can use any information in the exhibits to cross examine the witnesses. Or you can just cross examine the witness for your own evidence that you filed as well. So I'm going to keep moving and we'll give you an opportunity at the appropriate time, OK?

**Mr. Anderson:** Yeah. Yes, Sir.

AI-generated Tr. dated Aug. 27, 2025, Case No. 25496 at 40:41 to 43:16.

6. Upon review of the specific examples provided above in context of the transcripts of the Subject Cases as a whole, there is every indication (and no lack of evidence) that the Division provided Anderson with a fair and unbiased hearings, assisting him during cross-examination to ensure that his questions were understood and properly asked and making allowances for his tardiness and errors with his filings. In sum, with the help of the Division, Anderson was able to

fully express and articulate his objections and question witnesses until his list of questions and concerns were exhausted.

7. Nonetheless, Anderson, in his Pleading, has disparaged the integrity of the Division with defamatory language by making unsubstantiated and unfounded claims devoid of any evidence, thereby demonstrating that there is no good ground by which Anderson can support his claims or maintain a rational belief when he signed his Pleading that his claims are supported; thus, Anderson is in violation of NMRA 1-011(A). Moreover, if a pleading or other paper is signed with intent to defeat the purpose of NMRA 1-011(A), “it may be stricken as sham and false and the action may proceed as though the pleading or other paper had not been served.” NMRA 1-011(A). And, although a tribunal will usually extend some measure of leniency to a *pro se* party, NMRA 1-011(A) does grant the tribunal the right and authority to discipline a *pro se* party if the party willfully violates the rule. *See id.* Furthermore, the Commission should consider that the OCD did advise Anderson to seek counsel, and Anderson testified before the OCD that he would hire an attorney for these matters, which would have likely avoided such violations.<sup>4</sup> *See* Tr. dated March 4, 2025, Case No. 25166 at 84: 13-25; 85: 1-12.

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<sup>4</sup> In its Pleading, Anderson completely misapplies and miscites the two statutes that form the basis of his legal arguments. *See* Anderson’s Pleading Part III, ¶ 1, which cites NMSA 1978 Section 70-2-25. Section 70-2-25 addresses the procedure for rehearing a decision made by the OCC and appealing a case to district court and has nothing to do with the Division issuing orders “‘after notice and hearing’ and in a manner that protect correlative rights, as wrongly stated by Anderson. In fact, the statute does not even mention or reference the Division, does not contain the phrase “after notice and hearing” and does not mention or reference correlative rights. In Part III, ¶ 2, Anderson cites NMSA 1978 Section 70-2-29 for the proposition that “any aggrieved party has the right to seek review and file a *de novo* appeal, allowing the matter to be heard anew on the merits.” However, this statute does not support Anderson’s assertion but instead addresses the jurisdictional limits of the Oil and Gas Act, as sated in the statute, that “nothing in this act contained or authorized, and no suit by or against the commission or division, and no penalties imposed or claimed against any person for violating any statute of this state with respect to conservation of oil and gas, or any provision of this act, or any rule, regulation or order issued thereunder, shall impair or delay any cause of action for damages which any person may have or assert against any person violating any statute or the state with respect to conservation of oil and gas, or any provision of this act, or any rule, regulation or order thereunder.” On the contrary, Section 70-2-13 is the statute that addresses *de novo* appeals. If an attorney made such egregiously erroneous statements of the law in a pleading, such attorney could easily be sanctioned by the bar and/or sued for malpractice. By drafting such erroneous statements of the law and signing the pleading, Anderson either does not understand the legal assertions he has made and/or has

8. Furthermore, Anderson has provided no evidence to the OCC whatsoever to support his claim that Alpha did not provide Anderson with notice of the Subject Hearings. Notice was provided to Anderson for Case Nos. 25166, as shown by Exhibit D-2, Alpha's Hearing Packet, p. 226, in Case No. 25166, confirming that Alpha sent notice by letter – certified as delivered -- to the address of the last known owner of record in compliance with Rule 19.15.4.12(A) NMAC, which is 1301 Forest Ave, Pasadena, CA, 91103—the same address that Anderson lists under the signature of his Pleading. This is also true for Case No. 25496, as shown by Exhibit C-2, Alpha's Hearing Packet, p. 370, confirming that Alpha sent notice by letter – certified as delivered – to the address of the last owner of record, 1301 Forest Ave, Pasadena, CA, 91103, the same address as under Anderson's signature.

9. Given that Anderson provides zero evidence for his claims that the Division's hearings were biased, unfair, prevented meaningful participation, and lacked notice, in comparison with Alpha's direct evidence that the hearings were properly conducted according to regulation and statute pursuant to full notice to owners, Anderson's claims are at best disparaging to the integrity of the Division if not outright defamatory. Therefore, Alpha respectfully requests that the Commission reject and dismiss Anderson's claims regarding the validity of the subject hearings as frivolous, false, and without merit.

**C. Anderson Fails to Present any Facts or Legal Basis for Opposing Alpha's Motion for Summary Judgment.**

10. The second claim asserted by Anderson is that Alpha did not negotiate in good faith, a claim that has been adjudicated and decided in Alpha's favor on August 27, 2025, by the Division in a contested hearing that focused specifically on this claim. Again, this time before

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intentionally misapplied the law. Either way, Anderson fails to uphold the purpose and intent of NMRA 1-011(A).



the Commission, Anderson alleges this same claim but provides no evidence to substantiate the claim, neither in the form of emails between the parties nor testimony. In fact, Alpha is the only party who provided both the OCD and the OCC all email exchanges and communication with Anderson that prove Alpha engaged in good faith negotiations pursuant to the policy and law of the Commission. *See* Motion Regarding Alpha's Satisfaction of Negotiations Requirements Under the Oil and Gas Act and Its Rules, filed with the OCD in Case No. 25496 on August 23, 2025; *see also* Amended Motion for Summary Judgment, filed with the Commission in the Subject Cases on October 21, 2025.

11. In its Amended Motion for Summary Judgment, Alpha provided the OCC with the rules, statutes, and orders that spell out the obligations and criteria for evaluating good-faith negotiations in compulsory pooling cases. *See* Alpha's SJ Motion, ¶¶ 3 and 4; *see also* 19.15.4.12.A(1)(b)(vi) NMAC; NMSA 1978 § 70-2-17.C; and OCC Order No. R-21679-C, at ¶¶ 102-106.

12. Next, in its SJ Motion, Alpha demonstrated that it satisfied the obligations and criteria for good-faith negotiations by establishing the following material facts: (1) Alpha provided Anderson with well proposals in its efforts to reach a voluntary agreement (*see* SJ Motion, ¶ 6); (2) Alpha continued its good-faith efforts to negotiate with Anderson through follow-up communications that included approximately 23 email exchanges, far more than the number required by OCC Order No. R-21679-C, at ¶¶ 102-106 (*see id.*); and (3) Alpha offered Anderson a royalty amount and signing bonus that far exceeded the fair market value of Anderson's very small 0.275482 net acres and far exceeded the statutory 1/8 royalty distributed to mineral owners by the Oil and Gas Act when owners refuse a reasonable (in this case, excellent) offer and fail to reach a voluntary agreement. *See id.*



13. Furthermore, Alpha has established that there is no genuine issue of material facts relevant to the question of whether Alpha engaged in good-faith negotiations. *See id.* at ¶ 7. In its Pleading, Anderson provided the OCC with no facts and no evidence whatsoever to support its claim that Alpha did not negotiate in good faith. Under New Mexico law, Anderson is required to demonstrate the existence of specific evidentiary facts to show that a hearing on the merits is necessary, a requirement that Anderson failed to fulfill. *See Kreutzer v. Aldo Leopold High Sch.*, 2018-NMCA-005, ¶27, 408 P.3d 930. Instead, Anderson made only unsubstantiated allegations that Alpha did not act in good faith, and the non-movant party (Anderson) cannot rely on unsubstantiated allegations but must present admissible evidence demonstrating the existence of a genuine issue of material fact, which Anderson failed to do. *See id.* Therefore, under the facts of the matter taken in light most favorable to Anderson, the Commission should grant Alpha's request for summary judgment as a matter of law and dismiss Anderson's *de novo* appeal on the basis that that Commission has arrived at a final judgment in the cases.

**Conclusion:**

Anderson claims that (1) the Division did not provide a proper hearing for the Subject Cases; and (2) Alpha did not negotiate in good faith to reach a voluntary agreement. However, Anderson fails to establish *prima facie* cases for both claims, as Anderson only provides the Commission with unsubstantiated allegations and zero evidence. Without evidence, the allegations that Anderson is lodging against the Division are disparaging and defamatory and fail to comply with NMRA 1-011(A). Therefore, Anderson's first claim should be denied and dismissed.

With respect to Anderson's second claim, Alpha respectfully requests that the Commission grant its request for summary judgments based on the evidence and legal arguments provided by Alpha and dismiss Anderson's *de novo* appeal in its entirety.

Respectfully Submitted,

ABADIE & SCHILL, PC

/s/ *Darin C. Savage*

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**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, or on the party of record, if no counsel was provided, via electronic mail on December 12, 2025:

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