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

APPLICATION OF COLGATE OPERATING, LLC TO AMEND ORDER NO. R-22218, EDDY COUNTY, NEW MEXICO.

CASE NO. 23758 ORDER NO. R-22218

PRE-HEARING STATEMENT

Colgate Operating, LLC ("Colgate") or "Applicant") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division ("Division").

APPLICANT ATTORNEYS

Colgate Operating, LLC Dana S. Hardy

Jaclyn McLean Hinkle Shanor LLP P.O. Box 2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

INTERESTED PARTIES ATTORNEYS

None.

STATEMENT OF THE CASE

Colgate seeks an order: (1) amending Order No. R-22118 to establish a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 35 and 36, Township 19 South, Range 28 East, Lea County, New Mexico ("Unit"); and (2) pooling uncommitted interests in the Wolfcamp formation underlying the Unit. On August 29, 2022, the Division entered Order No. R-22218 ("Order") in Case No. 22669. The Order: pooled all uncommitted interests in the Wolfcamp formation (East WC Burton Flat East, Upper Wolfcamp Pool (Code 98315)) underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy County, New Mexico; dedicated the Unit to the

Uluru 35 Fed State Com 201H well (API No. 30-015-49654) ("Well"); and designated Colgate as operator of the Unit and Well.

Since entry of the Order, Colgate has determined that the Well will produce from the Winchester; Wolfcamp (Gas) Pool (Code 87760) rather than the East WC Burton Flat East, Upper Wolfcamp Pool (Code 98315). Because the Winchester; Wolfcamp (Gas) Pool (Code 87760) requires different spacing, Colgate seeks to amend Order No. R-22218 to form a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy County, New Mexico and pool uncommitted interests in the Wolfcamp formation underlying the Unit.

The Well is located approximately 12 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Mark Hajdik	Senior Landman	Affidavit	Approx. 5
Chris Cantin	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant will present its case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn McLean

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

Counsel for Colgate Operating, LLC

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 260665

QUESTIONS

Operator:	OGRID:
COLGATE OPERATING, LLC	371449
300 North Marienfeld Street	Action Number:
Midland, TX 79701	260665
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony			
Please assist us by provide the following information about your testimony.			
Number of witnesses	Not answered.		
Testimony time (in minutes)	Not answered.		