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July 29, 2019

From: Philip White
To: New Mexico Oil conservation Division
Re: Case number 20659

PRE-HEARING STATEMENT

Name of the party- Philip White

Attorney- Deana Bennett

Name of witness- Philip White

Approximate time to present case- ten minutes

Procedural matters- none

Concise statement- My problem is not with the project. I think the setback idea is a good one. No, my problem is with the operator- they don't pay their partners. That, and archaic state rules combine to make this operator less than ideal. Please consider my previous experience:

- arrogant land department left me no choice but to participate in the Shovelhead project. (their purchase offer was a joke.) As it turns out, I was lucky to receive an offer at all. Current protocol seems to be no offer at all, going directly to force pooling with 1/8 Royalty (see below contention that no modern wells payout three times);
- pooling rules forced me to participate (none of the modern wells payout three times) 785,000 barrels oil to payout three times combined with 1/8 Royalty makes the economics of force pooling modern highway robbery toward the poolee);
- subject well producing for ten months; I have paid in working interest to the tune of more than \$600,000.00; I have received not a dime from production revenue.
- no response to my repeated demand for a Division Order Title Opinion which I paid for.

Thereupon, I ask OCD to delay this application until operator comes clean with its partners.
Thank you.

Respectfully,



Philip White

cc: Deana Bennett
Beth Ryan