

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

IN THE MATTER AND CONSIDERATION OF:

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

**CLOSED OCD CASE NO. 25166
CLOSED OCC CASE NO. 25694
ORDER NO. 23961**

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

**CLOSED OCD CASE NO. 25495
CLOSED OCC CASE NO. 25696
ORDER NO. 23977**

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

**CLOSED OCD CASE NO. 25496
CLOSED OCC CASE NO. 25695
ORDER NO. 23989**

**APPLICATION OF AMERICAN ENERGY
RESOURCES, LLC, TO THE OCC FOR
DE NOVO HEARING AND EMERGENCY STAY**

OCC ORDER NO. R-24186

**ALPHA’S BRIEF TO THE OIL CONSERVATION COMMISSION RESPECTFULLY
SUBMITTED TO OFFER INFORMATION THE COMMISSION MAY FIND
RELEVANT TO ITS DISCUSSION OF THE MISPLACED MOTION
FILED BY AMERICAN ENERGY RESOURCES**

Alpha Energy Partners, II, LLC, (“Alpha”), through its undersigned attorneys, respectfully submits to the Oil Conservation Commission (“Commission” or “OCC”) this informative brief (“Brief”) provided in good faith that it may constructively contribute to the Commission’s discussion of the misplaced motion (“Motion”) submitted by American Energy Resources (“AER”) pursuant to the above-referenced cases (“subject cases”) which have all been closed by

the OCC's dismissal of the AER's Applications for De Novo Hearing. *See* Order No. R-24186. Alpha's Brief provides analysis and context for AER's Motion, as follows:

A. The disparagement AER asserts against the Oil Conservation Division (“Division”) and Commission is baseless.

1. Throughout its Motion, AER repeatedly asserts in disparaging terms that the orders issued by the OCD and OCC were “erroneous” (*see* AER's Motion, p. 2) and that the OCD and OCC lack integrity because the “Division Orders” issued “blatantly violate numerous New Mexico laws as well as charged obligated duties.” *See* AER's Motion, p. 4, ¶ 6. AER repeats these accusations throughout the Motion. In effect, AER's Motion, both in specific and general terms, directly charges the officers of the Division and Commission with violating the law and issuing corrupt orders.

2. Moreover, AER's assertions and accusations are unsubstantiated and unsupported by any concrete evidence, testimony, or exhibits – no examples of testimony from the hearings, which have long been closed and no exhibits with any current data. Sadly, AER has submitted to the OCC a rambling string of unsubstantiated and baseless name-calling.

B. AER's Motion is a blatant abuse of procedure and process.

3. AER's ten-page rant of baseless disparagement against the OCD and OCC concludes with the misguided attempt to use NMSA 1978 § 70-2-28 to justify AER's request that the OCD and OCC report its unlawful orders (as alleged by AER) to the state's attorney general for prosecution. *See* AER's Motion, p. 10 (“American respectfully requests the Division and Commission to present, by bringing forth Alpha's proposed pooling orders and mentioned cases with filings along with American exhibits, and cases supporting its filing to the Attorney General....”) (emphasis added to highlight that these are the pooling orders issued by the OCD

and upheld by the OCC pursuant to adjudications before the administrative tribunals but which AER claims that they violate numerous laws).

4. However, all platforms and venues through which AER could legitimately submit such a motion or request have been long foreclosed by the finalization and conclusion of the subject cases and the closing of their records. If AER believed such a request based on Section 70-2-28 had merit, it had ample opportunity during the course of the subject cases to have submitted such a motion requesting the Division's and Commission's consideration of the statute. But not only did AER fail to exercise its opportunity to raise Section 70-2-28 during the hearings, but it further failed to submit an Application for Rehearing and failed to appeal the cases to district court pursuant to NSMA 1978 § 70-2-25 at which times it could also have raised the matter of Section 70-2-28.

5. Furthermore, AER failed to pursue and address the very reason that its application for a *de novo* hearing had been dismissed by the Commission. The Commission ruled that it did not have jurisdiction to adjudicate title, and therefore, AER's applications were dismissed without prejudice in order to provide AER the opportunity to initiate and pursue a quiet title action in district court to demonstrate to the OCD and OCC that AER had ownership rights in the unit. But, as would be expected from such an operator, AER failed to pursue the one avenue available to it that could demonstrate its ownership rights, if it had any. The fact that AER failed or refused to file a quiet title action showcases its lack of effort and intent to demonstrate it has any ownership rights, which supports the conclusion of Alpha's extensive title work -- that AER has no working interest in the subject unit.

6. Instead, AER shamelessly attempts to submit an unauthorized Motion in the subject cases as if the cases were still open and AER's rights of appeal have not already been foreclosed by its own inaction and neglect.

C. AER misunderstands and misapplies NMSA 1978 § 70-2-28.

7. Even if AER still had an opportunity procedurally-open for submission of its Motion (which it does not), Section 78-2-28 does not grant AER standing to submit its Motion; does not grant a cause of action against the OCC or OCD as described in the Motion; nor does it provide AER a right to compel the OCC or OCD to bring suit against Alpha through the state's attorney general. This is true for a number of reasons under New Mexico's Oil and Gas Act ("OGA") and its rules. First, AER fails to correctly or accurately recite and present this statute to the OCC. The statute does not state, "If any person violates, threatens to violate, any statute...." as wrongly stated by AER. The statute states, "Whenever it shall appear that any person is violating or threatening to violate, any statute...." The inclusion of the word "appear" in the first sentence of the statute qualifies the manner by which a violation is to be viewed, interpreted, determined, and addressed. Under the statute, it is the "Division," and only the Division, who determines and decides "if" and "when" a person appears to be finally overstepping the line regarding the violation of a statute or rule in a manner and to such an extent that it warrants prosecution through the attorney general's office.

8. Second, this statute offers an option of last resort in the OCD's and OCC's arsenal of tools for enforcement of statutes and regulations. The OCD and OCC have a number of options available for ensuring enforcement of regulations and compliance by operators, which starts with the initial issuance of a Notice of Violation ("NOV") and can later include civil penalties, modification or cancellation of a permit, and plugging and abandonment of a well, among a number of other remedies as provided by law. *See* 19.15.5.10 NMAC.

9. For example, it is a common and established practice of the Division and Commission to allow an operator to be out of compliance with a statute or rule for an extended period of time pursuant to an Agreed Compliance Order ("ACO"). Thus, the powers of

enforcement granted the OCD and OCC by the rules provide discretion that allows an operator who is acting in good faith to remain out of compliance for an extended period of time while it works to regain compliance. The Division's standard approach to an operator out of compliance is to (1) issue an NOV to make the operator aware of the situation; (2) approach the operator about an ACO; (3) evaluate the operator's efforts to regain compliance; and (4) if the operator's efforts are unsatisfactory or represent bad faith action or inaction, to pursue in-house adjudicatory procedures, such as a hearing before the OCD, to determine penalties or actions. The OCD does not initially rush to file suit with the attorney general's office whenever it becomes aware of a violation or threat of violation. It is only after the use and failure of other tools of enforcement provided by 19.15.5 NMAC that the OCD invokes Section 70-2-28 to determine whether an operator "shall" finally "appear" to be violating a statute or rule or threatening to violate a statute or rule in such an incorrigible and unmitigated manner that the extreme measure of filing suit through the attorney general's office would be warranted, thus completing the OCD's and OCC's full scope of enforcement options.

10. If the OCD and OCC did not have the power of such discretion available in its rules of enforcement, then Section 70-2-28 would eclipse and preempt the OCD's and OCC's exclusive ability under the OGA to enforce violation of a statute or rule and fashion constructive remedies pursuant to NOV's and ACO's because the statute would always require the Division to immediately file suit against a violator through the attorney general's office after the Division becomes aware of a violation or threat of a violation. There is no language in the statute that requires immediacy, and the imposition and construction of immediacy into the statute would strip from the OCD and OCC of a large portion of its exclusive enforcement powers granted by NMSA 1978 §§ 70-2-6, -11 and -12, and 19.15.5 NMAC and place them in the hands of the attorney general. Such a requirement would eradicate and nullify the OCD's and OCC's ability to exercise discretion under

19.15.5 NMAC, especially under 19.15.5.10.E (thereby nullifying the rules themselves) because the OCD and OCC would no longer be able to adjudicate and manage violations on their own terms nor implement remedies in-house if all violations or threat of violations are required to be prosecuted by the attorney general. Thus, given the number of violations addressed by the OCD under the OGA and its rules, the application and construction of Section 70-2-28 proposed by AER would burden the attorney general to the point of incapacity and usurp the OCD's and OCC's exclusive jurisdiction granted by the OGA and its rules to protect correlative rights and prevent waste. The agency currently accomplishes its mission under the OGA and its rules by exercising its discretion to enforce regulations and rules and remedy problems through the use a variety of tools under Section 70-2-6, - 11, -12 and Rules 19.15.5 NMAC, and then, if necessary, involve the attorney general as a final option pursuant to Section 70-2-28.

D. Alpha has pursued its development plan in good faith as authorized by current pooling orders.

11. During its contested pooling proceedings for the development and drilling of the Hollywood Star wells, Apha received and addressed questions about the status of the Tracy B Com #1 well, Merland A Com #1 well, Colonia A Com #1 well, and the Kodiak #2 well (referred to herein as the "Older Wells"). Alpha responded openly and directly to all questions raised by AER, who participated in the hearing, and to all questions raised by the OCD and OCC, never evading a question and certainly never fabricating information about the wells and their production. In effect, Alpha explained that its pooling applications would allow it to pursue a plan using the modern and more productive Hollywood Star wells to develop the subject land which would coincide with restoring the Older Wells to full compliance. *See, e.g.*, Alpha's Exhibit B at ¶ 12.

12. To date, pursuant to its good faith efforts as described in the hearings to return the Older Wells to full compliance, Alpha reports (1) that the Tracy B Com #1 Well has been conveyed to another operator who is currently plugging the well; (2) that the Merland A Com #1 Well, a

well that has shut-in status, has been transferred to another operator with the transfer under OCD review, a process that also includes plans to plug the Merland Well after approximately 45 days; (3) that the Colonia A Com #1 Well will be transferred to another operator within the next 30-45 days after the Merland Well is plugged, as planned; and (4) that the Kodiak #2 Well will be transferred to another operator within the next 30-45 days after the Colonia Well is plugged, as planned. Thus, Alpha currently only has two inactive wells under its operatorship which is allowed under 19.15.5.9.A(4)(a); and therefore, Alpha is in compliance regarding its number of inactive and active wells.

E. The status of AER's Saik #001 should be investigated.

13. The Commission should compare AER's operation of its Saik #001 Well (API No. 30-015-20971) ("Saik Well") with the good faith operation of Alpha's wells. The Saik Well has had zero production from 2010 to 2024, and according to the production reports self-submitted by AER without physical verification, AER "reports" that the Saik Well has been producing a very small 1 MCF per month through 2025 and into 2026. Alpha has disputed such reports and the ability of the Saik Well to produce oil or gas by providing evidence to the OCD and the OCC that the Saik Well and other specific AER wells are not producing and should be defined as inactive and plugged. *See, e.g.*, Alpha's Exhibit B, attached hereto.

14. Furthermore, while Alpha has been completely candid and forthright about the status of its Older Wells, answering in good faith all the questions asked by the OCD and OCC and providing plans to reach full compliance as evidenced by concrete actions toward that goal, AER has refused to answer direct questions asked by the Commission about the production status of its Saik Well and about evidence that demonstrates AER's wells are inactive and in a condition of disrepair rendering them incapable of producing or measuring any production. *See* Transcript in OCC Case 25694 dated Dec. 17, 2025, 51: 12-25; 52: 1-25; 53: 1-25; 54: 1-25; and 55: 1-12,

attached hereto as Exhibit A (showing that the Commissioner asked a series of questions about whether AER's Saik Well is actually producing or if it is non-productive given its condition and that AER's representative repeatedly and disrespectfully refused to answer the Commissioner's questions). The evidence that has been provided to the Commission gives every indication that AER has been providing the Division with false and fabricated production reports of 1 MCF per month over the course of 2025 and into 2026. *See* Motion Requesting an Evidentiary Hearing to Determine Whether the Saik #001 Well Should be Plugged, attached hereto as Exhibit B. And a review of the OCD's website of the current production data it has received from AER without verification shows that AER continues to report 1 MCF per month through 2026.

15. Certainly, the evidence provided to the OCC showing AER wells' inability to produce oil and gas along with AER's demonstrations of contempt and disrespect toward the Commission and Commissioners in its refusal to answer relevant and important questions about production should warrant and justify the use of the OCD's and OCC's discretion to initiate a formal investigation into AER's wells to determine what steps the OCD and OCC should take next given that an NOV has already been issued for the Saik Well.

Conclusion:

Alpha respectfully submits this Brief to provide the Commission with an overview of relevant statutes and rules under the New Mexico Oil and Gas Act and analysis relevant to the matters raised by AER's unauthorized Motion and its assertions. Alpha offers the Brief in the hope and only to the extent that the Commission may find it useful for its discussion of the issues.

Respectfully Submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

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

Attorneys for Alpha Energy Partners II, LLC

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 April 8, 2026:

Adam G. Rankin – agrankin@hollandhart.com
Paula M. Vance – pmvance@hollandhart.com
***Attorneys for Permian Resources Operating, LLC;
Sarvis Permian Land Fund I, LLC;
U.S. Energy Development Corporation; and
Sarvis Rockmont Permian Land Fund, LLC***

Jonathan Samaniego – energy.jrs@gmail.com
Representative for American Energy Resources LLC

/s/ Darin C. Savage

Darin C. Savage

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:
Case Nos. 25603, 25694, 25695,
25696, 25700, 24123, 23614-17,
23775, 24018-24020, 24025.

HEARING

DATE: Wednesday, December 17, 2025
TIME: 9:01 a.m.
BEFORE: Hearing Examiner Albert Chang
LOCATION: Wendell Chino Building
1220 South Saint Francis Drive
Santa Fe, NM 87505
REPORTED BY: Gerald Aragon
JOB NO.: 7767238



1 this manner of infringement and trespass is not the
2 protection of correlative rights. It's sweeping it
3 under the rug.

4 And that's not appropriate. It's a
5 violation of the obligated duties.

6 THE HEARING EXAMINER: Okay. I hear
7 you.

8 Let me turn now to commission and
9 commission counsel and see if there are any additional
10 questions that commissioners or commission counsel
11 wish to explore.

12 MR. BLOOM: Mr. Chair, I had a couple
13 questions.

14 THE HEARING EXAMINER: Please?

15 MR. BLOOM: Mr. Samaniego, good
16 morning.

17 MR. SAMANIEGO: Good morning.

18 MR. BLOOM: I'd like to ask you a
19 couple questions about the Saik Well or the Saik Well.
20 How did you measure production out there?

21 MR. SAMANIEGO: That is not -- that's
22 not the topic of this hearing. The hearing is to see
23 if the emergency stay is going to proceed and to see
24 if American interests were valid or not valid.

25 Under the presented evidence, American

Page 51

1 has fulfilled its duties by presenting its exhibits as
2 evidence, its title, its claims with emails, and
3 American has fulfilled its duties to present to this
4 hearing on why the emergency stay should be granted.

5 Anything outside that realm is
6 inappropriate and it is irrelevant here.

7 MR. BLOOM: Mr. Samaniego, you
8 mentioned it in your writings and you've claimed that
9 it's a producing well. So we need to explore that.

10 So again, I'm going to ask you how is
11 production measured?

12 MR. SAMANIEGO: You're twisting words.
13 You're twisting words. I filed it as producing
14 testing. So you're playing with words, and that's why
15 I'm not going to get into that. I'm not going to fall
16 into that because it's irrelevant here of what this
17 hearing was for.

18 American presented its title. American
19 does not have to go through quiet title like Rankin
20 prematurely -- his personal opinion. American
21 presented title.

22 It's an overlapping title dispute, and
23 the applicant cannot prevail under the terms of the
24 lease. It's clear. It's in black and white. It's
25 clear evidence.

Page 52

1 MR. BLOOM: Some of the ways we look at
2 this case could, Mr. Samaniego, be based on the status
3 of this well.

4 MR. SAMANIEGO: Well, a jury will look
5 at it differently.

6 MR. BLOOM: You're in front of the Oil
7 Conservation Commission, sir. You're not in front of
8 a jury here.

9 MR. SAMANIEGO: Right. That's why I'm
10 saying it's appropriate to go ahead and allow the
11 emergency stay to protect all correlative rights and
12 allow them to proceed through district court, because
13 it's out of your jurisdiction.

14 And any attempt from the commission to
15 tailor make an evaluation of an overlapping dispute
16 and title is a violation of your obligated duty to
17 protect correlative rights and to prevent waste.

18 Because you're unsure and you can't
19 guarantee that your -- you can't guarantee that your
20 actions will protect. You can't guarantee it.

21 MR. BLOOM: Mr. Samaniego, you
22 mentioned that enterprise has a system near the Saik
23 Well?

24 MR. SAMANIEGO: Can you repeat?

25 MR. BLOOM: You mentioned, sir, that

1 enterprise has a pipeline to the Saik Well; is that
2 correct?

3 MR. SAMANIEGO: That's not what we're
4 here for.

5 MR. BLOOM: Well, you mentioned -- you
6 brought it up within the last 20 minutes.

7 MR. SAMANIEGO: Yes. That's the
8 gas -- that Enterprise is an imprudent gas purchaser
9 with personal agendas with other operators in the
10 area.

11 MR. BLOOM: Does Enterprise have to fix
12 a line? Do they have to service you?

13 MR. SAMANIEGO: It's their obligated
14 duty, and because they have that easement, they have
15 bonds put up for those lines with the division. And
16 the fact that the division is not regulating those
17 pipelines with those bonds, that's erroneous.

18 These pipeline companies out there need
19 to clean up all those lines. There's 75 percent of
20 those lines that are all dead with holes out there.

21 Holes everywhere. That's why DCP is
22 dumping them. And those guys like Enterprise are
23 picking them up, and then they're not even fixing
24 them. Imprudent operator of a gas purchaser.

25 MR. BLOOM: Mr. Samaniego, you also

1 mentioned that there was -- you're reporting 1 MCF of
2 production out there. What happened to that gas?

3 MR. SAMANIEGO: We're not going to get
4 into that, because that's not part of what the hearing
5 is for.

6 MR. BLOOM: Was it flared? Was it
7 vented?

8 MR. SAMANIEGO: We're not going to get
9 into that, because that's not what the hearing is for.

10 MR. BLOOM: Okay.

11 Mr. Chair, I have no further questions.

12 THE HEARING EXAMINER: Okay.

13 Any further questions from any other
14 commissioners or commission counsel?

15 DR. AMPOMAH: I do have only one.

16 THE HEARING EXAMINER: Please?

17 DR. AMPOMAH: So Mr. Samaniego, I do
18 have a quick question for you. So I just want to know
19 on the basis that you would like the commission to
20 grant the stay, if, let's say, we've not -- you know,
21 as I sit here, I'm not sure if you've established that
22 you do have standing.

23 MR. SAMANIEGO: You didn't establish
24 that I had standing in the prior hearing when you
25 prematurely offered to rip off the band-aid or rip off

Page 55

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

IN THE MATTER AND CONSIDERATION OF:

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

**OCD CASE NO. 25166
OCC CASE NO. 25694
ORDER NO. 23961**

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

**OCD CASE NO. 25495
OCC CASE NO. 25696
ORDER NO. 23977**

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

**OCD CASE NO. 25496
OCC CASE NO. 25695
ORDER NO. 23989**

**MOTION REQUESTING AN EVIDENTIARY HEARING TO DETERMINE
WHETHER THE SAIK #001 WELL SHOULD BE PLUGGED**

Alpha Energy Partners, II, LLC, and affiliate AEP II Operating, LLC (collectively “Alpha”), through its undersigned attorneys, submits to the Oil Conservation Commission (“Commission” or “OCC”) this Motion (“Motion”) Requesting an Evidentiary Hearing to Determine Whether the Saik #001 Well Should be Plugged in the above-referenced cases now before the Commission (“Subject Cases”). In support of its Motion, Alpha provides the following:

I. Relevant Procedural History and Background:

1. At the Status Conference held before the Commission on November 13, 2025, the OCC Counsel indicated there are ongoing concerns with the Saik #001 Well (API No. 30-015-20971) (“Saik Well”) as evidenced by the Letter of Violation dated March 2, 2017 (“NOV Letter”)



and offered as an option to the Commission that it use the opportunity of the Subject Cases to pull back the “scab” surrounding the Saik Well and finally address festering regulatory issues—including whether the Saik Well should now be plugged. *See* Transcript for Subject Cases, dated November 13, 2025, (not yet posted).

2. The Saik Well began ceasing production from 2008 to 2009 and reported zero production from 2010 through 2024. Due to the prolonged lack of production, the Division placed the well on inactive status and issued the NOV Letter (attached hereto as Exhibit 1), requiring the operator to (1) restore the well to production; (2) apply for temporary abandonment under 19.15.25.13 NMAC; or (3) plug and abandon the well. The corrective-action was due by June 5, 2017—more than eight (8) years ago. No corrective action was taken for the Saik Well. AER filed a Form C-145 with the Division on January 7, 2025—long after the NOV deadline had expired—thereby assuming all liabilities of an already non-producing well with longstanding compliance deficiencies. *See* AER’s Form C-145 attached hereto as Exhibit 2.

3. Because all production from the Saik Well had ceased by 2010, the sales meter on the Saik Well—the only meter that would measure production from the well if it produced any oil or gas, was disconnected in March 2010, confirming that no production had been—nor could have been—reported after March 2010, and shown to be absent from the wellsite. *See* Emails between Alpha and Enterprise stating when the meter was disconnected, attached hereto as Exhibit 3; *see also* photos taken by Alpha’s Landman, attached hereto as Exhibit 4, showing no meter on the well at the location where the meter would have been located if present and the operation of the well completely locked down; Alpha Landman’s self-affirmed statement authenticating the photos of the Saik Well and the Emails, attached as Exhibit 5. Moreover, the only pipeline that was capable of collecting production from the Saik Well had been capped and deactivated on August 12, 2025. *See id.*

4. Despite the physical inability of the Saik Well to produce or measure hydrocarbons, AER reported 1 MCF of gas every month in 2025, including September and October 2025, **after the gathering line had been capped and deactivated**. Production reporting in New Mexico operates on an honor system, requiring the operator to report amounts in good faith because the Division does not check and confirm production from the well itself. With no meter available on the Saik Well to measure production, it is not possible for AER to have reported in good faith 1 MCF of production per month through 2025, and certainly it is not possible to have reported in good faith 1 MCF for the months of September and October in 2025 when the pipeline for collecting production itself had been capped. Alpha therefore respectfully requests the Commission to examine these issues during the current proceedings.

5. The Commission stated at the November 13, 2025, status conference that it remains undecided whether to grant a stay and/or defer these matters to district court. Consequently, Alpha respectfully provides this Motion and recently discovered evidence to assist the Commission with its decisions for the protection of correlative rights, prevention of waste, and to support EMNRD's mission of ensuring that "abandoned wells are properly plugged and that the land is responsibly restored..." See EMNRD's 2024 Annual Report, OCD's Mission Statement, p. 55.

II. Given the Clear Evidence that the Saik Well was Incapable of Measuring and Producing Oil and Gas during 2025, the Commission Should Hold a Hearing to Address the Long-festering Problems Associated with This Non-Producing Well and Unit and Determine Whether It Should be Plugged.

6. As stated above, the Saik Well has shown no legitimate production since 2010. AER nevertheless self-reported 1 MCF per month throughout 2025. See Exhibit 6, attached hereto. Given that (1) no meter existed; and (2) the pipeline was capped in August 2025, there is no visible basis for AER's reports, and thus they appear to be **fabricated**. Alpha therefore respectfully requests that

the Commission determine—through sworn testimony and evidence—whether AER’s production reports constitute fraudulent misrepresentations.

7. The common-law elements of fraud include: (1) a misrepresentation of fact; (2) known by the maker to be false; (3) made with the intent to deceive and to induce the other party to act in reliance; and (4) actually relied on by the other party to his or her detriment. *Eoff v. Forrest*, 1990-NMSC-033, ¶ 11 (citations omitted). In the present cases, AER represented to the Division and Commission that the Saik Well has been producing 1 MCF per month of gas in 2025. The condition of the well indicates that any reporting of production in 2025 is a misrepresentation of fact and is known by AER to be false. Furthermore, AER’s misrepresentation was made with the intent to deceive the Division and Commission and to induce the Division to identify the Saik Well as active in 2025 instead of inactive and to induce the Division that AER had a right to produce the well instead of plugging it. In addition, AER misrepresentation was made with the intent to induce the Commission to believe that AER is a valid operator of an active well and therefore had standing to interfere with legitimate proceedings and submit a motion to stay for the Commission’s consideration. Finally, the Division actually relied on AER’s false report that the Saik Well produced 1 MCF per month in 2025 to classify the Saik Well as an active well and not demand that it be plugged pursuant to the NOV Letter, and at present, the Commission is relying on AER’s false representation that it is a prudent operator of an active well in order to consider AER’s motion for a stay that, if granted, would deprive more than 700 owners of their timely receipt of production from the Subject Lands.

8. Alpha respectfully submits that AER’s misrepresentation that the Saik Well is an active, producing well highlights the extent of AER’s efforts to not only undermine and sabotage valid pooling orders issued by the Division but also highlights the extent of AER’s effort to defile the current proceedings before the Commission. *See, e.g., Eoff*, 1990-NMSC-033, ¶ 10, referencing

7 Moore's Federal Practice para. 60.33, at 359 (2d ed. 1987) (Fraud upon the court occurs where there is a deliberately planned and carefully executed scheme to defraud the court.); *see also Jemez Properties, Inc. v. Lucero*, 1979-NMCA-162, FN 1 (Fraud upon the court embraces that species of fraud which does or attempts to defile the court itself.)

9. Thus, given the evidence presented herein that the Saik Well has been, and currently is, non-productive, and given the authority and jurisdiction of the Commission, as described by OCC's counsel and the NOV Letter, to review and examine whether the Saik Well should be plugged, Alpha respectfully requests that the Commission investigate and examine, as part of the current proceedings, whether AER has made false representations and committed fraud in order to bolster its standing before the OCD and OCC, as suggested by the evidence herein, and whether the Saik Well should be plugged and abandoned based on its current condition and continuous lack of production.

10. These matters for which Alpha requests review and rulings are factual matters that would directly resolve and decide these cases before Commission. If the Commission finds good cause to order the Saik Well to be plugged and abandoned, then Alpha would be able to proceed under the pooling orders as originally intended by the Division. Furthermore, because the Commission has the authority, jurisdiction and necessary expertise to adjudicate and rule on these factual matters, and because a ruling in favor of Alpha would fully resolve the cases, the exhaustion of administrative remedies doctrine requires that the Commission determine whether the Saik Well should be plugged as a final resolution to these cases before it can defer these matters to district court. *See U.S. West Commc'ns, Inc. v. N.M. State Corp. Comm'n*, 1998-NMSC-032, ¶ 9 (stating that under the exhaustion of administrative remedies doctrine, where relief is available from an administrative agency, a party is ordinarily required to pursue that avenue of redress before

proceeding to the courts; and until that recourse is exhausted, suit is premature and must be dismissed).

11. The Commission represents the state agency charged with protecting correlative rights, preventing waste, and preventing the drilling and operation of unnecessary wells, pursuant to the Oil and Gas Act, NMSA 1978 §§ 70-2-2, *et seq.*, and the OCD/OCC is the only agency that has the technical and adjudicatory expertise to evaluate and determine whether the Saik Well should be plugged. *See id.* at ¶ 11 (stating that administrative remedies are proper, and the exhaustion doctrine exists because “the interests of justice are best served by permitting the agency to resolve factual issues within its peculiar expertise.”) (emphasis added).

12. When in its Response, Alpha requested the Commission to determine whether the Saik Well should be plugged based on its lack of production, AER argued that the Saik Well should not be plugged because four of Alpha’s older wells—the Colonia A Com #001, Kodiak #002, Merland A Com #001, and Tracy B Com #001—are not plugged. However, Alpha has identified these four older wells as wells to be plugged and has scheduled their plugging and reclamation in the first quarter of 2026 in order to prevent waste, protect correlative rights, and safeguard the environment. The plugging of these wells is, and has been, a part of Alpha’s development plan for the Hollywood Star wells and Subject Lands. However, due to operational constraints, Alpha being able to plug these four wells as planned is contingent upon proceeding with its development plan under the Division’s pooling orders. Alpha’s development plan for the Subject Lands under the Division’s pooling orders is comprehensive and includes optimal production from the Hollywood Star wells using the latest technology available for the prevention of waste, protection of correlative rights and reduction of operational emissions that, if allowed to proceed, will coincide with the plugging and clean-up of the four older wells.

13. Because the evidence presented herein indicates that AER has made false representations that the Saik Well produced 1 MCF per month in 2025, AER does not meet the criteria of the *Tenneco* test for granting a stay, as AER in light of its bad-faith actions is not likely, and should not, prevail on the merits of these cases; furthermore, under *Tenneco*, it would be harmful to the public interest for the OCC to set a precedent of rewarding a bad actor and its bad actions – a party who reports production from a well that has no meter to record production and whose gathering line has been capped, and who uses such bad actions to disrupt and abuse legitimate proceedings before the Division and Commission to attack and undermine legitimate pooling orders, not to mention the more than 700 owners who would be harmed by having the right to their just and equitable share of production denied by a stay. Thus, AER’s stay should be denied.

14. The Parties of Record—Permian Resources Operating, LLC, Sarvis Permian Land Fund I, LLC, U.S. Energy Development Corporation, and Sarvis Rockmont Permian Land Fund, LLC—have been informed of the filing of this Motion and have not stated a position as of this filing date. Alpha has also notified American Energy Resources, LLC of the filing of this Motion, and because the requested relief is adverse to its asserted interest, Alpha presumes that American Energy Resources, LLC opposes this Motion.

III. Conclusion:

For the reasons and evidence provided herein, Alpha respectfully requests that the Commission use the current proceedings and its authority to investigate, examine and confirm that (1) the Saik Well is currently a non-producing well, has not produced oil or gas for more than 14 years, and therefore should be plugged; and that (2) AER has made false statements and false reports in order to induce the Division and Commission into believing that AER is the operator of an active well.

Respectfully Submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

Darin C. Savage

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

**Attorneys for Alpha Energy Partners II, LLC,
and AEP II Operating, LLC**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico New Mexico Oil Conservation Commission and was served on counsel of record (or the representative of the party) via electronic mail on November 25, 2025:

Jonathan Samaniego – energy.jrs@gmail.com
American Energy Resources, LLC

Michael H. Feldewert – mfeldewert@hollandhard.com
Adam G. Rankin -- arankin@hollandhart.com
Paula M. Vance – pmvance@hollandhart.com
***Attorneys for Permian Resources Operating, LLC;
And Sarvis Permian Land Fund I, LLC,
U.S. Energy Development Corporation, and Sarvis Rockmont
Permian Land Fund, LLC***

/s/ Darin C. Savage

Darin C. Savage

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Response Required - Deadline Enclosed

02-Mar-17

WILDCAT ENERGY LLC
P.O. BOX 13323
ODESSA TX 79768-

LETTER OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 19.15.25.8 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that this well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

1. Immediately restore the well(s) to production, injection or disposal as applicable.
2. Request 'Temporary Abandoned' status pursuant to Rule 19.15.25.13, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 19.15.25.9, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

IDLE WELL INSPECTION DETAIL SECTION

SAIK 001	B-17-22S-27E	30-015-20971-00-00	Inspection No. iGC1706128844	
Inspection Date:	3/2/2017 8:00:42 AM		Corrective Action Due by: 6/5/2017	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	
Routine/Periodic	Gilbert Cordero	Yes	No	
Comments on Inspection:	Violation of rule 19.15.25.8. LAST REPORTED PRODUCTION 10-1-08			

Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210
Phone: 575-748-1283 * Fax: 575-748-9720 * <http://www.emnrd.state.nm.us>



Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,

Gilbert Cordero
Compliance Officer

Artesia OCD District Office

* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.

1/7/2025 1:20 pm 25/2025 4:37:33 PM

C-145

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

Form C-145
Revised May 19, 2017

Permit 380818

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

Previous Operator Information

New Operator Information

OGRID:	<u>209564</u>	Effective Date:	<u>Effective on the date of approval by the OCD</u>
Name:	<u>WILDCAT ENERGY LLC</u>	OGRID:	<u>372991</u>
Address:	<u>P.O. Box 13323</u>	Name:	<u>American Energy Resources LLC</u>
City, State, Zip:	<u>Odessa, TX 79768</u>	Address:	<u>P.O. BOX 114</u>
		City, State, Zip:	<u>Hagerman, NM 88232</u>

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, American Energy Resources LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

American Energy Resources LLC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

**EXHIBIT
2**

As the operator of record of wells in New Mexico, American Energy Resources LLC agrees to the following statements:

1. Initials AR I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. Initials AR I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
3. Initials AR I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
4. Initials AR I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. Initials AR I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statuses", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. Initials AR I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
7. Initials AR I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
8. Initials AR For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
9. Initials AR I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. Initials AR If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
11. Initials AR No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
12. Initials AR NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

5/2025 4:37:33 PM

Page 14 of 35

1/7/2025 1:20 p.m.

C-145

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator

Signature:

RL Becker

Printed Name:

R.L Becker

Title:

Manager / President

Date:

1/6/25

Phone:

432-528-8613

New Operator

Signature:

[Signature]

Printed Name:

Jonathan Samaniego

Title:

Representative

Date:

1/7/25

Phone:

575-499-7330

Permit 380818

NMOCD Approval

Electronic Signature(s): Rob Jackson, District 2

Date: January 07, 2025

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

Wells Selected for Transfer

Permit 380818

1 Well Selected for Transfer

From: WILDCAT ENERGY LLC	OGRID: 209564
To: American Energy Resources LLC	OGRID: 372991

OCD District: Artesia (1 Well selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
336641	SAIK #001	P	B-17-22S-27E	B	30-015-20971			G

From: John Coffman John@alphapermian.com
Subject: Fw: [EXTERNAL] Saik #1 Line
Date: November 18, 2025 at 2:13 PM
To: Darin Savage darin@abadieschill.com, Olivia Atkins olivia@abadieschill.com, Riley Morris Riley@alphapermian.com



Also FYI below.

John Coffman

From: Granger, Jeremy <jagranger@eprod.com>
Sent: Monday, November 17, 2025 7:50 AM
To: Hanway, Jeremiah <JJHANWAY@eprod.com>; Peelman, Russell <rwpeelman@eprod.com>; John Coffman <John@alphapermian.com>; Verstuyft, Matthew <mrverstuyft@eprod.com>
Cc: Riley Morris <Riley@alphapermian.com>; Cornwell, Peter <pecornwell@eprod.com>; Pfeiffer, William <WPfeiffer@eprod.com>; Woolsey, Luke <LWOOLSEY@eprod.com>
Subject: RE: [EXTERNAL] Saik #1 Line

Correct. Meter was temporarily disconnected March of 2010.

From: Hanway, Jeremiah <JJHANWAY@eprod.com>
Sent: Friday, November 14, 2025 10:01 AM
To: Peelman, Russell <rwpeelman@eprod.com>; John Coffman <John@alphapermian.com>; Verstuyft, Matthew <mrverstuyft@eprod.com>; Granger, Jeremy <jagranger@eprod.com>
Cc: Riley Morris <Riley@alphapermian.com>; Cornwell, Peter <pecornwell@eprod.com>; Pfeiffer, William <WPfeiffer@eprod.com>; Woolsey, Luke <LWOOLSEY@eprod.com>
Subject: RE: [EXTERNAL] Saik #1 Line

+Jeremy

I'm also showing that meter has been temporarily disconnected since 2010? I've included our Measurement Supervisor to confirm that.

From: Peelman, Russell <rwpeelman@eprod.com>
Sent: Friday, November 14, 2025 9:53 AM
To: John Coffman <John@alphapermian.com>; Verstuyft, Matthew <mrverstuyft@eprod.com>
Cc: Riley Morris <Riley@alphapermian.com>; Hanway, Jeremiah <JJHANWAY@eprod.com>; Cornwell, Peter <pecornwell@eprod.com>; Pfeiffer, William <WPfeiffer@eprod.com>
Subject: RE: [EXTERNAL] Saik #1 Line

August 12th, 2025

Russell Peelman
 S.W. Pipeline/Compression Supervisor
 Cell: 575-499-4039
 Office: 575-628-6824
rwpeelman@eprod.com





From: John Coffman <John@alphapermian.com>
Sent: Friday, November 14, 2025 9:46 AM
To: Verstuyft, Matthew <mrverstuyft@eprod.com>; Peelman, Russell <rwipeelman@eprod.com>
Cc: Riley Morris <Riley@alphapermian.com>; Hanway, Jeremiah <JJHANWAY@eprod.com>; Cornwell, Peter <pecornwell@eprod.com>; Pfeiffer, William <WPfeiffer@eprod.com>
Subject: Re: [EXTERNAL] Saik #1 Line

[Use caution with links/attachments]

Thank you all, this information is extremely helpful. If you have a chance, do you mind checking the dates the lines were capped?

Thank you,

John Coffman

From: Verstuyft, Matthew <mrverstuyft@eprod.com>
Sent: Friday, November 14, 2025 8:25 AM
To: Peelman, Russell <rwipeelman@eprod.com>; John Coffman <John@alphapermian.com>
Cc: Riley Morris <Riley@alphapermian.com>; Hanway, Jeremiah <JJHANWAY@eprod.com>; Cornwell, Peter <pecornwell@eprod.com>; Pfeiffer, William <WPfeiffer@eprod.com>
Subject: RE: [EXTERNAL] Saik #1 Line

Hey John,
Shouldn't be any flow coming from that meter on our system. Picture below depicts where we've cut and capped the line. I can check on exact dates to see when this work was done.





Thanks,
Matt Verstuyft
Representative, Commercial

From: Peelman, Russell <rwpeelman@eprod.com>
Sent: Thursday, November 13, 2025 8:36 PM
To: John Coffman <John@alphapermian.com>
Cc: Riley Morris <Riley@alphapermian.com>; Hanway, Jeremiah <JJHANWAY@eprod.com>; Cornwell, Peter <pecornwell@eprod.com>; Pfeiffer, William <WPfeiffer@eprod.com>; Verstuyft, Matthew <mrverstuyft@eprod.com>
Subject: Re: [EXTERNAL] Saik #1 Line

I have included my manager and our commercial group to the email. The line has been cut and capped North of the Pecos river. Our commercial reps will be able to give you a more accurate time frame and history on the line.
Sent from my iPhone

On Nov 13, 2025, at 8:30 AM, John Coffman

<John@alphapermian.com> wrote:

[Use caution with links/attachments]

Russell,

Thanks for taking my call yesterday to talk through the line on the Saik #1 well. The operator is reporting production to the OCD but I didn't see a no sales meter out there. Do you mind giving me a rundown of what the status is on that line again?

Thank you sir,

John Coffman

Senior Landman

Alpha Energy Partners II, LLC

Office: 508 W. Wall St., Suite 1200, Midland, Texas 79701

Mailing: P.O. Box 10701, Midland, Texas 79702

Phone: (432) 219-8812 (Office)

Phone: (720)-320-7285 (Cell)

AlphaPermian.com

This message (including any attachments) is confidential and intended for a specific individual and purpose. If you are not the intended recipient, please notify the sender immediately and delete this message.









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

IN THE MATTER AND CONSIDERATION OF:

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

**OCD CASE NO. 25166
OCC CASE NO. 25694
ORDER NO. 23961**

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

**OCD CASE NO. 25495
OCC CASE NO. 25696
ORDER NO. 23977**

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

**OCD CASE NO. 25496
OCC CASE NO. 25695
ORDER NO. 23989**

SELF-AFFIRMED STATEMENT OF JOHN COFFMAN

I, John Coffman, state and affirm the following:

1. I am over the age of eighteen years and have the capacity to execute this Statement, which is based on my personal knowledge.
2. I am employed as a Landman with Alpha Energy Partners II, LLC (“Alpha”), affiliate successor in interest to Alpha Energy Partners, LLC, and I am familiar with the subject application and the lands involved.
3. I graduated from Texas Tech University with a bachelor’s degree in business (Energy Commerce) in 2018. I have worked at Alpha for approximately 2 years, and I have been



working in New Mexico for 8 years. My credentials as a petroleum landman have been accepted by the New Mexico Oil Conservation Division (“Division”) and made a matter of record.

4. On November 12, 2025, I traveled to the site of the Saik #001 Well (API No. 30-015-20971) (“Saik Well”), inspected the well site and took photographs of the well and well site which are included as exhibits in Alpha’s Motion to which this self-affirmed statement is attached. The photographs show the absence of a meter on the well that is necessary to measure production from the Saik Well. Without a meter attached to the well, production cannot be measured or accurately reported. In addition, I observed a sign on the well that provided the contact information for Enterprise Products Partners L.P. (“Enterprise”), the gathering company responsible for receiving and measuring production from the Saik Well.

5. I promptly contacted Enterprise and was informed that the meter had been removed and deactivated from the Saik Well in 2010 and the pipeline for receiving production from the well had been capped on August 12, 2025. I had follow-up email correspondence with Enterprise confirming that the meter had been removed and the pipeline capped on these dates, which are attached to Alpha’s Motion as exhibits and confirming that production could not be measured given the condition of the Saik Well.

Signature page of Self-Affirmed Statement of John Coffman:

I understand that this Self-Affirmed Statement will be used as written testimony before the Division in Case Nos. 25694, 25695 and 25696, and affirm that my testimony herein is true and correct, to the best of my knowledge and belief, and made under penalty of perjury under the laws of the State of New Mexico.



John Coffman

November 24, 2025

Date Signed

OCD Permitting

Home Searches Wells Well Details

30-015-20971 SAIK #001 [336641]

General Well Information

Operator:	[372991] American Energy Resources LLC	Direction:	Vertical
Status:	Active	Multi-Lateral:	No
Well Type:	Gas	Mineral Owner:	Private
Work Type:	New	Surface Owner:	Private
Surface Location:	B-17-22S-27E 990 FNL 1980 FEL		
Lat/Long:	32.3971138,-104.2098923 NAD83		
GL Elevation:	3122	Sing/Mult Compl:	Single
KB Elevation:		Potash Waiver:	False
DF Elevation:			

Proposed Formation and/or Notes

INT TO P&A EXPIRED 5/11/2010

Depths

Proposed:	0	True Vertical Depth:	11690
Measured Vertical Depth:	11690	Plugback Measured:	0

Formation Tops

Formation	Top	Producing	Method Obtained
-----------	-----	-----------	-----------------

Event Dates

Initial APD Approval:	09/01/1974	Current APD Expiration:	09/01/1976
Most Recent APD Approval:	01/07/2025		
APD Cancellation:			
APD Extension Approval:			
Spud:	03/10/1996	Gas Capture Plan Received:	
Approved Temporary Abandonment:		TA Expiration:	
Shut In:			
Plug and Abandoned Intent Received:		PNR Expiration:	
Well Plugged:		Last MIT/BHT:	04/18/2025
Site Release:			
Last Inspection:	04/18/2025		

History

Effective Date	Property	Well Number	Operator	C-101 Work Type	Well Type	Well Status	Apd Cancelled	Plug Date
01/07/2025	[336641] SAIK	#001	[372991] American Energy Resources LLC	New	Gas	Active		

Quick Links

- [General Well](#)
- [History](#)
- [Comments](#)
- [Operator](#)
- [Pits](#)
- [Casing](#)
- [Well Complet](#)
- [Financial Ass](#)
- [Compliance](#)
- [Natural Gas \](#)
- [Orders](#)
- [Production](#)
- [Transporters](#)
- [Points of Disr](#)
- [Action Status](#)

Associated

- [Well Files \(95\)](#)
- [Well Logs \(3\)](#)
- [Well Admin O](#)

New Search

- [New Facility S](#)
- [New Incident](#)
- [New Operato](#)
- [New Pit Sear](#)
- [New Well Se](#)



10/27/2010	[308584] SAIK	#001	[209564] WILDCAT ENERGY LLC	New	Gas	Active		
01/01/2006	[302160] SAIK	#001	[192463] OXY USA WTP LIMITED PARTNERSHIP	New	Gas	Active		
02/01/1997	[20597] SAIK	#001	[16696] OXY USA INC	New	Gas	Active		
01/01/1997	[20372] SAIK	#001	[2894] BRISTOL RESOURCES CORP	New	Gas	Active		
01/01/1996	[18292] SAIK	#001	[873] APACHE CORPORATION	New	Gas	Active		
11/01/1995	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	New	Gas	Active		
09/01/1974	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	New	Gas	Active		

Comments

Pits & Containments

Id	Name	Rule	Status	(Capacity) Type	Registration	Inspection Before *	Earliest Effective Commencement	Last Effective Cessation	Inspection After *	Closure Report	Reclamation Report	Restoration Complete
ycon1004142149	1900 A PPIT @ 30- 015- 20971	17	Active	PPIT								

Casing

String/Hole Type	Taper	Date Set	Boreholes, Strings and Equipment Specifications			Specifications for Strings and Tubing			Strings Cemented and Intervals			Cement and Plug Description		
			Diameter	Top	Bottom (Depth)	Grade	Length	Weight	Bot of Cem	Top of Cem	Meth	Class of Cement	Sacks	Pressure Test (Y/N)
Hole 1	1		13.375	0	358		0	0.0	0	0		0	No	
Surface Casing	1		13.375	0	358		358	48.0	358	0	Class C Cement	380	No	
Hole 2	1		9.625	0	3560		0	0.0	0	0		0	No	
Intermediate 1 Casing	1		9.625	0	3560		3560	36.0	3560	0	Class C Cement	1150	No	
Hole 3	1		7.000	0	10500		0	0.0	0	0		0	No	
Intermediate 2 Casing	1		7.000	0	10500		10500	23.0	10500	0	Class C Cement	575	No	
Packer	1		4.500	9113	9118		5	0.0	0	0		0	No	
Hole 4	1		4.500	10392	11685		0	0.0	0	0		0	No	

Production Casing	1	4.500	10392	11685		1293	99.0	11685	0		Class C Cement	180	No
Tubing 1	1	2.375	0	9113		9113	0.0	0	0			0	No

Well Completions

[73960] CARLSBAD; MORROW, SOUTH (GAS)

Status: Zone Permanently Plugged Last Produced: 04/01/1996
 Bottomhole Location: B-17-22S-27E 990 FNL 1980 FEL
 Lat/Long:
 Acreage:
 DHC: No Consolidation Code:
 Production Method: Flowing

Well Test Data

Production Test: Test Length: 0 hours
 Flowing Tubing Pressure: 0 psi Flowing Casing Pressure: 0 psi
 Choke Size: 0.000 inches Testing Method:
 Gas Volume: 0.0 MCF Oil Volume: 0.0 bbls
 Gas-Oil Ratio: 0 Kcf / bbl Oil Gravity: 0.0 Corr. API
 Disposition of Gas: Water Volume: 0.0 bbls

Perforations

Date	Top Measured Depth (Where Completion Enters Formation)	Bottom Measured Depth (End of Lateral)	Top Vertical Depth	Bottom Vertical Depth
------	--	---	--------------------	-----------------------

Notes

Event Dates

Initial Effective/Approval: 09/01/1974
 Most Recent Approval: 03/10/1996
 Confidential Requested On:
 Test Allowable Approval:
 TD Reached:
 Deviation Report Received: No
 Directional Survey Run: No
 Directional Survey Received: No
 First Oil Production: 01/01/1975
 First Injection:
 Ready to Produce:
 C-104 Approval:
 Plug Back:
 Authorization Revoked Start:

TA Expiration:
 Confidential Until:
 Test Allowable End:
 DHC:
 Rig Released:
 Logs Received: No
 Closure Pit Plat Received:
 First Gas Production: 01/01/1975
 Completion Report Received:
 New Well C-104 Approval:
 Revoked Until:

Well Completion History

Effective Date	Property	Well Number	Operator	Completion Status	TA Expiration Date
03/10/1996	[18292] SAIK	#001	[873] APACHE CORPORATION	Zone Permanently Plugged	
01/01/1996	[18292] SAIK	#001	[873] APACHE CORPORATION	Active	
11/01/1995	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	Active	
02/08/1994	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	Active	

09/01/1974	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	Active
------------	-------------	------	-------------------------------------	--------

[74040] CARLSBAD; STRAWN (GAS)

Status: Zone Permanently Plugged Last Produced: 03/01/1996
 Bottomhole Location: B-17-22S-27E 990 FNL 1980 FEL
 Lat/Long:
 Acreage:
 DHC: No Consolidation Code:
 Production Method: Flowing

Well Test Data

Production Test: Test Length: 0 hours
 Flowing Tubing Pressure: 0 psi Flowing Casing Pressure: 0 psi
 Choke Size: 0.000 inches Testing Method:
 Gas Volume: 0.0 MCF Oil Volume: 0.0 bbls
 Gas-Oil Ratio: 0 Kcf / bbl Oil Gravity: 0.0 Corr. API
 Disposition of Gas: Water Volume: 0.0 bbls

Perforations

Date	Top Measured Depth (Where Completion Enters Formation)	Bottom Measured Depth (End of Lateral)	Top Vertical Depth	Bottom Vertical Depth
------	--	---	--------------------	-----------------------

Notes

Event Dates

Initial Effective/Approval: 09/01/1974
 Most Recent Approval: 03/10/1996
 Confidential Requested On:
 Test Allowable Approval:
 TD Reached:
 Deviation Report Received: No
 Directional Survey Run: No
 Directional Survey Received: No
 First Oil Production: 01/01/1975
 First Injection:
 Ready to Produce:
 C-104 Approval:
 Plug Back:
 Authorization Revoked Start:
 TA Expiration:
 Confidential Until:
 Test Allowable End:
 DHC:
 Rig Released:
 Logs Received: No
 Closure Pit Plat Received:
 First Gas Production: 01/01/1975
 Completion Report Received:
 New Well C-104 Approval:
 Revoked Until:

Well Completion History

Effective Date	Property	Well Number	Operator	Completion Status	TA Expiration Date
03/10/1996	[18292] SAIK	#001	[873] APACHE CORPORATION	Zone Permanently Plugged	
01/01/1996	[18292] SAIK	#001	[873] APACHE CORPORATION	Active	
11/01/1995	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	Active	
02/08/1994	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	Active	
09/01/1974	[4864] SAIK	#001	[9761] APACHE ENERGY RESOURCES CORP	Active	

[74160] CARLSBAD; WOLFCAMP, EAST (GAS)

Status: Active Last Produced: 09/01/2025

Bottomhole Location: B-17-22S-27E 990 FNL 1980 FEL
 Lat/Long:
 Acreage: N/320 17-22S-27E Units: A B C D E F G H
 DHC: No

Consolidation Code:
 Production Method: Flowing

Well Test Data

Production Test: Test Length: 0 hours
 Flowing Tubing Pressure: 650 psi Flowing Casing Pressure: 0 psi
 Choke Size: 0.160 inches Testing Method:
 Gas Volume: 727.0 MCF Oil Volume: 132.0 bbls
 Gas-Oil Ratio: 0 Kcf / bbl Oil Gravity: 0.0 Corr. API
 Disposition of Gas: Water Volume: 196.0 bbls

Perforations

Date	Top Measured Depth (Where Completion Enters Formation)	Bottom Measured Depth (End of Lateral)	Top Vertical Depth	Bottom Vertical Depth
	9434	9713	0	0

Notes

Event Dates

Initial Effective/Approval: 03/18/1996
 Most Recent Approval: 01/07/2025
 Confidential Requested On:
 Test Allowable Approval:
 TD Reached:
 Deviation Report Received: No
 Directional Survey Run: No
 Directional Survey Received: No
 First Oil Production: 05/02/1996
 First Injection:
 Ready to Produce: 05/02/1996
 C-104 Approval: 09/25/1996
 Plug Back:
 Authorization Revoked Start: 06/22/2017

TA Expiration:
 Confidential Until:
 Test Allowable End:
 DHC:
 Rig Released:
 Logs Received: No
 Closure Pit Plat Received:
 First Gas Production: 05/02/1996

Completion Report Received:
 New Well C-104 Approval:
 Revoked Until:

Well Completion History

Effective Date	Property	Well Number	Operator	Completion Status	TA Expiration Date
01/07/2025	[336641] SAIK	#001	[372991] American Energy Resources LLC	Active	
10/27/2010	[308584] SAIK	#001	[209564] WILDCAT ENERGY LLC	Active	
01/01/2006	[302160] SAIK	#001	[192463] OXY USA WTP LIMITED PARTNERSHIP	Active	
02/01/1997	[20597] SAIK	#001	[16696] OXY USA INC	Active	
01/01/1997	[20372] SAIK	#001	[2894] BRISTOL RESOURCES CORP	Active	
03/18/1996	[18292] SAIK	#001	[873] APACHE CORPORATION	Active	

Financial Assurance

Please login to review the financial assurance associated with this well.

Compliance

Note that Financial Assurance and Inactive Well Compliance are documented in separate reports ([Inactive Well Report](#), [Financial Assurance Report](#)).
Also note that some compliance issues are addressed at the operator level so not listed under each well.

cGC1706129094

Violation Source:
Date of Violation: 03/02/2017
Compliance Required: 06/05/2017
Resolved:

Notes

IDLE WELL

Actions/Events

Event Date	Category	Type
03/02/2017	Enforcements	Plug/Abandonment
03/02/2017	Notifications	Letter of Violation

cTM1720038562

Violation Source: Other
Date of Violation: 07/19/2017
Compliance Required: 10/22/2017
Resolved:

Notes

IDLE WELL

Actions/Events

Event Date	Category	Type
07/19/2017	Enforcements	Other Violation
07/19/2017	Notifications	Letter of Violation

cDA2314421630

Violation Source: Field Inspection
Date of Violation: 05/23/2023
Compliance Required: 08/21/2023
Resolved:

Notes

[SIGN-IN](#) [HELP](#)

[Searches](#) [Operator Data](#) [Hearing Fee Application](#)

Violation Source: Field Inspection
Date of Violation: 12/23/2024
Compliance Required: 03/23/2025
Resolved:

Notes

Vegetation around heater treater needs to be cleaned.

Actions/Events

Event Date	Category	Type
12/24/2024	Notifications	Pre Enforcement Notification

Upstream Natural Gas Venting & Flaring

The upstream natural gas venting & flaring volumes are sourced from upstream natural gas waste reports (C-115B) submissions.

Earliest Natural Gas Waste Report in OCD Records: 01/2025 Last: 09/2025 [Show All Upstream Venting & Flaring](#)

	Venting & Flaring Volumes			Beneficial Use
	Vented (MCF)	Flared (MCF)	Total (MCF)	
2025	0	0	0	0
Grand Total:	0	0	0	0

Orders

Please login to review the orders associated with this well.

Production / Injection

The production & injection volumes are sourced from monthly production reports (C-115) submissions.

Earliest Production in OCD Records: 12/1992 Last: 9/2025 [Show All Production](#) [Export to Excel](#)

Time Frame	Production				Injection				
	Oil (BBLs)	Gas (MCF)	Water (BBLs)	Days P/I	Water (BBLs)	Co2 (MCF)	Gas (MCF)	Other	Pressure
1992 Cumulative	3,721	5,144,654	20,452	198	0	0	0	0	N/A
1993	116	45,904	3,966	844	0	0	0	0	N/A
1994	1	39,188	0	396	0	0	0	0	N/A
1995	100	40,464	3,529	728	0	0	0	0	N/A
1996	6,895	88,625	325	422	0	0	0	0	N/A
1997	260	10,118	0	31	0	0	0	0	N/A
1998	194	18,400	19	245	0	0	0	0	N/A
1999	300	20,750	16	363	0	0	0	0	N/A
2000	156	16,552	368	366	0	0	0	0	N/A
2001	114	12,736	116	351	0	0	0	0	N/A
2002	95	8,955	0	347	0	0	0	0	N/A
2003	8	3,537	0	350	0	0	0	0	N/A
2004	0	1,722	0	318	0	0	0	0	N/A
2005	45	1,991	0	358	0	0	0	0	N/A
2006	84	2,942	0	364	0	0	0	0	N/A

2007	12	5,582	0	365	0	0	0	0	N/A
2008	0	731	0	130	0	0	0	0	N/A
2009	0	0	0	151	0	0	0	0	N/A
2010	0	0	0	59	0	0	0	0	N/A
2011	0	0	0	0	0	0	0	0	N/A
2012	0	0	0	0	0	0	0	0	N/A
2013	0	0	0	0	0	0	0	0	N/A
2014	0	0	0	0	0	0	0	0	N/A
2015	0	0	0	0	0	0	0	0	N/A
2016	0	0	0	0	0	0	0	0	N/A
2017	0	0	0	0	0	0	0	0	N/A
2018	0	0	0	0	0	0	0	0	N/A
2019	0	0	0	0	0	0	0	0	N/A
2020	0	0	0	0	0	0	0	0	N/A
2021	0	0	0	0	0	0	0	0	N/A
2025	0	9	0	9	0	0	0	0	N/A
Grand Total:	12,101	5,462,860	28,791	6,395	0	0	0	0	N/A

Transporters

Transporter	Product	Most Recent for Property
[147831] Lucid Artesia Company	Gas	9/2025

Points of Disposition

ID	Type	Description	Pool(s)
2804606	Water		[73960] CARLSBAD;MORROW, SOUTH (GAS), [74040] CARLSBAD;STRAWN (GAS), [74160] CARLSBAD;WOLFCAMP, EAST (GAS)
2804605	Gas		[74160] CARLSBAD;WOLFCAMP, EAST (GAS)
2804604	Oil		[74160] CARLSBAD;WOLFCAMP, EAST (GAS)

2014	0	0	0	0	0	0	0	0	0	N/A
2015	0	0	0	0	0	0	0	0	0	N/A
2016	0	0	0	0	0	0	0	0	0	N/A
2017	0	0	0	0	0	0	0	0	0	N/A
2018	0	0	0	0	0	0	0	0	0	N/A
2019	0	0	0	0	0	0	0	0	0	N/A
2020	0	0	0	0	0	0	0	0	0	N/A
2021	0	0	0	0	0	0	0	0	0	N/A
2025										
CARLSBAD;WOLFCAMP, EAST (GAS)										
Jan	0	1	0	1	0	0	0	0	0	0
Feb	0	1	0	1	0	0	0	0	0	0
Mar	0	1	0	1	0	0	0	0	0	0
Apr	0	1	0	1	0	0	0	0	0	0
May	0	1	0	1	0	0	0	0	0	0
Jun	0	1	0	1	0	0	0	0	0	0
Jul	0	1	0	1	0	0	0	0	0	0
Aug	0	1	0	1	0	0	0	0	0	0
Sep	0	1	0	1	0	0	0	0	0	0
Oct	0	1	0	1	0	0	0	0	0	0
Pool Total:	0	10	0	10	0	0	0	0	0	N/A
Annual Total:	0	10	0	10	0	0	0	0	0	N/A
Grand Total:	12,101	5,462,861	28,791	6,396	0	0	0	0	0	N/A

Transporters

Transporter	Product	Most Recent for Property
[147831] Lucid Artesia Company	Gas	10/2025

Points of Disposition

ID	Type	Description	Pool(s)
2804606	Water	[73960] CARLSBAD;MORROW, SOUTH (GAS), [74040] CARLSBAD;STRAWN (GAS), [74160] CARLSBAD;WOLFCAMP, EAST (GAS)	