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

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

CASE NOS. 25241 & 25242

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

CASE NOS. 25243-25246

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

CASE NO. 25520

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

CASE NOS. 25521-25523

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

CASE NO. 25524

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

CASE NO. 25525

ORDER DENYING ROCKWOOD ENERGY, LP'S JOINDER WITH MARSHALL & WINSTON'S MOTION TO VACATE OR AMEND PREHEARING ORDER

THIS MATTER comes before the Oil Conservation Division ("Division") on Rockwood Energy, LP's ("Rockwood") Joinder with Marshall & Winston's Motion to Vacate or Amend the Prehearing Order, requesting the Division vacate the contested hearing scheduled for August 12–

13, 2025, to allow additional time to explore a potential resolution. For the reasons set forth below, the Division finds that the Joinder and Motion lack good cause and are hereby **DENIED**.

FINDINGS OF FACT:

- On February 26, 2025, Rockwood filed applications for compulsory pooling in Case Nos.
 25241–25246. These cases were protested and scheduled for a status conference on April
 24, 2025, during which Rockwood's counsel requested a continuance to negotiate a settlement with Coterra Energy Operating Co. ("Coterra").
- 2. On May 22, 2025, Rockwood notified the Division that settlement negotiations had reached an impasse and emphasized the urgency of setting a contested hearing due to expiring leases.
- 3. On May 22, 2025, the Division issued a Prehearing Order scheduling Rockwood's applications for a contested hearing on August 12, 2025.
- 4. At the July 24, 2025 status conference, Coterra verbally requested a delay of the August 12, 2025 hearing, alleging that Rockwood was not negotiating in good faith and presented a "moving target."
- 5. Rockwood objected to Coterra's verbal motion to vacate the August 12, 2025 hearing. On the same day, Coterra filed competing applications for compulsory pooling and, where necessary, approval of overlapping spacing units in Case Nos. 25520–25525.
- 6. The Division publicly noticed Coterra's applications pursuant to 19.15.4 NMAC, scheduling them for a contested hearing on August 13, 2025.

- 7. During the July 24, 2025 status conference, Rockwood's counsel was asked if they objected to continuing the contested hearing to August 13, 2025, and stated "no objection" on the record. (The verbatim transcript is unavailable as of the date of this Order.)
- 8. On August 2, 2025, Coterra filed an Unopposed Motion to Consolidate its cases (Case Nos. 25520–25525) with Rockwood's cases (Case Nos. 25241–25246). The Division granted the motion, issuing an Order consolidating the cases for a hearing commencing August 12, 2025, and continuing to August 13, 2025.
- On August 7, 2025, Marshall & Winston filed a Motion to Vacate the contested hearing, asserting that Coterra failed to provide legally sufficient notice. Rockwood joined this motion.
- 10. On August 8, 2025, Coterra responded to the allegations by Rockwood and Marshall & Winston, providing evidence to refute the claim of insufficient notice.

CONCLUSIONS OF LAW:

- The Division has jurisdiction over this matter pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-1 et seq., and 19.15.4 NMAC.
- 2. Rockwood and Marshall & Winston have failed to demonstrate good cause to vacate or amend the Prehearing Order scheduling the contested hearing for August 12–13, 2025.
- Coterra has provided evidence that sufficient notice was given in accordance with 19.15.4
 NMAC.

ORDER:

Having considered the Joinder, the Motion, Coterra's Response, and the record of this matter, **IT IS HEREBY ORDERED** that Rockwood Energy, LP's Joinder with Marshall &

Winston's Motion to Vacate or Amend the Prehearing Order is **DENIED**. The contested hearing shall proceed as scheduled on August 12–13, 2025.

GREGORY CHAKALIAN HEARING EXAMINER