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

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

Reopen Case No. 22539 Re: Case No. 21390; Order No. R-21527

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

Reopen Case No. 22540 Re: Case No. 21391; Order No. R-21528

RESPONSE TO MEWBOURNE OIL COMPANY'S MOTION TO DISMISS APPLICATIONS [TO REOPEN CASE NOS. 21390 AND 21391]

Rockwood Resources, LLC ("Rockwood"), Christine Brock ("Brock"), and Rebecca J. Babbitt ("Babbitt") (collectively referred to herein as "Rockwood Group"), through its undersigned attorneys, hereby files this Response to Mewbourne Oil Company's Motion to Dismiss Applications [to Reopen Case Nos. 21390 and 21391] ("Rockwood's Response"). In support thereof, the following is shown:

Conclusions for the Purpose of Holding an Evidentiary Hearing on March 3, 2022" ("Mewbourne's Motion"). Mewbourne's Motion combined a request to dismiss the applications that Rockwood, Brock and Babbitt filed in Case Nos. 21390 and 21391 with a response to the Rockwood Group's Motion to Establish Facts and Legal Conclusions. This Response addresses Mewbourne's Motion to Dismiss the applications. The Rockwood Group is filing a separate reply to Mewbourne's Response to Motion to Establish Facts and

Legal Conclusions for the Purpose of Holding an Evidentiary Hearing on March 3, 2022.

¹ On February 21, 2022, Mewbourne Oil Company ("Mewbourne") submitted a filing titled "Mewbourne Oil Company's Motion to Dismiss Application and Response to Motion to Establish Facts and Legal

I. Introduction and Background:

- 1. On November 3, 2020, Mewbourne participated in a hearing before the New Mexico Oil Conservation Division ("Division") seeking orders to pool uncommitted interests within the Bone Spring formation in two 320-acre horizontal spacing units located in the N/2 of Sections 3 and 4, Township 18 South, Range 32 East in Lea County, in Case Nos. 21390 and 21391. In its Exhibits submitted to the Division, Mewbourne listed nine working interest ("WI") owners representing approximately 92 acres in the units as unlocatable. *See* Mewbourne's Hearing Exhibits A-5 and A-7.
- 2. In reliance on Mewbourne's testimony and exhibits that nine WI owners were unlocatable, the Division issued Orders R-21527 and R-21528 to pool the unlocatable owners. Rockwood, a non-operating company, located eight of the nine WI owners, or their close relatives. Rockwood submits that three of the owners are readily locatable through reasonable diligence searching the internet. The remaining five owners require more research to locate.²
- 3. Rockwood respectfully submits that three of the owners, specifically Rebecca J. Babbitt, Christine Brock, and Delbert Utter, are currently readily locatable through reasonable diligence, were very likely locatable prior to the hearing, and Mewbourne failed to exercise such diligence in attempting to locate them. As a result, these parties did not receive proper notice prior to the hearing. An owner's ability to exercise its options to participate in a hearing or to seek compensation for their interests prior to a pooling relies solely on proper notice. Thus, they cannot be bound by the pooling orders since notice was defective. *See* Exhibit B and C, Affidavits of WI owners, attached hereto.

² Rockwood was able to locate five other "unlocatable" WI owners through additional research.

However, the additional research required to locate these WI owners may fall outside the scope of reasonable diligence. The Rockwood Group has not filed, nor plans to file, applications to reopen Case

Nos. 21390-91 for these five WI owners.

- 4. After locating Babbitt, Rockwood entered into an agreement to purchase her WI, and promptly notified Mewbourne on December 13, 2021, of its agreement and election to participate in the drilling and completion of the proposed wells with respect to the WI that it acquired from Babbitt. Mewbourne acknowledged Rockwood's right to participate and sent Rockwood an AFE and Ratification and Joinder of Operating Agreement, which was promptly executed under consideration and returned.
- 5. After locating Brock, Rockwood entered into an agreement to purchase her WI and on December 16, 2021, just three days after notifying Mewbourne about Babbitt's WI, Rockwood notified Mewbourne of its agreement with Brock and indicated its intent to elect to participate in the drilling and completion of the proposed wells with respect to the WI that it acquired from Brock, However, Mewbourne refused Rockwood's request and refused to provide Rockwood with the AFE and Ratification with respect to Brock's WI, claiming that the election period for the Brock WI had ended.
- 6. Mewbourne then became unresponsive and stopped sending well reports to Rockwood on the Babbitt WI despite the fact that Mewbourne acknowledged Rockwood's right to participate in the wells.
- 7. In sum, prior to filing its applications, Rockwood initiated and pursued good-faith communications making it clear that it desired to be a good partner in these wells and wanting to reach a compromise and resolution acceptable to both parties prior to filing its application to reopen. Mewbourne remained unresponsive, and Rockwood had no other option but to seek redress. Rockwood has continued such efforts after the filing, but without response.

II. Legal Arguments

A. Mewbourne failed to exercise reasonable diligence in locating Babbitt, Brock and Utter.

- 8. Mewbourne suggests that it satisfied the Division's notice requirements by sending notice letters to Ms. Babbitt, Ms. Brock, and Mr. Utter. However, the record establishes that the none of these WI owners received the notice letters. Under the rules, if personal service fails, then the applicant can rely on notice by publication, but only after "exercising reasonable diligence" to locate the parties. *See* NMAC 19.15.4.12(B).
- 9. Under this requirement, it is irrelevant whether Mewbourne sent notice by personal service to an owner based on an address from the BLM record or county record. The standard for notice under New Mexico law is clear: "An elementary and fundamental requirement of due process in any proceeding which is to be accorded finality is *notice reasonably calculated, under all the circumstances*, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." *See Udhen v. New Mexico Oil Conservation Com'n*, 1991-NMSC-089, ¶ 9 (citing *Mullane v. Central Hanover Bank & Trust Co.* 339 U.S. 306, 314 (1950) to demonstrate the standard for notice); *see also T.H. McElvain Oil and Gas P'ship v. Benson-Montin-Greer Drilling Corp.*, 2017-NMSC-004, ¶ 25 (citing Mullane, 339 U.S. at 314, showing same standard to be followed in New Mexico). The *Udhen* court further noted that that "when notice is a person's due, process which is a mere gesture is not due process," but that "[t]he means employed must be such as one desirous of actually informing the absentee might reasonably adopt to accomplish it." *See id.* (citing *Mullane*, 339 U.S. at 315).
- 10. The *Udhen* court stated that *Mullane's* due process requirements of fairness and reasonableness are reflected in case law of New Mexico and apply to agencies: "Administrative proceedings must conform to fundamental principles of justice and the requirements of due process of law." *Id.* at ¶ 10 Thus, before notice by publication can be invoked, reasonable diligence must be fully exercised. To satisfy reasonable diligence, the rules charged Mewbourne with the

obligation of making reasonable efforts to conduct a search beyond the party's last address of record, a simple task that Mewbourne failed to accomplish. Instead, Mewbourne was content to rely on mere gestures.

- 11. Mewbourne urges that it complied with the Division's rules regarding personal service and notice by publication. *See* Mewbourne's Motion, p. 4; *see also*: Mewbourne's Exhibit 2, ¶¶ 5 and 6, wherein Mewbourne states that it located Christine Brock through the BLM Serial Register and sent a well proposal and hearing notice to the address contained therein and that Mewbourne searched county records to search for Babbitt's address.
- 12. Mewbourne's position is untenable due to its inexplicable failure to utilize the internet's wide variety of free search engines and databases. As noted by the New Mexico Supreme Court: "Today, with relatively easy access to the internet, social media, and numerous global search engines, it is often not difficult to find persons whose identity and whereabouts are necessary to effectuate personal service of process." *T.H. McElvain*, 2017-NMSC-004, ¶ 37.
- 13. Luke Kittinger, a new associate with Abadie & Schill, PC, demonstrated the ease by which reasonable diligence could have been accomplished to locate the three WI owners. *See* Exhibit A, Affidavit of Luke Kittinger, attached hereto. A recent graduate of The University of Tulsa College of Law with no seasoned or specialized experience as a landman in finding owners, Mr. Kittinger was able to locate Ms. Brock, Ms. Babbitt, and Mr. Utter, and their close relatives, with ease. He googled available databases for finding persons, and in a matter of five minutes, found the White Pages, Search People Free, and True People Search, as well as other databases, which he used for his searches. *Id.* He spent a total of 40 minutes searching the online databases and found accurate addresses and contact information for all three persons, and close relatives for two. Thus, contrary to Mewbourne's assertions, the searches did not take an unknown number of

hours, and the minimal amount of time and effort exerted to locate the persons falls well within the scope of "exercising reasonable diligence" pursuant to NMAC 19.15.4.12(B).

- 14. Despite direct access to the internet, Mewbourne argues it was not required to search the internet, claiming that Mewbourne exercised "reasonable diligence" by sending notice to the "last known address of the person to whom notice is to be given." See Mewbourne's Motion, p. 5. Thus, according to Mewbourne, "sending out notices to individuals found in a title search and in the BLM's Serial Register for interest owners constitutes 'reasonable diligence'." See id. at p. 6 (emphasis added). However, Mewbourne misapplies the Division's rules. Under NMAC 19.15.4.12(B), an applicant must first send letter notice to "the last known address of the person to whom notice is to be given." This initial requirement, which includes finding the address in the BLM or county records, does not involve exercising reasonable diligence under the rules. It is only after the attempt at personal service fails, that the applicant next must exercise reasonable diligence to locate the person. See NMAC 19.15.4.12(B). Only if the person cannot be located through reasonable diligence, then the applicant may rely on notice by publication. See id. In the present cases, Mewbourne mistakenly conflates "reasonable diligence" with the first requirement of the rule and thereby fails to demonstrate that it exercised reasonable diligence prior to publication.
- 15. Lastly, Mewbourne claims that *Udhen*, and an Oklahoma case referenced in *Udhen*, does not apply to the present case because the operator had the owner's address in its database, whereas Mewbourne did not and would have had to exercise additional measures to find the owner. *See* Mewbourne's Motion, p. 5. Such claim misses the legal significance of *Udhen* and trivializes its importance. The issue is not whether the operator had the addresses at hand, but whether the addresses were "reasonably ascertainable." *See Udhen* at ¶ 11. The *Udhen* court ruled that the absence of actual notice when the address is ascertainable through reasonable means violates due

process of law, both under the New Mexico constitution and the U.S. Constitution. *See Udhen* at ¶ 13. Rockwood raised this issue in both its Application to Reopen and its Motion to Establish Essential Facts and Legal Conclusions ("Rockwood's Original Motion"). Mewbourne neither addressed this issue nor denied that the issue under review herein involves constitutionally-guaranteed rights which are at stake in these proceedings.

B. Mewbourne's Own Legal Arguments and Evidence Prove that Mewbourne did not Satisfy Reasonable Diligence and therefore Notice is Defective.

16. The Division's Rule 19.15.4.12(B) unambiguously establishes the requirements that must be followed under New Mexico law when a party seeks to take or divest owners of their property interests, whether by a quiet title action or state pooling. First, a party must attempt personal service based on information from public land records. See NMAC 19.15.4.12(B); see also McElvain, 2017-NMSC-004 at ¶¶ 4-6 (showing the first step in notice is review of the instruments of record). Second, if personal service fails, the party must exercise a method of diligence to locate the owners and achieve personal service. See NMAC 19.15.4.12(B) (showing that the party must exercise "reasonable diligence" before it can rely on publication); see also McElvain, 2017-NMSC-004 at ¶ 27(citing Mullane, 339 U.S. at 315: "The reasonableness and hence the constitutional validity of any chosen method may be defended on the ground that it is in itself reasonably certain to inform those affected"). Third, once reasonable diligence has been exercised in the attempt to find the owners, only then may the party rely on notice by publication. See NMAC 19.15.4.12(B); see also McElvain, 2017-NMSC-004, ¶ X ("Notice by publication, then, is proper in some circumstances as a last resort") (citation omitted); Udhen, 1991-NMSC-089, ¶ 12 (noting that when the parties "are easily ascertainable by the exercise of diligence, notice by publication does not satisfy constitutional due process requirements) (citation omitted).

- 17. Mewbourne's own arguments confirm that it did not exercise reasonable diligence. *See* Mewbourne's Motion, pp. 5 and 6. As an admission of fact, Mewbourne states that it exercised "reasonable diligence" by sending notice to the last known address of record, whether BLM or county records. *See id.* at p. 5. Furthermore, Mewbourne argues that the method it followed is the proper method under NMAC 19.15.4.12(B), specifically, that "sending out notices to the individuals found in a title search and the BLM's Serial Register for interest owners *is 'reasonable diligence.'" See id.*, p. 6 (emphasis added).
- 18. The Affidavit of Mitch Robb, submitted as evidence, confirms that Mewbourne only satisfied the first step in Rule 19.15.4.12(B), but did not satisfy the second step of exercising reasonable diligence to locate the owners through readily available means such as the internet, and therefore, did not satisfy the foundation by which an applicant can rely on notice by publication. See Mewbourne's Exhibit 2, ¶¶ 5 and 6 (Landman showing only the completion of the first requirement under the rules by locating Ms. Brock through the BLM Serial Register and sending the hearing notice to the address contained therein and searching the county records for a last known address of Ms. Brock and Ms. Babbitt). Mewbourne asserts that Rockwood would like to impose a much more burdensome search requirement on applications, but this is not true; the burden of reasonable diligence required in this instance would have been approximately 45 minutes to search the internet and free online databases in order to satisfy existing requirements under the rules. See Exhibit A, ¶ 8, attached hereto.
- 19. Mr. Robb did state he attempted to make numerous phone calls in an attempt to locate Ms. Brock and Ms. Babbitt, but he fails in his affidavit to provide the source of any phone number attempted, the identity of the phone numbers, or whether, for example, he called the same number numerous times or attempted different numbers. Furthermore, he admits that he only

searched the county records, the implication from his description being that the phone numbers he attempted came from the county records.

- 20. If Mr. Robb had used phone numbers he found online in the Whitepages, these phone numbers would have been listed alongside a current address and a list of close relatives, which is standard Whitepages formatting. *See* Rockwood's Original Motion, Exhibits A, B and C. Since personal service is a requirement under the rules, Mewbourne, at a minimum, would have been obligated to have sent a notice letter to addresses associated with the phone numbers. Such effort would have resulted in a minimal burden of mailing nine additional letters to the parties it listed as unlocatable. Mewbourne's evidence shows it failed to do so. *See* Mewbourne's Exhibit 2, ¶¶ 5 and 6.
- 21. Rockwood has shown that the Whitepages, as well as the other three online databases, have been publicly available at least since 2008, and therefore were available to Mewbourne during the time it was required to satisfy notice. *See* Exhibit A, ¶ 11, attached hereto. Furthermore, with the use of webcrawlers, AI bots, and algorithms, online databases are updated regularly, some on a daily basis. *See, e.g.*, Exhibit D, attached hereto.
- 22. Mewbourne's own evidence and legal arguments are sufficiently complete to allow the Division, *sua sponte*, at its discretion, to determine whether Mewbourne satisfied the requirement of reasonable diligence. *See McElvain*, 2017-NMSC-004, ¶¶ 20-24 and 37 (outlining the requirements for summary judgement in the context of whether notice was defective). Under New Mexico law, the Division, in its adjudicatory capacity, has authority to issue a ruling that Mewbourne's notice was defective under summary judgement criteria at this point in the proceedings: "[E]ven if the plaintiffs had failed to move for summary judgement, the court would not be barred from granting summary judgement in their favor because there were no material

factual issues in dispute." *Martinez v. Logsdon*, 1986-NMSC-056, ¶ 12 (citations omitted); *see also Boggs v. Anderson*, 1963-NMSC-087, ¶ 27 (summary judgement was given *sua sponte* by the court); *High Mesa Gen. P'ship v. Patterson*, 2010-NMCA-72, ¶ 19 (the district court could *sua sponte* grant summary as long as summary judgment was proper). If the Division should find the facts and arguments in this Section II.D conclusive, leaving no material fact in dispute, and decide to make a ruling to promote administrative efficiency, Rockwood would have no objection.

- 23. Nonetheless, Rockwood submits that by Mewbourne's own accord, it has established the essential fact that it failed to satisfy reasonable diligence and has asserted the legal argument which illustrates its failure. Consequently, the Division, at a minimum, should deny Mewbourne's Motion to Dismiss Rockwood's applications.
 - C. The Legislative Mandate for the Division to Protect the Public Favors Rockwood's Position that its Applications Should be Heard.
- 24. Mewbourne argues that Rockwood should not be permitted to challenge the pooling orders because such challenge is "inconsistent with the Division's obligations under the Oil and Gas Act to protect correlative rights and prevent waste." *See* Mewbourne's Motion, p. 8. However, Mewbourne's argument misstates the purpose of the Oil and Gas Act ("Act") and the role of the Division under its legislative mandate. The Division, as an agency combined with the New Mexico Oil and Gas Commission ("Commission"), is charged by statute with protecting the correlative rights of "each owner" in a proposed unit, not just the applicant. *See Continental Oil Co. v. Oil Conservation Comm'n*, 1962-NMSC-062, ¶ 28. This mandate requires the Division to protect owners who are not made aware of the pooling proceedings. *Id.* ("Therefore, absent the Commission [or Division], the public would not be represented [at a hearing]").
- 25. Mewbourne asserts that its "correlative rights are predicated on its ability to develop its acreage...," suggesting Rockwood's actions would harm them. See Mewbourne's

- Motion, p. 8. While this assertion is correct, it demonstrates a fundamental misunderstanding as to the role of the Division and the Commission in protecting correlative rights. As the *Continental* court noted: "The owners are understandably concerned only with their own interests and cannot be expected to litigate anything except that which concerns them." *Id.* However, under the Act, the Division, along with the Commission, is charged with protecting correlative rights, not only in relation to the applicant, but more importantly, in relation to the public in the present cases, the WI owners who Mewbourne failed to provide valid notice through the exercise of reasonable diligence.
- 26. Contrary to Mewbourne's comment about "[c]ompanies like Rockwood," *see* Mewbourne's Motion, p. 8, Rockwood performed an important service in the present cases for both the owners who did not receive proper notice and for the Division who could not have been aware, under the facts, that notice was defective at the time of the hearing. The Division must rely in good faith on the representations of applicants, especially with respect to the status of unlocatable WI owners who are served by publication. When there is a large amount of acreage unaccounted for, such as the 16 acres in Case No. 22421, the applicant should be on alert, and the Division is right to perform its role to protect the public by questioning the locatability of the owners.
- 27. In the present cases, the owners of approximately 92 acres were not accounted for, and three owners representing approximately 56 acres are currently locatable and were very likely locatable prior to the hearing. By what is commonly observed in applications, 56 acres is a sizable amount. Mewbourne should have paid attention to the locatability of the three owners, beyond checking the BLM and county records and calling phone number from unknown and unidentified sources. Mewbourne was the only party in control of satisfying reasonable diligence, and when

weighing the risk of who should bear the consequences of defective notice, the Division, under its public mandate, should hold Mewbourne accountable and not sacrifice the property rights of innocent owners who were unaware.³ *See* Exhibits B and C. A decision in favor of Mewbourne would give it an undeserved windfall and reward its flawed applications; a decision in favor of Rockwood would provide incentive for satisfying all notice requirements.

D. Mewbourne's Argument Regarding Standing is Irrelevant to the Present Cases and Moot.

- 28. Mewbourne asserts that "it is undisputed that Mewbourne allowed Rockwood/Babbitt to participate in the wells." Mewbourne's Motion, p. 3. This assertion follows an invoice Mewbourne recently sent on February 15, 2022, presumably in response to these proceedings. It is the first correspondence from Mewbourne since they went radio silent over these matters, and Rockwood appreciates the confirmation that the agreement to participate has now been fully recognized. Rockwood would also appreciate Mewbourne resuming the well reports based on its assertion.
- 29. Rockwood maintains that notice to the three owners, including Ms. Babbitt, was defective and therefore the pooling orders do not apply to them. Nonetheless, Rockwood recognizes the interest of an owner can be committed through a voluntary agreement outside of a pooling order, and it is now clear that Mewbourne has fully acknowledged this agreement.

order after it has been issued and issue new orders or hear new evidence, as Mewbourne has successfully affirmed that the Division has "inherent authority to revise [a] prior order...." *See* Mewbourne's "Response in Opposition to Ascent Energy, LLC's Motion to Rehear Order No. R-21454" in Case Nos.

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16481-82, p. 4, ¶ 6.

³ Mewbourne argues that reopening the present cases would "call into question any pooling order that involves unlocatable parties and thereby interfere with the Division's pooling authority." Mewbourne's Motion, p. 8. However, first, if Mewbourne's notice is defective, there is no basis for pooling the interests, and the Division should exercise its authority under the Act to invalidate the order with respect to the owners who did not receive proper notice. Second, Mewbourne, with same counsel, historically, has successfully advocated that the Division has the authority and right to re-consider a prior pooling

30. Mewbourne makes no arguments against, nor challenges, Rockwood's standing to pursue its Applications to Reopen for the Brock interest; and therefore, the Division should recognize Rockwood's standing. Mewbourne should allow Rockwood to participate with the Brock WI under the same criteria as the Babbitt WI. Furthermore, regarding the Utter interest, although Mr. Utter was not a party of the Rockwood Group at the time of their Applications, the same threshold questions regarding notice and whether the pooling orders should bind the Estate of Delbert Utter, deceased, and his heirs, directly apply. If the Division finds that Mewbourne did not satisfy reasonable diligence to find the owner of Mr. Utter's interest, there should be no prejudice against the filing of an application to reopen on behalf his interest.

E. Rockwood's Exhibits are Admissible, Relevant, and Probative.

31. Mewbourne's challenge to Rockwood's exhibits is misplaced. Mewbourne's challenge to Rockwood's exhibits is premised on the position that the exhibits fail to establish that if Mewbourne would have utilized basic internet searches in 2020 prior to declaring these WI owners as "unlocatable" that Mewbourne would have been successful in locating these owners. In other words, Mewbourne is admitting that they failed to conduct any internet searches, and since it now claims it is impossible to prove that such searches would have been fruitful in 2020, there is no recourse to rectify Mewbourne's failure. However, due to the ubiquitous nature of the internet and the widespread use of internet search engines and sites, having failed to conduct an internet search prior to declaring Babbitt, Brock, and Utter as "unlocatable," the burden of proof is on Mewbourne to establish that if they had conducted such searches in 2020, these parties would have been unlocatable. This shift in the burden of proof is supported by the New Mexico Supreme Court's finding that in 2017, that: "Today, with relatively easy access to the internet, social media, and numerous global search engines, it is often not difficult to find persons whose identity and

whereabouts are necessary to effectuate personal service of process." *T.H. McElvain*, 2017-NMSC-004, ¶ 37.

- 32. Mewbourne misrepresents the use, scope and nature of evidence that can be utilized pursuant to NMAC 19.15.4.17(A). First, the Rule states that the "examiner *shall afford full opportunity to the parties*...to present evidence." NMAC 19.15.4.17(A) (emphasis added). Next, it is clear that the "rules of evidence applicable in a trial before a court without a jury *shall not control*." *Id.* (emphasis added). Finally, the division examiners "may" use [rules of evidence] as "guidance" and "may admit *relevant evidence* unless it is immaterial, repetitious or otherwise unreliable." *See id.* (emphasis added). Under these criteria, Rockwood's evidence, specifically Exhibits A-C in its Original Motion, is relevant, and the Division should favor its admission to obtain the benefit of its probative value.
- 33. Exhibits A, B and C in Rockwood's Original Motion have been authenticated by affidavit. *See* Exhibit A, attached hereto. Rockwood provided examples of the proper exercise of reasonable diligence under the rules through searches of the internet and its databases that are shown to have been available to Mewbourne at the time it was required to exercise reasonable diligence. *See id.* And, the Exhibits demonstrate methods and processes by which the exercise of reasonable diligence leads to current and correct addresses of the owners listed as unlocatable by Mewbourne. Therefore, the evidence is relevant and not immaterial or unreliable. *See* Rule 11-401 (Evidence is relevant if it has a tendency to make a fact more probable, and the fact is of consequence); *see also McElvain* 2017-NMSC-004, ¶ 37 (with relatively easy access to the internet, it is often not difficult to find persons); Black Law's Dictionary, 7th ed. (Immaterial: tending to prove some fact that is not properly at issue).

- 34. Furthermore, Exhibits A, B and C in Rockwood's Original Motion were not submitted as a statement to prove the truth of the matter asserted in the statement, and therefore, are not subject to the hearsay rule. *See* Rule 11-801. These exhibits were submitted to show that reasonable diligence could easily have been exercised, and therefore, should have been exercised prior to the hearing by using the internet. If Mewbourne had exercised proper diligence, the methods used in the Exhibits and their results show, by a preponderance of the evidence, that Mewbourne would have been successful in finding the persons it listed as unlocatable. Ms. Brock, Ms. Babbitt, and Mr. Robert Utter, heir and power of attorney of Delbert Utter, deceased, were residing at their current address for a number of years prior to the hearing. *See* Exhibits B and C, attached hereto. Rockwood submits they were locatable through reasonable diligence.
- 35. In addition, Rockwood's Internet Exhibit's A, B and C are authenticated and identified as "evidence about a process or system." *See* Rule 11-901(9). The Exhibits describe and show in detail the process and methods by which the information systems of the internet can be utilized to produce accurate results, such as, finding the current and correct addresses of the three owners. In addition, the fact that the Supreme Court, as a rule, expects a litigant to utilize the internet to satisfy diligence in today's digital age implies that the Exhibits are admissible under Rule 11-901(10). *See McElvain*, 2017-NMSC-004, ¶ 37 (the court expecting a party to search the internet and its "global databases" to satisfy personal service). Finally, judicial notice allows the Division to notice a fact that is not subject to reasonable dispute because it is generally known within the Division's territorial jurisdiction. *See* 11-201(B)(1). The internet, and its publicly available databases, including the databases used in the Exhibits, are readily accessible within the Division's jurisdiction, and the search methods and results are reproducible; thus, the Exhibits are admissible through judicial notice.

36. Courts give significant deference to the expertise of an administrative agency when it performs its statutory role. *See, e.g., Rio Grande Chapter of the Sierra Club v. New Mexico Mining Com'n,* 2003-NMSC-005, ¶ 25; *Marbob Energy v. Oil Conservation Com'n,* 2009 NMSC 013, ¶ 6. The minutia that Mewbourne delves into regarding date stamping and other technicalities of authentication and hearsay do not control under the rules. Parties should be afforded full opportunity to present evidence, and the Division should have full opportunity to review and consider evidence it deems necessary to make an informed ruling.

F. Conclusion:

For the foregoing reasons, the Rockwood Group respectfully requests that the Division deny Mewbourne's Motion to Dismiss Rockwood's Applications to Reopen Case Nos. 21390 and 21391.

Respectfully submitted,

ABADIE & SCHILL, PC

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Attorneys for Rockwood Resources, LLC, et al.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on March 1, 2022:

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/s/ Darin C. Savage

Darin C. Savage

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

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AFFIDAVIT OF LUKE KITTINGER

| STATE OF NEW MEXICO |) |
|---------------------|------|
| |) ss |
| COUNTY OF SANTA FE |) |

- I, being duly sworn on oath, state the following:
- 1. I am over the age of eighteen years and have the capacity to execute this Affidavit, which is based on my personal knowledge.
- 2. I am an Associate Attorney at Abadie & Schill, P.C. in the Santa Fe office. I have been employed at Abadie & Schill since September 2021.
- 3. I graduated in 2021 from the University of Tulsa College of Law with a Juris Doctorate. I passed the New Mexico Bar in July 2021, and have been licensed to practice law in the State of New Mexico since September 2021.

EXHIBIT

Α

- 4. This affidavit is submitted in connection with the filing by Rockwood Resources, LLC et al. ("Rockwood") of the above-referenced applications in Case Nos. 22539 and 22540, to reopen Case Nos. 21390 and 21391, in order to determine whether certain parties, including Christine Brock, Rebecca J. Babbitt, and Delbert R. Utter, designated as unlocatable, should be deemed locatable under the standards of due process and reasonable diligence to cure failures and defects of notice in the pooling of interests in the Bone Spring formation underlying the N/2 N/2 of Sections 3 and 4, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.
- 5. In order to show how easily reasonable diligence could have been satisfied while locating Christine Brock, Rebecca J. Babbit, and Delbert Utter, I conducted my own search to demonstrate reasonable diligence while trying to locate them.
- 6. I had no previous experience as a landman, or any other experience that would give me expertise in locating owners of oil and gas interests.
- 7. Because I lacked any previous experience, I began with a Google search. I searched "free way to find people." This search brought up a litany of results giving options of different online resources I could use to try and locate a person's information. One result that stood out to me on the first page was a list of these resources. The options on this list included Whitepages, SearchPeopleFree, TruePeopleSearch, and FastPeopleSearch. It took me no more than five minutes to come up with this list using a simple google search. See Exhibit A-1.
- 8. On February 4, 2022 or thereabouts, prior to Rockwood submitting its *Motion to Establish Essential Facts and Legal Conclusions for the Purpose of Holding an Evidentiary Hearing in Case Nos. 22539 & 22540 on March 3, 2022*, I did a general Google search and searched three databases, www.Whitepages.com, www.SearchPeopleFree.com, and www.TruePeopleSearch.com, for information on Christine Brock, Rebecca J. Babbit, and Delbert Utter. For each person, I was able

to locate each person's (or the case of Delbert R. Utter his next of kin's) correct current address in at least three of the four search methods. Each search took less than ten minutes. See Exhibits A, B, and C from Rockwood's Motion to Establish Essential Facts and Legal Conclusions for the Purpose of Holding an Evidentiary Hearing in Case Nos. 22539 & 22540 on March 3, 2022.

- 9. On February 18, 2022 or thereabouts, I searched another internet database, www.FastPeopleSearch.com, for information about Christine Brock, Rebecca J. Babbit, and Delbert R. Utter. I was able to find the correct current address for each person, or in the case of Delber R. Utter, the correct current address for his next of kin, in under ten minutes total. See Exhibit A-1.
- 10. I was able to easily find the web addresses for all the above-mentioned databases by making a general google search for free databases to locate people. All came up on the various listed results of a general google search for free databases to locate individuals. *See* Exhibit A-2.
- 11. I wanted to make sure that the four databases I had used to locate these parties were available when Mewbourne would have been required to locate them for their pooling application, so I searched each on a service called the Internet Archive Wayback Machine ("Wayback Machine"). The Wayback Machine (https://web.archive.org) is a resource that allows one to visit archived versions of websites. Using this service, I was able to confirm that all four databases have existed and have been available since at least 2011. See Exhibit A-3.
 - 12. The foregoing is correct and complete to the best of my knowledge and belief.

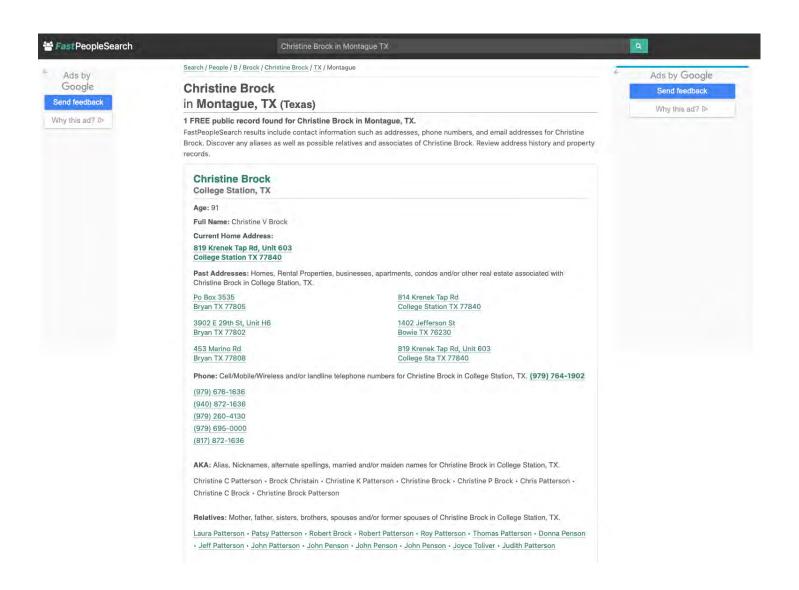
[Signature page follows]

FURTHER AFFIANT SAYETH NAUGHT

Luke Kittinger

Subscribed to and sworn before me this 12th day of March 2022.

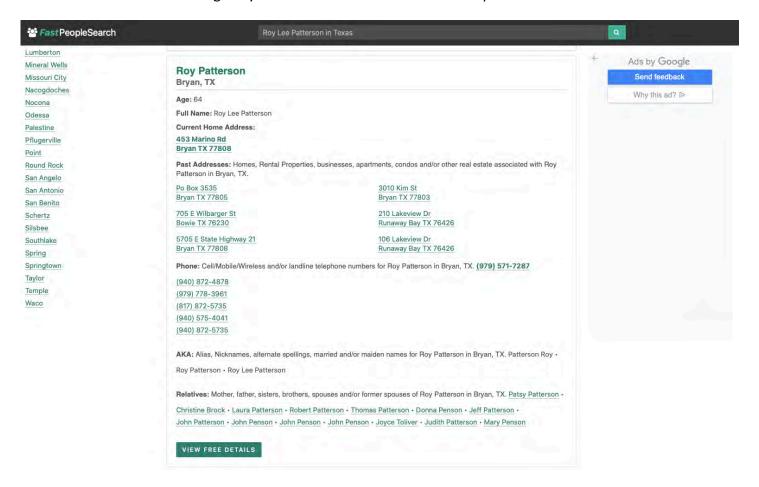
STATE OF NEW MEXICO NOTARY PUBLIC AYMEE MARQUEZ COMMISSION # 1128383 EVELDES MARCH 9, 2024 The results for searching "Christine Brock – Montague, TX" on FastPeopleSearch.com:



Included on this page are Christine Brock's correct current address at 453 Marino Rd, Bryan, TX 77308, and the name of her power of attorney, Roy Patterson, listed under relatives.

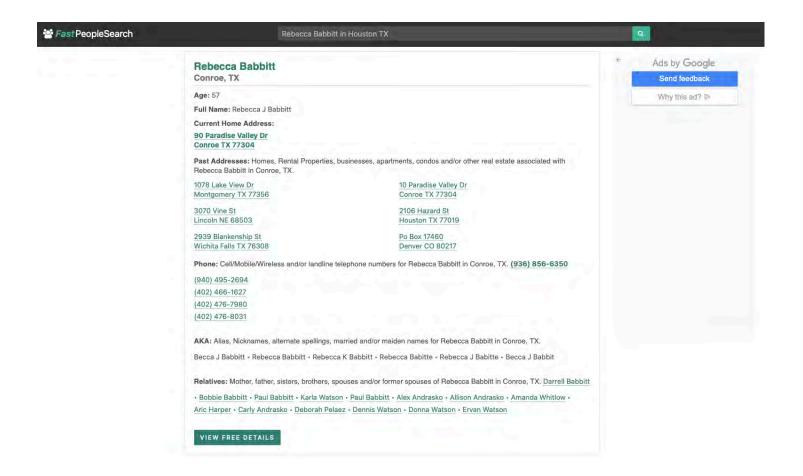


The results for searching "Roy Lee Patterson – Texas" on FastPeopleSearch.com:



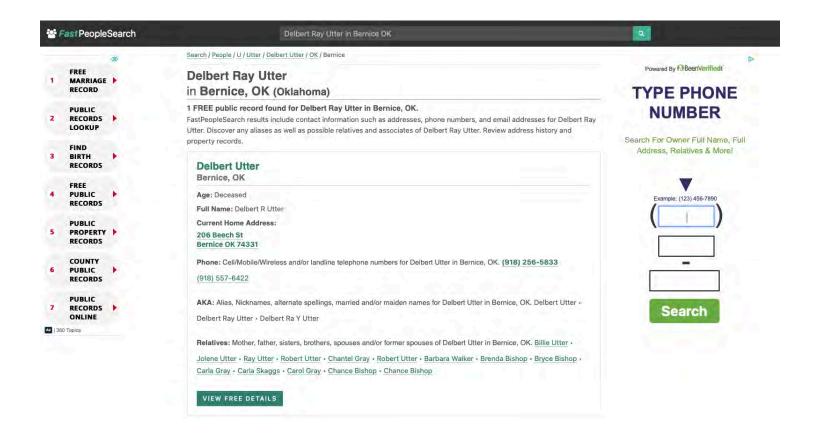
The page clearly lists the correct current address of Roy Lee Patterson, and his mother Christine Brock, at 453 Marino Rd, Bryan, TX 77808.

The results for searching "Rebecca Babbitt – Houston, TX" on FastPeopleSearch.com:



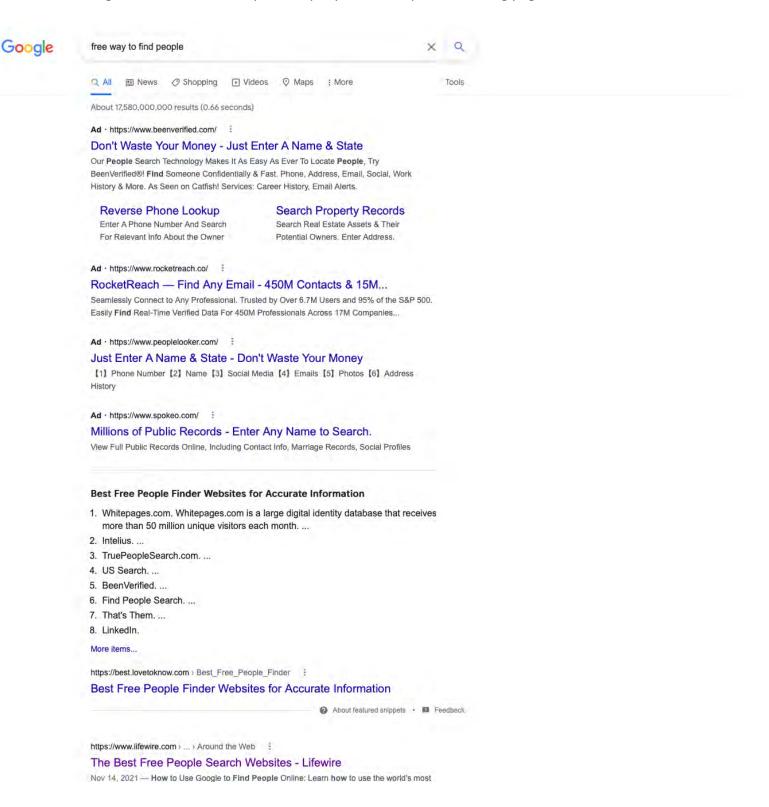
This page gives Rebecca J Babbitt's correct current address at 90 Paradise Valley Dr, Conroe, TX 77304.

The results for searching "Delbert Ray Utter – Bernice, OK" on FastPeopleSearch.com:



This page clearly states that Delbert R. Utter is deceased and provides a list of relatives, including Robert Utter.

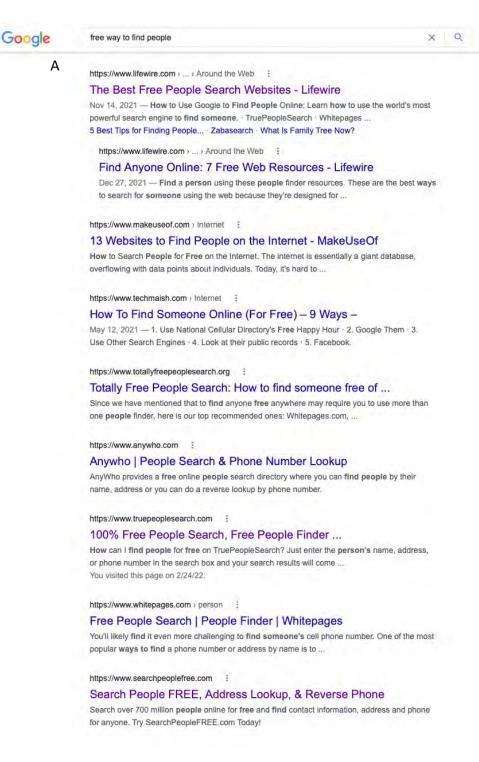
A Google search for "free way to find people" turns up the following page:



The first link that is not an ad is for a page titled "The Best Free People Search Websites – Lifewire"

EXHIBIT A-2

The rest of the first page of results includes links for www.truepeoplesearch.com and www.searchpeoplefree.com:





BEST PRODUCTS

NEWS

WINDOWS

STREAMING

SMART HOME

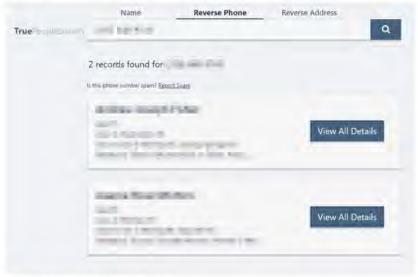
HOW-TO

ABO

петргит.

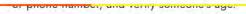
Use a People Finder for Basic Information

Most free people search sites offer a quick grab of the most easily accessible information they can find; this can potentially include addresses, phone numbers, first and last names, and email (depending on what the person you're looking for has shared publicly online).



TruePeopleSearch Reverse Phone Results

<u>TruePeopleSearch</u>: One of the best and fastest people search tools you
can use for free, this site lets you find people by name, number, and
address, and includes those details plus email addresses, associated
names, possible relatives and associates, and more.



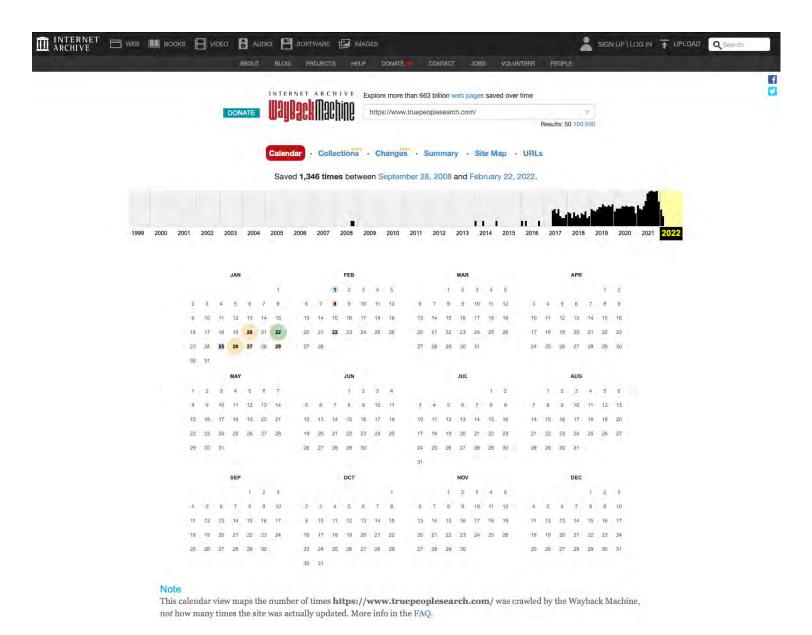
Find People Through Phone Directories

Most of the time, simply typing a phone number into your favorite search engine (area code included) can turn up accurate results, whether it be for a business or residential phone number.

However, sometimes a phone directory—a specialized site that offers vast indexes of published phone numbers with accompanying information-can really come in handy.

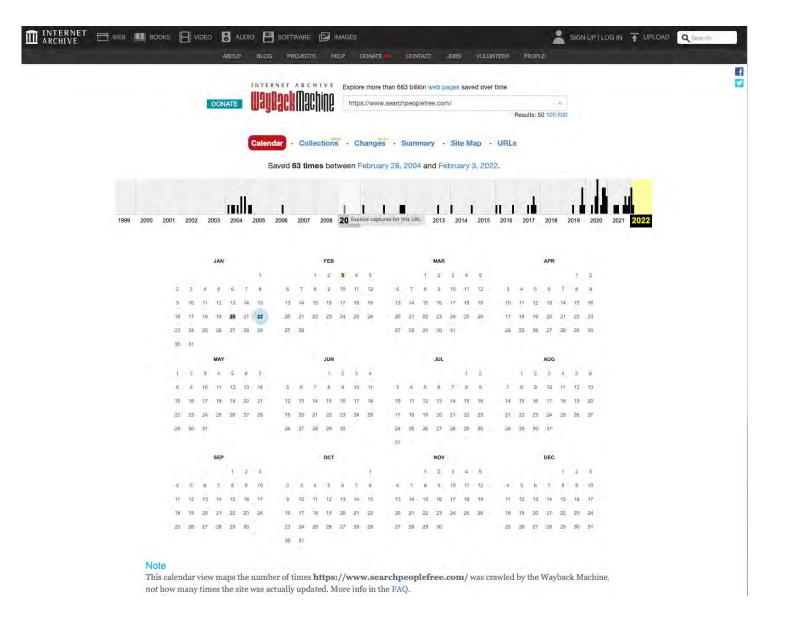


- Mhitapages Reverse Address Results.
- · Whitepages: Search by first and last name to find a phone number, or run a reverse search for a phone number to see who owns it.
- · FastPeopleSearch: Run a fast people search on this site, by name, phone, or physical address. It finds those details and others like whether the person is married, where they used to live, past cell numbers, birth date, email addresses, and more.



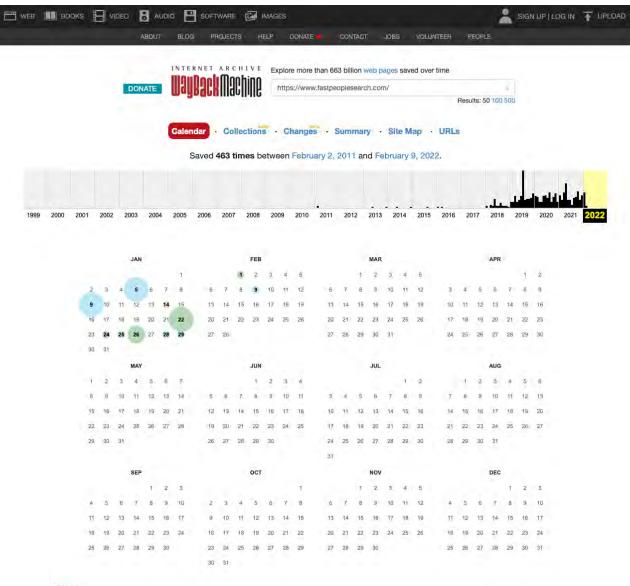
Zoomed in:





Zoomed in:





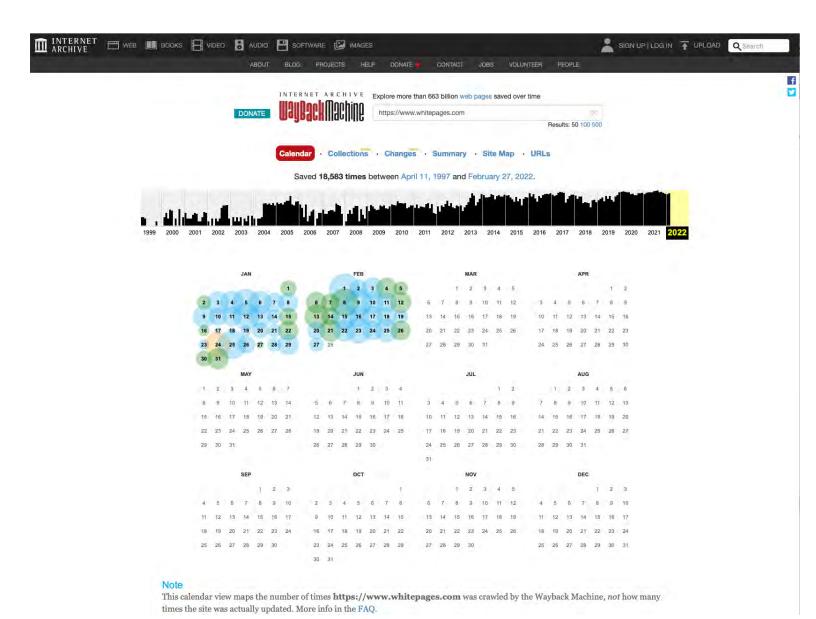
Q Sea

Note

This calendar view maps the number of times https://www.fastpeoplesearch.com/ was crawled by the Wayback Machine, not how many times the site was actually updated. More info in the FAQ.

Zoomed in:

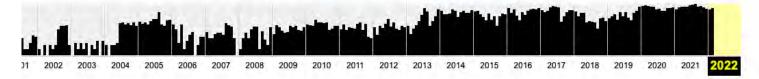




Zoomed in:



Saved 18,583 times between April 11, 1997 and February 27, 2022.



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

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

Case No. 22539

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

Case No. 22540

AFFIDAVIT OF ROY LEE PATTERSON

I am over 18 years of age, have personal knowledge of the matters I speak of in this affidavit, and am competent to speak to these matters.

I am the son, as well as the power of attorney, of Christine Brock who owns working interest in the N/2 N/2 and S/2 N/2 of Sections 3 and 4, Township 18 South, Range 32 East in Lea County, New Mexico ("Subject Lands). I understand that our interest was pooled by Mewbourne Oil Company ("Mewbourne") in Case Nos. 21390 and 21391.

Neither Ms. Brock nor I received notice of Mewbourne's pooling hearing, and we were fully unaware that her interests had been acquired by Mewbourne through a state pooling proceeding without our knowledge. Chase McCoy of Rockwood Resources, LLC ("Rockwood") contacted us and informed us about what had occurred. We are very appreciative of Mr. McCoy for reaching out to us and letting us know, which afforded us some options about what to do with my mother's interest. We fully support Rockwood in their efforts, and hope they are recognized for the service they provided us.

I do not believe either Ms. Brock or myself are unlocatable. Ms. Brock, my mother, is a widow in her 90s who was married to the original lessee through which she acquired the interest,

EXHIBIT

В

and the information that would lead directly to her whereabouts are of record with the BLM and county. I am also listed in the county records as an alternate personal representative in our family's probate documents. I have lived at my current residence for 17 years and Ms. Brock has lived at this residence for 4 years. She moved to my address after she required assistance with living so that I could help her. About 3 years ago, her condition deteriorated, and she had to move into an assisted-living facility. However, as her son and power of attorney, I continued to reside at my permanent address, which is also listed on the internet as her address. I review all her mail and correspondence that is sent to her. I would have considered a notice of a state pooling affecting her property interest a very important matter.

Many people in our community know who we are and where we live, and our address and contact information are available on the internet. I am able to find our address on the internet. In the age of the internet where large amounts of information, phone books, and databases, are online, I would have expected a company like Mewbourne to contact me before acquiring my mother's interest through a forced pooling.

FURTHER AFFIANT SAYET NAUGHT

Subscribed to me this Roy Lee Patterson day of February 2022.

BARBARA ANN SPRINGER
NOTARY PUBLIC - STATE OF TEXAS
ID# 1 2 5 7 4 7 4 2 3 .
COMM. EXP. 03-24-2022

Notary Public

PLACEHOLDER FOR AFFIDAVIT OF ROBERT N. UTTER, EXHIBIT C

The wife of Robert Utter said she would obtain an affidavit from her husband and send it to Rockwood as soon as she could. After Rockwood contacted him, he recently went into the hospital, and Ms. Utter has been attending to his current condition. She said that his affidavit states point along the same lines as made in the Affidavit of Roy Lee Patterson and expresses Mr. Utter's support for Rockwood's applications to reopen. Since this is supplemental information, it is not an item dispositive in this case, as the facts and legal arguments asserted in Rockwood's Response stand on their own as dispositive. However, if Mr. Utter's affidavit should arrive prior to or by the time of the Motion Hearing, Rockwood respectfully asks leave, at the Division's discretion, to include it as Exhibit C.

To: Luke Kittinger,

Reply-To: TruePeopleSearch.com Support

##- Please type your reply above this line -##

Your request (497049) has been updated. To add additional comments, reply to this email.

Julian Burgess (TruePeopleSearch)

Feb 25, 2022, 16:07 PST

Hello,

TruePeopleSearch does not create public records, but we do obtain them as soon as they are reported. We update our public records database every day to give customers access to the most recent information.

☐ Inbox - Exchange February 25, 2022 at 5:07 PM

Best regards,

TruePeopleSearch Customer Support

NOTE: TruePeopleSearch is dedicated to helping you find people and learn more about them in a safe and responsible manner. TruePeopleSearch is not a Consumer Reporting Agency (CRA) as defined by the FCRA (Fair Credit Reporting Act). This site cannot be used for employment, credit or tenant screening, or any related purpose. To learn more, please visit our Terms of Service and Privacy Policy.

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EXHIBIT