

Davidson, Florene, EMNRD

From: Tom Kellahin [tkellahin@comcast.net]
Sent: Friday, May 18, 2012 6:54 AM
To: Brooks, David K., EMNRD; Joy Johnson
Cc: Richard.Corcoran@conocophillips.com; Davidson, Florene, EMNRD
Subject: FW: [EXTERNAL]FW: Contact Information

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2012 MAY 18 A 7:23

Dear Mr. Brooks,

Ms. Johnson has failed to comply with the Division's rule for filing a pre-hearing statement and in fact has withdrawn her objection leaving us with her unsupported request for a 30-day extension of the schedule hearing current set on May 24th

As you can see for the below, Ms. Johnson's royalty share for the downhole commingling is about \$9.00 per month.

She pays none of the costs.

ConocoPhillips has complied with all the provisions of the Division rules for a hearing of this matter.

At this point, we request that the Division strike Ms. Johnson's objection and approve this application without the unnecessary expense of a hearing.

Regards,

Tom Kellahin
Kellahin & Kellahin
Attorneys at Law
706 Gonzales Road
Santa Fe, NM 87501
ph 505-982-4285
Fx 505.216.2780
Email tkellahin@comcast.net

From: Pertuso, Dryonis [mailto:Dryonis.Pertuso@conocophillips.com]
Sent: Thursday, May 17, 2012 4:13 PM
To: 'Tom Kellahin'
Cc: Corcoran, Richard
Subject: RE: [EXTERNAL]FW: Contact Information

Tom, Rich at the most we are looking at 9\$ a month (total net revenue) at a 2\$ gas (combined streams for MV and DK)

Regards

DP

From: Tom Kellahin [mailto:tkellahin@comcast.net]
Sent: Thursday, May 17, 2012 12:10 PM
To: Pertuso, Dryonis
Cc: Corcoran, Richard
Subject: [EXTERNAL]FW: Contact Information

Dryonis--Can you give me hypothetical example in terms of dollars of what Johnson's royalty share would be on a monthly basis for the DK--MV and MC zones in this future wellbore?

From: Tom Kellahin [<mailto:tkellahin@comcast.net>]

Sent: Thursday, May 17, 2012 10:55 AM

To: 'Joy Johnson'; 'Corcoran Richard'

Cc: 'David.Brooks@state.nm.us'

Subject: RE: Contact Information

Dear Ms. Johnson,

I represent ConocoPhillips in this case. Please find attached a copy of my pre-hearing statement for the Hearing to be held on May 24th.

I do not understand what you are doing.

It is not possible to withdraw your objection and then maintain a basis for a 30-day extension of time. For what purpose would an extension make any sense?

Since October 20, 2011, Mr. Corcoran has been in contract with you--attached is a partial list of this effort to accommodate you and answer your questions.

As a result of your original objection, I had the Division set this case for hearing. Thereafter, you forwarded to Mr. Corcoran a withdrawal of your objection but stated you were doing so "under duress"--we cannot accept such a conditional withdrawal--I have no information that would support your claim of duress--neither Mr. Corcoran nor I have done anything to warrant such a claim.

Mr. Clyde Worthen, an attorney who once represented you, has advised Conoco that he does not intend to do so in this case and as told Conoco that you should withdraw your objection.

At this point, Conoco is opposed to your request for a 30-day postponement. I will email to you a draft set of Conoco exhibits if you desire. However, we will not send you the names and addresses of all of the interest owners in this well. We see no basis for that information to be relevant to you or your objections. The October 5, 2011 notice letter also included a copy of the application that states your interest in the Dakota to be 0.02155%; in the Mesaverde to be 0.007336%; and that you have no interest in the Mancos. The allocation method calculation is accomplished so that you receive your share of production attributed to the Dakota and the Mesaverde but do not share in the Mancos where you have no interest.

I will have Conoco's expert witnesses at the hearing: a landman, a geologist and a petroleum engineer.

This hearing was scheduled at your request. Conoco has gone to considerable time, money and effort to prepare to address any reasonable question either you or the Division might have. The matter has been delayed by you for more than six months. What more do you want?

Regards,

Tom Kellahin
Kellahin & Kellahin
Attorneys at Law
706 Gonzales Road
Santa Fe, NM 87501

ph 505-982-4285
Fx 505.216.2780
Email tkellahin@comcast.net

From: Joy Johnson [<mailto:laketahoejoy@yahoo.com>]
Sent: Thursday, May 17, 2012 10:17 AM
To: Corcoran Richard
Cc: tkellahin@comcast.net; David.Brooks@state.nm.us
Subject: Contact Information

Dear Mr. Corcoran,

I am withdrawing my withdrawal to my objection and I am requesting an extension of time for the hearing.
I am once again requesting the names and contact information, including phone and email, for all of the interest owners who may be affected by this application.
Please email this information today and send me a hard copy.

Thank you.

Sincerely,
Madalyn Joy Johnson

"In every adversity there is a seed of equal or greater opportunity."

"Three things you can never get enough of, good friends, chocolate and Lake Tahoe Sunsets!"

Joy Johnson
cell 530/523-3399
LakeTahoeJoy@yahoo.com