

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

**APPLICATION OF ALPHA ENERGY
PARTNERS, LLC TO POOL ADDITIONAL
INTERESTS UNDER ORDER NO. R-23005,
EDDY COUNTY, NEW MEXICO,**

CASE NO. 24826

**APPLICATION OF ALPHA ENERGY
PARTNERS, LLC TO POOL ADDITIONAL
INTERESTS UNDER ORDER NO. R-23006,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 24827

ORDER DENYING MOTION TO DISMISS AND TERMINATE ORDERS

This matter comes before the Oil Conservation Division's (Division) Hearing Bureau on Permian Resources Operating, LLC's (Permian) motion to dismiss and terminate orders filed on December 17, 2024. Having considered the motion and the Alpha Energy Partners, LLC's (Alpha) response filed on January 6, 2025, and being otherwise fully apprised of the premises, I find, and order as follows:

1. On January 10, 2024, the Division entered Order No. R-23005 in Case No. 22171, and Order No. R-23006 in Case No. 22172. Permian concedes that it is currently pooled under Order No. R-23006, but not Order No. R-23005.
2. Alpha subsequently filed applications to pool additional interests under each respective case order. Alpha is seeking to pool Permian as an additional party in Case No. 24826.
3. On September 18, 2024, Permian filed an entry of appearance and objection to proceeding by affidavit in Case Nos. 24826 and 24827.
4. Alpha concedes that Permian has standing in Case No. 24826 but challenges standing in 24827.

5. Permian alleges that effective July 1, 2024, Alpha farmed out its entire interest subject to the above Orders to Paloma Permian AssetCo, LLC and does not intend to drill or operate the wells, and that this is a “Material Change or Deficiency” as outlined in the Division’s June 11, 2020 Notice.
6. The Notice states that the Division “intends to deny applications for which the applicant proposes a material change during the review process or when a material deficiency is identified during the administrative or technical review process.” See OCD Notice Re: Changes at p. 1.
7. The record shows that during the adjudication and review process of Case Nos. 22171 and 22172, Alpha did not propose any material changes to its applications, and none were identified during the administrative process; the applications were fully adjudicated at the hearing; approved at the conclusion of the review process; and orders properly issued.
8. The pooling Orders are therefore outside the purview of the Notice and while the Division retains jurisdiction over the Orders, Permian has not met its burden of persuasion by a preponderance of evidence (at this time) why the Division must dismiss Alpha’s applications and terminate the Orders.

IT IS HEREBY ORDERED THAT that the motion is hereby denied.

GREGORY CHAKALIAN
HEARING EXAMINER