

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

**APPLICATIONS OF ROCKWOOD ENERGY, LP,
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 25243-25246

**APPLICATION OF COTERRA ENERGY
OPERATING CO. FOR COMPULSORY
POOLING, AND TO THE EXTENT
NECESSARY, APPROVAL OF AN
OVERLAPPING SPACING
UNIT, LEA COUNTY, NEW MEXICO.**

CASE NO. 25520

**APPLICATIONS OF COTERRA ENERGY
OPERATING CO. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25521-25523

**APPLICATION OF COTERRA ENERGY
OPERATING CO. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25524

**APPLICATION OF COTERRA ENERGY
OPERATING CO. FOR COMPULSORY POOLING,
AND TO THE EXTENT NECESSARY, APPROVAL
OF OVERLAPPING SPACING UNITS,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25525

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by the Rockwood Energy, LP, the applicant in Case Nos. 25243-25246, as required by Division rules.

APPEARANCES

APPLICANT

Rockwood Energy, LP

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OPPONENT

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STATEMENT OF THE CASE

Rockwood seeks the following orders from the Division, upon its applications filed on February 26, 2025.

At hearing on August 12-13, 2025, Rockwood requests the Division find that it is the appropriate operator for the proposed spacing units in Case Nos. 25243-25246, as provided in the applications described below. In a good faith effort to reach an agreement with Coterra, Rockwood has agreed to dismiss Case No. 25241 and Case No. 25242.

In Case No. **25243**, Rockwood seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 400-acre, more or less, spacing unit comprised of the W/2 W/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the W/2 NW/4 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Rockwood proposes and dedicates the HSU to the **Shepard 25/1 State Com 521H Well**, as an initial well, to be drilled to a sufficient depth to test the Bone Spring formation. Rockwood proposes the **Shepard 25/1 State Com 521H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 1, Township 19 South, Range 35 East.

In Case No. **25244**, Rockwood seeks an order order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 480-acre, more or less, spacing unit comprised of the E/2 W/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the E/2 W/2 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Rockwood proposes and dedicates to the HSU the **Shepard 25/1 State Com 523H Well**, as an initial well, to be drilled to a sufficient depth to test the Bone Spring formation. Rockwood proposes the **Shepard 25/1 State Com 523H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 1, Township 19 South, Range 35 East.

In Case No. **25245**, Rockwood seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 480-acre, more or less, spacing unit comprised of the W/2 E/2 of Sections 25 and 36, Township 18 South, Range 35

East, NMPM and the W/2 E/2 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Rockwood proposes and dedicates to the HSU the **Shepard 25/1 State Com 526H Well**, as an initial well, to be drilled to a sufficient depth to test the Bone Spring formation. Rockwood proposes the **Shepard 25/1 State Com 526H Well**, an oil well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 1, Township 19 South, Range 35 East.

In Case No. **25246**, Rockwood seeks an order pooling all uncommitted mineral interests in the Bone Spring formation, designated as an oil pool, underlying a standard 480-acre, more or less, spacing unit comprised of the E/2 E/2 of Sections 25 and 36, Township 18 South, Range 35 East, NMPM and the E/2 E/2 of Section 1, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Rockwood proposes and dedicates to the HSU the **Shepard 25/1 State Com 528H Well**, as an initial well, to be drilled to a sufficient depth to test the Bone Spring formation. Rockwood proposes the **Shepard 25/1 State Com 528H Well**, an oil well, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 25, Township 18 South, Range 35 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 1, Township 19 South, Range 35 East.

Coterra's applications in Case Nos. 25520-25523 should be denied for the following reasons. Since Coterra's acquisition of its working interests in the proposed units, from a former interest owner, Coterra has unduly delayed Rockwood's attempts to reach a voluntary agreement or drill the wells proposed in Rockwood's Applications. Most importantly, Coterra has not properly or timely proposed the wells in these cases, has not provided proper or timely mailed notice of the Applications in Case Nos. 25523-25525 to the interest owners to be pooled, and

does not have a plan to timely develop the wells within the applicable lease expirations. Finally, Coterra's development plans are not appropriate for the geology in the area. Coterra has not drilled a well in the area, and is not ready or capable to proceed with timely and appropriate development of these units.

PROPOSED EVIDENCE

<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Tyler Jolly, Land	30 minutes	Approx. 5
Charley Crosby, Geology	30 min.	Approx. 5
Gavin Edington, Engineer	30 min.	Approx. 2

PROCEDURAL MATTERS

Rockwood requests that the Division issue orders granting the pooling applications to Rockwood in Case Nos. 25243-25246, and deny all requested pooling for Coterra in these contested hearings.

Respectfully,



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Attorney for Rockwood Energy, LP

CERTIFICATE OF SERVICE

I certify that on this 6th of August 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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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 492533

QUESTIONS

Operator: Rockwood Energy LP 4450 Oak Park Lane STE 101897 Fort Worth, TX 76109	OGRID: 333298
	Action Number: 492533
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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