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

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22181, EDDY COUNTY, NEW MEXICO

CASE NO. 23422 ORDER NO. R-22181

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Mark Hajdik
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22181
A-3	Plat of Tracts, Ownership Interests, Additional Interest Owner to be Pooled
A-4	Sample Well Proposal Letter & AFEs
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Sample Notice Letter to All Interested Parties
B-2	Chart of Notice to All Interested Parties
B-3	Copies of Certified Mail Green Cards and White Slips
B-4	Affidavit of Publication for March 21, 2023

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

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22181, EDDY COUNTY, NEW MEXICO

CASE NO. 23422 ORDER NO. R-22181

SELF-AFFIRMED STATEMENT OF MARK HAJDIK

1. I am a Senior Landman with Colgate Operating, LLC ("Colgate"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division ("Division"), and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in this case. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. On July 11, 2022, the Division entered Order No. R-22181 ("Order") in Case No. 22692, which pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2 S/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Uluru 35 Fed State Com 124H and 134H wells ("Wells") and designated Applicant as operator of the Unit and Wells.

5. A copy of the Order is attached as **Exhibit A-2**.

6. Since the Order was entered, Colgate has identified an additional uncommitted interest in the Unit that has not been pooled under the terms of the Order.

Colgate Operating, LLC Case No. 23422 Exhibit A

Released to Imaging: 4/4/2023 4:59:38 PM

Received by OCD: 4/4/2023 4:57:23 PM

7. **Exhibit A-3** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interest to be pooled under the terms of the Order, which is highlighted in vellow. The additional interest owner to be pooled is locatable.

8. **Exhibit A-4** is a sample well proposal letter and AFE that I sent to the additional party to be pooled under the terms of the Order.

9. In my opinion, Colgate made a good-faith effort to reach voluntary joinder as indicated by the chronology of contact described in **Exhibit A-5**.

10. Colgate requests the additional uncommitted interest be pooled under the terms of the Order.

11. In my opinion, the granting of Colgate's application would serve the interests of conservation and prevention of waste.

12. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

Mark Hajdik

4/4/23

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

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22181, EDDY COUNTY, NEW MEXICO.

CASE NO. 23422 ORDER NO. R-22181

APPLICATION

Pursuant to NMSA § 70-2-17, Colgate Operating, LLC ("Applicant") (OGRID No. 371449) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-22181. Applicant states the following in support of its application.

1. On July 11, 2022, the Division entered Order No. R-22181 ("Order") in Case No. 22692, which pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2 S/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Uluru 35 Fed State Com 124H and 134H wells ("Wells") and designated Applicant as operator of the Unit and Wells.

2. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.

3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

Colgate Operating, LLC Case No. 23422 Exhibit A-1 4. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on April 6, 2023, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22181.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy Dana S. Hardy Jaclyn M. McLean Yarithza Peña P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com *Counsel for Colgate Operating, LLC* Application of Colgate Operating, LLC To Pool Additional Interests Under Order No. R-22181, Eddy County, New Mexico. Applicant seeks an order pooling additional uncommitted interests under the terms of Division Order No. R-22181. Order No R-22181 ("Order") pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the S/2 S/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Uluru 35 Fed State Com 124H and 134H wells ("Wells") and designated Applicant as operator of the Unit and Wells. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 12 miles northeast of Carlsbad, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COLGATE OPERATING, LLC

CASE NO. 22692 ORDER NO. R-22181

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 21, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Colgate Operating, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the

Colgate Operating, LLC Case No. 23422 Exhibit A-2 depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 22692 ORDER NO. R-22181 well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 22692 ORDER NO. R-22181 of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION OCTO ADRIENNE SANDOVAL DIRECTOR AES/jag

Date: 7/11/2022

Exhibit A

Receiv	ed by	OCD:	4/19	/202	2 4:4	15:4	(3 PM	
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ALL INFORMATION IN THE APPLICATION	MUST BE SUPPORTED BY SIGNED AFFIDAVITS
Case No.:	22692
Hearing Date:	4/21/2022
Applicant	Colgate Operating, LLC
Designated Operator & OGRID	371449
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Colgate Operating, LLC for Compulsory Pooling,
	Eddy County, New Mexico
Entries of Appearance/Intervenors	N/A
Well Family	Uluru
Formation/Pool	
	Dana Carina
Formation Name(s) or Vertical Extent	Bone Spring
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Bone Spring
Pool Name and Pool Code	Winchester; Bone Spring (65010)
Well Location Setback Rules	Statewide
Spacing Unit Size	320-acre
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre
Building Blocks	quarter-quarter
Orientation	Laydown
Description: TRS/County	S/2S/2 of Sections 35 and 36, Township 19 South, Range 28 East,
	Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No,	Yes
describe	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Well(s)	
Name & API (if assigned), surface and bottom hole	Add wells as needed
location, footages, completion target, orientation,	
completion status (standard or non-standard)	
Well #1	Uluru 35 Fed State Com 124H (API # pending)
	SHL: 703' FSL, 1009' FWL (Unit M) of Section 35, T19S-R28E
	and an a set of the state of the set of the
	BHL: 330' FSL & 10' FEL (Unit P) of Section 36, T19S-R28E
	Completion Target: Bone Spring (Approximately 7509' TVD)
	Completion status: Standard
Well #2	Uluru 35 Fed State Com 134H (API # pending)
	SHL: 401' FSL, 560' FEL (Unit P) of Section 34, T19S-R28E
	BHL: 330' FSL & 10' FEL (Unit P) of Section 36, T19S-R28E
	Completion Target: Bone Spring (Approximately 8647' TVD)
	Completion status: Standard
Horizontal Well First and Last Take Points	

CASE NO. 22692 ORDER NO. R-22181

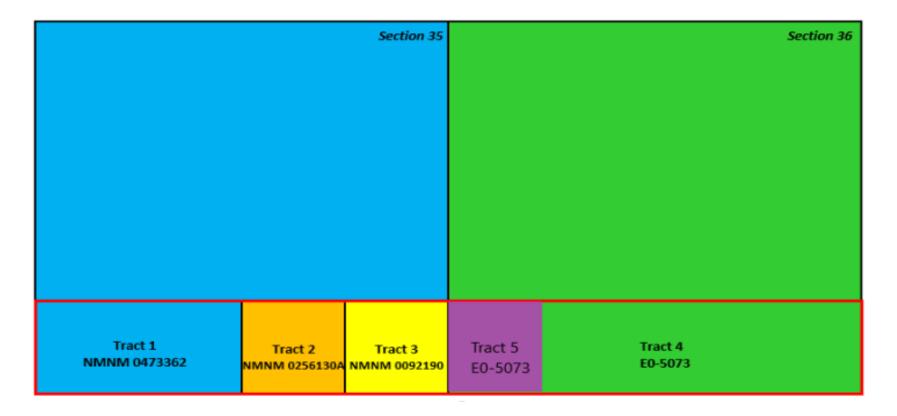
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Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before	
hearing)	
Proof of Published Notice of Hearing (10 days before	Exhibit C-2, C-4
hearing)	Exhibit C-5
Ownership Determination	Exhibit C-5
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-3
Ownership Depth Severance	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working	
Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-7
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-6
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-3, B-4
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-6
Additional Information	
CERTIFICATION: I hereby certify that the	
information provided in this checklist is	
complete and accurate.	
Printed Name (Attorney or Party	
Representative):	Dana S. Hardy
Signed Name (Attorney or Party	
Representative):	/s/ Dana S. Hardy
Date:	4/19/2022

CASE NO. 22692 ORDER NO. R-22181

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Uluru 35 Fed State Com Tract Details



Colgate Operating, LLC Case No. 23422 Exhibit A-3

ULURU 35 FED STATE COM 124H & 134H (S/2S/2 Sec 35 & 36 Bone Spring)					
WI OWNER	WI	Net Ac	Tract No	FORCE POOL INTEREST	
Colgate Production, LLC	71.2262%	227.924	1, 2, 3, 4	Operator	
Harvard Exploration Company	2.3438%	7.5	1	Previously Pooled or Subject to JOA	
Michael Harrison Moore, Trustee of the Michael Harrison Moore	1.6113%	5.15625	1	Previously Pooled or Subject to JOA	
PEO Lobo, LLC	1.6113%	5.15625	1	Previously Pooled or Subject to JOA	
Source Energy Permian II, LLC	0.7813%	2.5	1	Previously Pooled or Subject to JOA	
EnPlat III, LLC	0.7813%	2.5	1	Previously Pooled or Subject to JOA	
Cheron Oil & Gas Company, Inc.	0.9521%	3.04688	1	Previously Pooled or Subject to JOA	
Dorsar Investment Company	0.5859%	1.87501	1	Previously Pooled or Subject to JOA	
Bluebonnet Eddy Partners, LLC	1.7578%	5.625	1	Previously Pooled or Subject to JOA	
Chief Capital (O&G) II LLC	2.0898%	6.68751	1	Previously Pooled or Subject to JOA	
Rockwood Resources LLC	1.1719%	3.75	1	Previously Pooled or Subject to JOA	
SITL Energy, LLC	1.6721%	5.35059	1	Previously Pooled or Subject to JOA	
BEXP II Alpha, LLC	0.7129%	2.2814	1	Previously Pooled or Subject to JOA	
BEXP II Omega, LLC	0.9591%	3.06919	1	Previously Pooled or Subject to JOA	
Pregler Oil Company, LLC	0.2197%	0.70312	1	Previously Pooled or Subject to JOA	
Beaird Mineral Interest, LP	0.5859%	1.87499	1	Previously Pooled or Subject to JOA	
Gosier Energy, LLC	7.8750%	25.2	5	Previously Pooled or Subject to JOA	
Latham Energy, LLC	0.8750%	2.8	5	Previously Pooled or Subject to JOA	
Red River Energy Partners	0.6250%	2	5	Previously Pooled or Subject to JOA	
Heirs or Devisees of Ralph E. Williamson	1.5625%	5	5	Yes	
	100%	320			

Lessee of Record	WI	Net Ac	Tract No	FORCE POOL INTEREST
Estate of DW Underwood	None	None	1	Yes
Estate of JC Williamson	None	None	1	Yes
Oxy USA Inc.	None	None	2, 3	Yes
Mewbourne Oil Company	None	None	4	Yes

ORRI Owners
Colgate Royalties, LP
Duane D. Anderson, as his separate property
Mark and Paula McClellan, husband and wife
Ross and Kandace McClellan, husband and wife
Frank J. Pisor, Jr., as his separate property
D. Lloyd Henderson
EnPlat III, LLC
Thomas B. Lemann and wife, Barbara Lemann
J.M. Dunbar and wife, Amanda Dunbar
Harvey S. Apple and wife, Carolyn Apple
George W. Strake, Jr., marital status unknown
SMAC Oil Limited Partnership
CMP Viva LP
Catherine F. Sweeney, separate property
BCRK, an Oklahoma Limited Partnership
ExxonMobil Corporation
Red Rock Royalty Limited Partnership
Virginia K. Edelson, Trustee
Laura K. Gibbs
Elsie F. Henderson, separate property
Maylon S. Baker, marital status unknown
Sharron Wolfenbarger Jones, separate property
John D. Keslar, separate property
David R. Conley, marital status unknown
R.N. Hillin, marital status unknown
Marsha Cope Huie, for the Estate of Ralph E. Williamson
Karl F. Koch, marital status unknown

Via Certified Mail



February 4, 2022

Dome Petroleum Corp. ATTN: Outside Operated JV PO Box 940970 Houston, TX 77094

RE: Uluru 35 Fed State Com – Well Proposals

Section 35: All, Section 36: All, T19S-R28E, Bone Spring and Wolfcamp Formation Eddy County, New Mexico

To Whom It May Concern:

Colgate Operating, LLC, as operator for Colgate Production, LLC ("Colgate"), hereby proposes the drilling and completion of the following eleven (11) wells, the Uluru 35 Fed State Com 121H, 122H, 123H, 124H, 131H, 132H, 133H, 134H, 201H, 202H, & 203H at the following approximate locations within Township 19 South, Range 28 East:

1. Uluru 35 Fed State Com 121H

SHL: At a legal location in the NW/4NW/4 of Section 35
BHL: 10' FEL & 370' FNL of Section 35
FTP: 100' FWL & 370' FNL of Section 35
LTP: 100' FEL & 370' FNL of Section 35
TVD: 7,524'
TMD: Approximately 12,809'
Proration Unit: N2N2 of Section 35
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

2. Uluru 35 Fed State Com 122H

SHL: At a legal location in the NW/4NW/4 of Section 35
BHL: 10' FEL & 1,889' FNL of Section 35
FTP: 100' FWL & 1,889' FNL of Section 35
LTP: 100' FEL & 1,889' FNL of Section 35
TVD: 7,524'
TMD: Approximately 12,809'
Proration Unit: S2N2 of Section 35
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

300 N. Marienfeld St., Suite 1000, Midland, Texas 79701 P: (432) 695-4222 | F: (432) 695-4063 www.ColgateEnergy.com

Colgate Operating, LLC Case No. 23422 Exhibit A-4

3. Uluru 35 Fed State Com 123H

SHL: At a legal location in the SE/4 of Section 35
BHL: 10' FEL & 2,032' FSL of Section 35
FTP: 100' FWL & 2,032' FSL of Section 35
LTP: 100' FEL & 2,032' FSL of Section 35
TVD: 7,509'
TMD: Approximately 12,794'
Proration Unit: N2S2 of Section 35
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

4. Uluru 35 Fed State Com 124H

SHL: At a legal location in the SE/4 of Section 35
BHL: 10' FEL & 330' FSL of Section 36
FTP: 100' FWL & 330' FSL of Section 35
LTP: 100' FEL & 330' FSL of Section 36
TVD: 7,509'
TMD: Approximately 17,794'
Proration Unit: S2S2 of Sections 35 & 36
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

5. Uluru 35 Fed State Com 131H

SHL: At a legal location the E/2E/2 of Section 34 BHL: 10' FEL & 990' FNL of Section 36 FTP: 100' FWL & 990' FNL of Section 35 LTP: 100' FEL & 990' FNL of Section 36 TVD: 8,662' TMD: Approximately 18,947' Proration Unit: N2N2 of Sections 35 & 36 Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE

6. Uluru 35 Fed State Com 132H

SHL: At a legal location the E/2E/2 of Section 34
BHL: 10' FEL & 2,310' FNL of Section 36
FTP: 100' FWL & 2,310' FNL of Section 35
LTP: 100' FEL & 2,310' FNL of Section 36
TVD: 8,662'
TMD: Approximately 18,947'
Proration Unit: S2N2 of Sections 35 & 36
Targeted Interval: 3rd Bone Spring
Total Cost: See attached AFE

7. Uluru 35 Fed State Com 133H

SHL: At a legal location the E/2E/2 of Section 34 BHL: 10' FEL & 1,650' FSL of Section 36 FTP: 100' FWL & 1,650' FSL of Section 35 LTP: 100' FEL & 1,650' FSL of Section 36 TVD: 8,647' TMD: Approximately 18,932' Proration Unit: N2S2 of Sections 35 & 36 Targeted Interval: 3rd Bone Spring

Total Cost: See attached AFE

8. Uluru 35 Fed State Com 134H

SHL: At a legal location in the SE/4SE/4 of Section 34 BHL: 10' FEL & 330' FSL of Section 36 FTP: 100' FWL & 330' FSL of Section 35 LTP: 100' FEL & 330' FSL of Section 36 TVD: 8,647' TMD: Approximately 18,932' Proration Unit: S2S2 of Sections 35 & 36 Targeted Interval: 3rd Bone Spring Total Cost: See attached AFE

9. Uluru 35 Fed State Com 201H

SHL: At a legal location in the NW/4NW/4 of Section 35
BHL: 10' FEL & 1,650' FNL of Section 36
FTP: 100' FWL & 1,650' FNL of Section 35
LTP: 100' FEL & 1,650' FNL of Section 36
TVD: 8,929'
TMD: Approximately 19,214'
Targeted Interval: Wolfcamp XY
Total Cost: See attached AFE

10. Uluru 35 Fed State Com 202H

SHL: At a legal location in the SE/4 of Section 35
BHL: 10' FEL & 2,310' FSL of Section 36
FTP: 100' FWL & 2,310' FSL of Section 35
LTP: 100' FEL & 2,310' FSL of Section 36
TVD: 8,929'
TMD: Approximately 19,214'
Targeted Interval: Wolfcamp XY
Total Cost: See attached AFE

11. Uluru 35 Fed State Com 203H

SHL: At a legal location in the SE/4SE/4 of Section 34
BHL: 10' FEL & 990' FSL of Section 36
FTP: 100' FWL & 990' FSL of Section 35
LTP: 100' FEL & 990' FSL of Section 36
TVD: 8,914'
TMD: Approximately 19,199'
Targeted Interval: Wolfcamp XY
Total Cost: See attached AFE

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. Colgate is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is available upon request. The Operating Agreement has the following general provisions:

-100%/300%/300% non-consent provisions

- \$8,000/\$800 drilling and producing rates

- Colgate Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the previously proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Colgate will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Colgate would be interested in acquiring your interest in the subject lands which is subject to further negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.357.3886 or by email at mhajdik@colgateenergy.com.

Respectfully,

Mattlejelik

Mark Hajdik Senior Staff Landman *Enclosures*

Well Elections: (Please indicate your responses in the spaces below)					
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate			
Uluru 35 Fed State Com 121H					
Uluru 35 Fed State Com 122H					
Uluru 35 Fed State Com 123H					
Uluru 35 Fed State Com 124H					
Uluru 35 Fed State Com 131H					
Uluru 35 Fed State Com 132H					
Uluru 35 Fed State Com 133H					
Uluru 35 Fed State Com 134H					
Uluru 35 Fed State Com 201H					
Uluru 35 Fed State Com 202H					
Uluru 35 Fed State Com 203H					

Company Name (If Applicable):

By:	
Printed Name: _	
Date:	

Colgate Energy

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701

Phone (432) 695-4222 • Fax (432) 695-4063 ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	2/4/2022	AFE NO.:	0
WELL NAME:	Uluru 35 Fed State Com 124H	- FIELD:	Winchester; BONE SPRING
LOCATION:	Sections 35 & 36, Block T19S-R28E	MD/TVD:	17794' MD / 7509' TVD
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	10,000
Colgate WI:		DRILLING DAYS:	14.8
GEOLOGIC TARGET:	SBSG	COMPLETION DAYS:	18.6
	Drill a horizontal 2nd BS well and comple	te. AFE includes drilling, completions, flowback an	d Initial AL install cost

REMARKS:

	DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS
1 Land / Legal / Regulatory \$	42,500	\$	\$	
2 Location, Surveys & Damages	205,693	13,000	25,000	243,693
4 Freight / Transportation	34,270	30,250	10 500	64,520
5 Rental - Surface Equipment	70,439	153,700	13,700	237,839
6 Rental - Downhole Equipment	145,281 29,113	26,250 43,450		171,531 72,563
7 Rental - Living Quarters 10 Directional Drilling, Surveys	262,056	43,430		262,056
11 Drilling	429,783			429,783
12 Drill Bits	82,680			82,680
13 Fuel & Power	101,959	290.000		391,959
14 Cementing & Float Equip	149,460			149,460
15 Completion Unit, Swab, CTU			26,000	
16 Perforating, Wireline, Slickline	-	282,875	9,000	291,875
17 High Pressure Pump Truck	-	46,000		46,000
18 Completion Unit, Swab, CTU	-	75,950		75,950
20 Mud Circulation System	61,407			61,407
21 Mud Logging	10,688			10,688
22 Logging / Formation Evaluation	4,332	6,000		10,332
23 Mud & Chemicals	211,350	285,841		497,191
24 Water	31,270	437,000		468,270
25 Stimulation	-	483,149		483,149
26 Stimulation Flowback & Disp	-	102,125		102,125
28 Mud/Wastewater Disposal	138,945	44,000		182,945
30 Rig Supervision / Engineering	65,915	102,075	9,800	177,790
32 Drlg & Completion Overhead	5,625	-		5,625
35 Labor	103,986	50,000	20,000	173,986
54 Proppant		565,000		565,000
95 Insurance	9,440			9,440
97 Contingency	-	14,494	8,850	23,344
99 Plugging & Abandonment				
TOTAL INTANGIBLES >	2,196,192	3,051,160	112,350	5,333,702
	DRILLING	COMPLETION	PRODUCTION	TOTAL
TANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS
60 Surface Casing \$	21,818	\$	\$	5 21,818
61 Intermediate Casing	126,995			126,995
61 Intermediate Casing	-		·	126,995
62 Drilling Liner 63 Production Casing	126,995 - 442,951			
62 Drilling Liner	-			126,995 - - 442,951 -
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing	442,951		55,000	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead	442,951		55,000 59,100	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers	442,951		55,000	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks	442,951 46,640 10,600		55,000 59,100 4,500	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels	442,951 		55,000 59,100 4,500 84,000	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines	442,951 - - - - - - - - - - -		55,000 59,100 4,500	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string	442,951 		55,000 59,100 4,500 84,000 24,800	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment	442,951 		55,000 59,100 4,500 84,000	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor	442,951 46,640 10,600 - - - -		55,000 59,100 4,500 84,000 24,800 88,000	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000	126,995 442,951 55,000 105,740 15,100 84,000 24,800
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps	442,951 		55,000 59,100 4,500 84,000 24,800 88,000	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps	442,951 		55,000 59,100 4,500 84,000 24,800 38,000 34,000 5,000	126,995 442,951
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping	442,951 		55,000 59,100 4,500 84,000 24,800 38,000 34,000 5,000	126,995
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines	442,951 		55,000 59,100 4,500 84,000 24,800 34,000 5,000 12,500 15,400	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment	442,951 		55,000 59,100 4,500 84,000 24,800 34,000 5,000 12,500 15,400	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment 83 Flare Stack	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000	126,995 442,951
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment 83 Flare Stack 84 Electrical / Grounding	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 90,900	126,995 442,951
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 77 Measurement & Meter Installation 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCADA	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000	126,995 442,951
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment 83 Flare Stack 84 Electrical / Grounding 85 Communications / SCADA 86 Instrumentation / Safety	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 90,900 15,000	126,995 442,951 55,000 105,740 15,100
62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string	442,951 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 90,900	126,995 442,951

PREPARED BY Colgate Energy: Drilling Engineer: SS/RM/PS Completions Engineer: Production Engineer: BA/ML Levi Harris Colgate Energy APPROVAL: Co-CEO VP - Operations WH CRM VP - Land & Legal BG NON OPERATING PARTNER APPROVAL: Tax ID: Company Name: Working Interest (%): Signed by: Date: Title: Approval: Yes No (mark one)

285

\$

\$

305

651

\$

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred. including. legal. curative, revulatory. brokerage and well costs under the terms of the applicable ioint operatoria areement. revulatory order or other areement covering this well. Participants shall be covered by and billed proportionately for Operator's well

Colgate Energy 300 N. Marienfeld St., Ste. 1000 Midland, TX 79701 Phone (432) 695-4222 • Fax (432) 695-4063 ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	2/4/2022	AFE NO.:	0
WELL NAME:	Uluru 35 Fed State Com 134H	FIELD:	Winchester; BONE SPRING
LOCATION:	Sections 35 & 36, Block T19S-R28E	MD/TVD:	18932' MD / 8647' TVD
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	10,000
Colgate WI:		DRILLING DAYS:	20.2
GEOLOGIC TARGET:	TBSG	COMPLETION DAYS:	18.6

REMARKS: Drill a horizontal 3rd BS well and complete. AFE includes drilling, completions, flowback and Initial AL install cost

	DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS
1 Land / Legal / Regulatory \$	42,500	\$	\$\$	42,500
2 Location, Surveys & Damages	207,601	13,000	25,000	245,601
4 Freight / Transportation	34,270	30,250		64,520
5 Rental - Surface Equipment	89,457	153,700	13,700	256,857
6 Rental - Downhole Equipment	147,810	26,250		174,060
7 Rental - Living Quarters	35,644	43,450		79,094
10 Directional Drilling, Surveys 11 Drilling	314,709 566,364			314,709 566,364
12 Drill Bits	72,080			72,080
13 Fuel & Power	142,742	290,000		432,742
14 Cementing & Float Equip	149,460	290,000		149,460
15 Completion Unit, Swab, CTU	147,400		26,000	147,400
16 Perforating, Wireline, Slickline	-	282,875	9,000	291,875
17 High Pressure Pump Truck	-	46,000	3,000	46,000
18 Completion Unit, Swab, CTU	-	75,950		75,950
20 Mud Circulation System	77,302			77,302
21 Mud Logging	15,417			15,417
22 Logging / Formation Evaluation	6,912	6,000		12,912
23 Mud & Chemicals	259,987	305,488		565,475
24 Water	31,270	469,400		500,670
25 Stimulation	-	543,543		543,543
26 Stimulation Flowback & Disp	-	102,125		102,125
28 Mud / Wastewater Disposal	138,945	44,000		182,945
30 Rig Supervision / Engineering	89,758	102,075	9,800	201,633
32 Drlg & Completion Overhead	7,875	-		7,875
35 Labor	103,986	50,000	20,000	173,986
54 Proppant	10.010	635,625		635,625
95 Insurance	10,042	1/ 20/	0.050	10,042
97 Contingency	-	16,306	8,850	25,156
99 Plugging & Abandonment	-			
TOTAL INTANGIBLES >	2,544,131	3,236,037	112,350	5,874,468
	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
TANGIBLE COSTS 60 Surface Casing \$				
	21,818	\$	\$\$	
61 Intermediate Casing	126,995	¢	\$ \$	126,995
61 Intermediate Casing 62 Drilling Liner	126,995	۶	\$\$	126,995
61 Intermediate Casing 62 Drilling Liner 63 Production Casing	126,995	¢	\$S	126,995
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner	126,995	¢		126,995 - - 470,863 -
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing	126,995 - 470,863 -	¢	55,000	126,995 - 470,863 - 55,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Weilhead	126,995 - 470,863 - - 46,640	·	55,000 59,100	126,995 - 470,863 - 55,000 105,740
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing	126,995 - 470,863 -		55,000	126,995 - 470,863 - 55,000 105,740
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 66 Tankis	126,995 - 470,863 - - 46,640		55,000 59,100	126,995 470,863 55,000 105,740 15,100
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellheead 67 Packers, Liner Hangers	126,995 - - - - - - - - - - - - - - - - - -		55,000 59,100 4,500	126,995 470,863 55,000 105,740 15,100 84,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels	126,995 - - - - - - - - - - - - - - - - - -		55,000 59,100 4,500 84,000	126,995 470,863 55,000 105,740 15,100 84,000
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines	126,995 		55,000 59,100 4,500 84,000	126,995 470,863 55,000 105,740 15,100
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string	126,995 		55,000 59,100 4,500 84,000 24,800	126,995 470,863 55,000 105,740 15,100
61 Intermediate Casing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment	126,995 470,863 		55,000 59,100 4,500 84,000 24,800	126,995 470,863 55,000 105,740 15,100 - - 84,000 24,800 - 84,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor	126,995 470,863 - - - - - - - - - - - - -		55,000 59,100 4,500 84,000 24,800 88,000	126,995 470,863 55,000 105,740 15,100 - - 84,000 - - 88,000 - - 34,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compresor 74 Installation Costs 75 Surface Pumps 75 Downhole Pumps	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000	126,995 470,863 55,000 105,740 15,100 - - 84,000 - - 88,000 - - 34,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000	126,995 470,863 55,000 105,740 15,100 24,800 88,000 34,000 34,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 75 Surface Pumps 77 Measurement & Ker Installation 76 Gas Conditioning / Dehydration	126,995 		55,000 59,100 4,500 24,800 24,800 34,000 5,000 12,500	126,995 470,863 55,000 105,740 15,100
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 75 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning/ Dehydration 78 Interconnecting Facility Fiping	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 334,000 5,000	126,995 470,863 55,000 105,740 15,100
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering/ Bulk Lines	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400	126,995 477,863 55,000 105,740 15,700 24,800 24,800 24,800 34,000 5,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compresor 74 Installation Costs 75 Surface Pumps 77 Measurement & Meter Installation 79 Insterconnecting Facility Piping 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controllers	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500	126,995 470,863 55,000 105,740 15,100 24,800 34,000 34,000 5,000 12,500 12,500 12,500 14,000 15,400 15,400 14,000
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 75 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 81 Tanky Facility Contailment	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400	126,995 470,863 55,000 105,740 15,100
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 75 Downhole Pumps 76 Downhole Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment 85 Flare Stack	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000	126,995 470,863 55,000 105,740 15,100 24,800 24,800 34,000 5,000 12,500 12,500 12,500 12,500
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compresor 74 Installation Costs 75 Surface Pumps 75 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering/ Bulk Lines 81 Valves, Dumps, Contollers 82 Tank / Facility Containment 83 Flare Stack	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000 90,900	126,995 470,863 55,000 105,740 15,100
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning / Dehydration 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank / Facility Containment 83 Fare Stack 84 Electrical / Grounding 85 Communications / SCADA	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000	126,995 470,863 55,000 105,740 15,100
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compresor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 79 Interconnecting Facility Piping 80 Gathering / Bulk Lines 81 Valves, Dumps, Controllers 82 Tank, Facik 84 Electrical / Grounding 85 Communications / SCADA 86 Instrumentation / Safety	126,995 - 470,863 - 46,640 10,600 -		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000 90,900 15,000	126,995 470,863 55,000 105,740 13,100 24,800 34,000 34,000 5,000 12,500 15,400
61 Intermediate Časing 62 Drilling Liner 63 Production Casing 64 Production Liner 65 Tubing 66 Wellhead 67 Packers, Liner Hangers 68 Tanks 69 Production Vessels 70 Flow Lines 71 Rod string 72 Artificial Lift Equipment 73 Compressor 74 Installation 73 Compressor 74 Installation Costs 75 Surface Pumps 76 Downhole Pumps 77 Measurement & Meter Installation 78 Gas Conditioning/ Dehydration 79 Interconnetting Facility Piping 80 Gathering/ Bulk Lines 81 Valves, Dumps, Controllers 82 Tank/Facility Containment 83 Fare Stack 84 Electrical/Grounding 85 Communications/ SCADA	126,995 		55,000 59,100 4,500 84,000 24,800 88,000 34,000 5,000 12,500 15,400 40,000 90,900	470,863 55,000 105,740 15,100 24,800 - - - - - - - - - - - - -

PREPARED BY Colgate Energy: Drilling Engineer: Completions Engineer: Production Engineer: SS/RM/PS BA/ML Levi Harris

Colgate Energy APPROVAL:

Co-CEO	WH VP -	Co-CEO Geosciences SO	VP - Operations CRM
NON OPERATING PARTNER	APPROVAL:		
Company Name:		Working Interest (%):	Tax ID:
Signed by:		Date:	
Title:		Approval:	Yes No (mark one)

. In executing this AFE, the Participant agrees to pay its shall be covered by and billed proportionately for the well has been comptener vering this well. Participants hare of actual o ing, legal s of the appl ting agreement, regulatory order or other ptable to the Operator by the date of spud propa Opera

Uluru 35 Communication Timeline

January 2023 – Title opinion correction identified three parties which were not originally pooled. Two of the interests are executing a JOA and will not be pooled at this time.

January 28, 2023 – Proposal for the Uluru 35 Wells received by the third party via certified mail. Address for executor of estate was derived using county records and paid subscription idicore.

February 2023 to present – No response or communication received from party. Engaged a broker to attempt to obtain contact. Did not respond to brokers contact attempts either.

Present – Moved forward with hearing after no response to contact attempts.

Colgate Operating, LLC Case No. 23422 Exhibit A-5

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

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22181, EDDY COUNTY, NEW MEXICO

CASE NO. 23422 ORDER NO. R-22181

SELF-AFFIRMED STATEMENT OF DANA S. HARDY

1. I am attorney in fact and authorized representative of Colgate Operating, LLC, the Applicant herein.

2. I am familiar with the Notice Letters attached as **Exhibit B-1** and caused the Notice Letters, along with the Application in this case, to be sent to the parties set out in the charts attached as **Exhibit B-2**.

3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit B-3** as supporting documentation for proof of mailing and the information provided on Exhibit B-2.

5. On March 21, 2023, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit B-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony above is true and correct and it made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

<u>/s/ Dana S. Hardy</u> Dana S. Hardy April 3, 2023 Date

> Colgate Operating, LLC Case No. 23422 Exhibit B



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

March 16, 2023

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Estate of Ralph E. Williamson c/o Elizabeth Anne Williamson 1601 Kansas Ave Midland, TX 79701

Re: Case Nos. 23421, 23422, 23423 - Applications of Colgate Operating, LLC to Pool Additional Interests under Order Nos. R-22179, R-22181, and R-22182, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **April 6, 2023** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. Mountain Time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD **E-Permitting** system (https://wwwapps.emnrd.nm.gov/OCD/OCDPermitting) or via e-mail to ocd.hearings@emnrd.nm.gov and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please do not hesitate to contact me if you have questions regarding this matter.

Sincerely,

<u>/s/ Dana S. Hardy</u> Dana S. Hardy

Colgate Operating, LLC Case No. 23422 Exhibit B-1

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

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

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22179, EDDY COUNTY, NEW MEXICO.

CASE NO. 23421 ORDER NO. R-22179

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22181, EDDY COUNTY, NEW MEXICO.

CASE NO. 23422 ORDER NO. R-22181

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22182, EDDY COUNTY, NEW MEXICO.

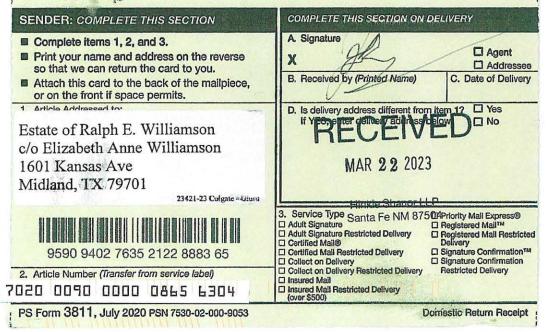
CASE NO. 23423 ORDER NO. R-22182

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Estate of Ralph E. Williamson c/o Elizabeth Anne Williamson	03/16/23	03/22/23
1601 Kansas Ave Midland, TX 79701		

Colgate Operating, LLC Case No. 23422 Exhibit B-2

7774	For delivery information, visit our website at www.usps.com [®] .
5	OFFICIAL USE
1001	Certified Mail Fee \$ Extra Services & Fees (check box, add fee as oppropriate) Return Receipt (hardcopy) \$
nnnn	Certified Mall Restricted Delivery
חרחח	Adult Signature Required \$
	\$
רחבח	Estate of Ralph E. Williamson c/o Elizabeth Anne Williamson 1 IGOI Kansas Ave Midland, TX 79701 23421-23 Colgate - Uluru



Colgate Operating, LLC Case No. 23422 Exhibit B-3

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005635531 This is not an invoice

HINKLE SHANOR, LLP POBOX 2068

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

03/21/2023

Legal Clerk

Subscribed and sworn before me this March 21, 2023:

State of WI, County of Brown NOTARY PUBLIC

1-7-25

KATHLEEN ALLEN Notary Public State of Wisconsin

My commission expires

ed parties, including the Estate of Ralph E. Williamson c/o Elizabeth Anne Williamson; and his successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Colgate Operating, LLC (Case No. 23422). The hear-ing will be conducted remotely on April 6, 2023, be-ginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: https: //www.emnrd.nm.gov/ocd/h earing-info/. Applicant ap-plies for an order pooling additional uncommitted interests under the terms of Division Order No. R-22181. Order No R-22181 ("Order") pooled uncommitted interests in the Bone Spring forests in the Bone Spring for-mation underlying a standard horizontal spacing unit comprised of the S/2 S/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Uluru 35 Fed State Com 124H and 134H wells Com 124H and 134H wells ("Wells") and designated Applicant as operator of the Unit and Wells. Since the Order was entered, Applicant has identified additional interests in the Unit that should be pooled under the terms of the Order. The Wells are located approxi-mately 12 miles northeast of Carlsbad, New Mexico. #5635531, Current March 21, 2023 Argus,

This is to notify all interest-

Ad # 0005635531 PO #: 0005635531 # of Affidavits1

This is not an invoice

Colgate Operating, LLC Case No. 23422 Exhibit B-4