From: McMillan, Michael, EMNRD

To: Davidson, Florene, EMNRD

Cc: Jones, William V, EMNRD; Goetze, Phillip, EMNRD; Lowe, Leonard, EMNRD; Brooks, David K, EMNRD; Wade,

Gabriel, EMNRD; Jennifer L. Bradfute; rob.vartabedian@tklaw.com

Subject: RE: Pre-Hearing Statement and Motion for Continuance - The Allar Company [Case No. 15594 (Re-opened)]

Date: Friday, November 3, 2017 9:09:07 AM

Rob:

The OCD will grant a continuance until November 30.

Your e-mail states that you expect 2 hours to present your case. As a general rule when an applicant requests a 2 hour case, it takes considerably longer. Therefore, you may want to consider a special docket.

I have included the Marathon attorney, Jennifer Bradfute in the e-mail.

Jennifer Bradfute contact information Jennifer L. Bradfute <jlb@modrall.com> 505.848.1845

Thank You

Michael McMillan 1220 South St. Francis Santa Fe, New Mexico 505-476-3448 Michael.mcmillan@state.nm.us

From: Davidson, Florene, EMNRD

Sent: Friday, November 3, 2017 8:10 AM

To: McMillan, Michael, EMNRD < Michael. McMillan@state.nm.us>

Subject: FW: Pre-Hearing Statement and Motion for Continuance - The Allar Company [Case No.

15594 (Re-opened)]

From: Vartabedian, Rob [mailto:Rob.Vartabedian@tklaw.com]

Sent: Thursday, November 2, 2017 5:09 PM

To: Davidson, Florene, EMNRD <<u>florene.davidson@state.nm.us</u>>

Subject: Pre-Hearing Statement and Motion for Continuance - The Allar Company [Case No. 15594

(Re-opened)]

Ms. Davidson-

I attempted to send this to you several times before 5:00 p.m., but my paralegal apparently wrote down your email address incorrectly. Below is our Pre-Hearing Statement and Motion for Continuance for Case No. 15594. Please to not hesitate to contact me if you have any questions.

I. Pre-Hearing Statement

1. **Name of Party**: The Allar Company ("Allar")

P.O. Box 1567 735 Elm Street

Graham, Texas 76450

2. Name of Attorney: Robert C. Vartabedian

Thompson & Knight LLP 801 Cherry Street, Unit #1 Burnett Plaza, Suite 1600 Fort Worth, Texas 76102-6881 New Mexico Bar No. 148254

3. **Statement of the Case**:

- a. Allar opposes the Application of Marathon Oil Permian, LLC ("Marathon") to Re-Open Case No. 15594 for a Non-Standard Oil Spacing and Production Unit and Compulsory Pooling (the "Application").
- b. Without limiting the generality of the foregoing, Allar opposes the appointment of Marathon as operator of the unit referenced in the Application (such unit, the "<u>Unit</u>").
- c. Marathon has not, in good faith, sought the voluntary of joinder of Allar to the Unit.
- d. The approval of the Unit will not prevent the drilling of unnecessary wells, prevent waste or protect correlative rights.
- e. The Application was not received until October 23, 2017 less than twenty (20) days before the scheduled hearing date of November 8, 2017. The notice from Marathon was dated October 18, 2017, but there is no evidence the Application was sent on that date.
- f. The notice from Marathon incorrectly stated that the deadline to file a Pre-Hearing Statement was November 1, 2017. After conferring with counsel at the New Mexico Department of Energy, Minerals and Natural Resources Oil Conservation Division, it is clear that the deadline to file a Pre-Hearing Statement is November 2, 2017.
- 4. **Witness**: John Graham

The Allar Company P.O. Box 1567 735. Elm Street Graham, Texas 76450

- 5. **Approximate Time to Present Case:** 2 hours.
- 6. **Procedural Matters to be Resolved**: Sufficiency of notice provided as referenced in Section 3.e. above.
- 7. **Exhibits**: Attached Notice.

II. Motion for Continuance

Further, for the reasons stated above, in addition to the fact that counsel for Allar has an irresolvable scheduling conflict on November 8, 2017, Allar hereby files a motion for continuance pursuant to Section 19.15.4.13.C. NMAC.

-Rob

Rob Vartabedian | Thompson & Knight LLP

Partner

Burnett Plaza Suite 1600, 801 Cherry St. Unit No. 1, Fort Worth, TX 76102 817.347.1714 (direct) | 214.999.1687 (fax) | rob.vartabedian@tklaw.com www.tklaw.com