

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

**APPLICATION OF COLGATE PRODUCTION,
LLC TO POOL ADDITIONAL INTERESTS
UNDER ORDER NO. R-22840,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25293
ORDER NO. R-22840**

EXHIBIT INDEX

Exhibit A	Self-Affirmed Statement of Ryan Curry
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22840
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Pooled Parties
A-4	Communitization Agreement
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Dana S. Hardy
B-1	Notice Letter to Additional Party to be Pooled Sent April 17, 2025
B-2	Postal Delivery Report
B-3	Affidavit of Publication from April 22, 2025

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

APPLICATION OF COLGATE PRODUCTION,
LLC TO POOL ADDITIONAL INTERESTS
UNDER ORDER NO. R-22840,
EDDY COUNTY, NEW MEXICO.

CASE NO. 25293
ORDER NO. R-22840

SELF-AFFIRMED STATEMENT
OF RYAN CURRY

1. I am a Senior Landman with Permian Resources Operating, LLC ("Permian Resources"). Colgate Production, LLC ("Colgate") is a wholly owned subsidiary of Permian Resources. 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 the above-referenced case. Copies of Colgate's 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 August 25, 2023, the Division entered Order No. R-22840 ("Order") in Case No. 23643, which pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Koala 9 Fed Com 114H, Koala 9 Fed Com 124H, and Koala 9 Fed Com 134H wells ("Wells") and designated Permian Resources (OGRID No. 372165) as operator of the Unit and Wells.

Colgate Production, LLC
Case No. 25293
Exhibit A

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

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

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 interests to be pooled under the terms of the Order, which are highlighted in yellow.

8. The additional party to be pooled is a record title owner. **Exhibit A-4** is a copy of the communitization agreement that I sent to the additional party to be pooled.

9. Colgate has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.

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

11. Colgate requests the additional uncommitted interested be pooled under the terms of the Order.

12. In my opinion, the granting of Colgate's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

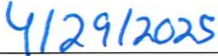
13. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

14. 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 is 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 electronic signature below.



RYAN CURRY



Date

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

**APPLICATION OF COLGATE PRODUCTION,
LLC TO POOL ADDITIONAL INTERESTS
UNDER ORDER NO. R-22840,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25293
ORDER NO. R-22840**

APPLICATION

Pursuant to NMSA § 70-2-17, Colgate Production, LLC (“Applicant”) 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-22840. Applicant states the following in support of its application.

1. On August 25, 2023, the Division entered Order No. R-22840 (“Order”) in Case No. 23643, which pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Order further dedicated the Unit to the Koala 9 Fed Com 114H, Koala 9 Fed Com 124H, and Koala 9 Fed Com 134H wells (“Wells”) and designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Wells.
2. Since the Order was entered, Applicant has identified additional uncommitted 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.
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.

**Colgate Production, LLC
Case No. 25293
Exhibit A-1**

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on May 8, 2025, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22840.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

125 Lincoln Ave., Ste. 223

Santa Fe, NM 87501

Phone: (505) 230-4410

dhardy@hardymclean.com

jmclean@hardymclean.com

COUNSEL FOR COLGATE PRODUCTION, LLC AND
PERMIAN RESOURCES OPERATING, LLC

Application of Colgate Production, LLC to Pool Additional Interests Under Order No. R-22840, Eddy County, New Mexico. Colgate Production, LLC (“Applicant”) seeks to pool additional uncommitted interests under the terms of Division Order No. R-22840 (“Order”). The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”); (2) dedicated the Unit to Koala 9 Fed Com 114H, Koala 9 Fed Com 124H, and Koala 9 Fed Com 134H (“Wells”); and (3) designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Wells. Since the Order was entered, Applicant has identified additional uncommitted 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 PRODUCTION, LLC**

**CASE NO. 23643
ORDER NO. R-22840**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on July 20, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Colgate Production, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. 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 depth(s) and location(s) in the Unit described in Exhibit A.

**Colgate Production, LLC
Case No. 25293
Exhibit A-2**

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.

ORDER

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. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. 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.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. 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").
24. 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

CASE NO. 23643
ORDER NO. R-22840

Page 2 of 7

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 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."

25. 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.
26. 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 its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
27. 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."
28. 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.
29. 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.

30. 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 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.
31. 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.
32. 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.
33. 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.
34. 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.*
35. 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.
36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**


DYLAN M FUGE
DIRECTOR
DMF/hat

Date: 8/25/2023

CASE NO. 23643
ORDER NO. R-22840

Page 4 of 7

Exhibit A

Page 3 of 8

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23643	APPLICANT'S RESPONSE
Date	July 20, 2023
Applicant	Colgate Production, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165)
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Colgate Production, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Avant Operating, LLC
Well Family	Koala
Formation/Pool	
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:	Old Millman Ranch Bone Spring (Code 48035)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre
Building Blocks:	Quarter-Quarter
Orientation:	West to East
Description: TRS/County	S/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Koala 9 Fed Com 114H (API # ---) SHL: 1144' FSL & 105' FEL (Unit P), Section 8, T20S, R28E BHL: 330' FSL & 10' FEL (Unit P), Section 10, T20S, R28E Completion Target: First Bone Spring (6,304' TVD)
Well #2	Koala 9 Fed Com 124H (API # ---) SHL: 1144' FSL & 165' FEL (Unit P), Section 8, T20S, R28E BHL: 330' FSL & 10' FEL (Unit P), Section 10, T20S, R28E Completion Target: Second Bone Spring (7,329' TVD)

Received by OCD: 7/20/2023 3:48:44 PM

Released to Imaging: 7/20/2023 4:25:07 PM

CASE NO. 23643
ORDER NO. R-22840

Page 5 of 7

Page 4 of 8

Well #2	Koala 9 Fed Com 134H (API # ---) SHL: 1144' FSL & 225' FEL (Unit P), Section 8, T20S, R28E BHL: 330' FSL & 10' FEL (Unit P), Section 10, T20S, R28E Completion Target: Third Bone Spring (8,524' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000.00
Production Supervision/Month \$	\$1,000.00
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)	Exhibit C-1, Exhibit C-2, Exhibit C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	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
SU Cross Section	Exhibit B-2
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

Received by OCD: 7/20/2023 4:25:07 PM

CASE NO. 23643
ORDER NO. R-22840

Page 6 of 7

Page 5 of 8

Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibits B-3, B-4, B-5
Cross Section Location Map (including wells)	Exhibit B-6
Cross Section (including Landing Zone)	Exhibit B-6
Additional Information	
Special Provisions/Stipulations	N/A
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:	7/20/2023

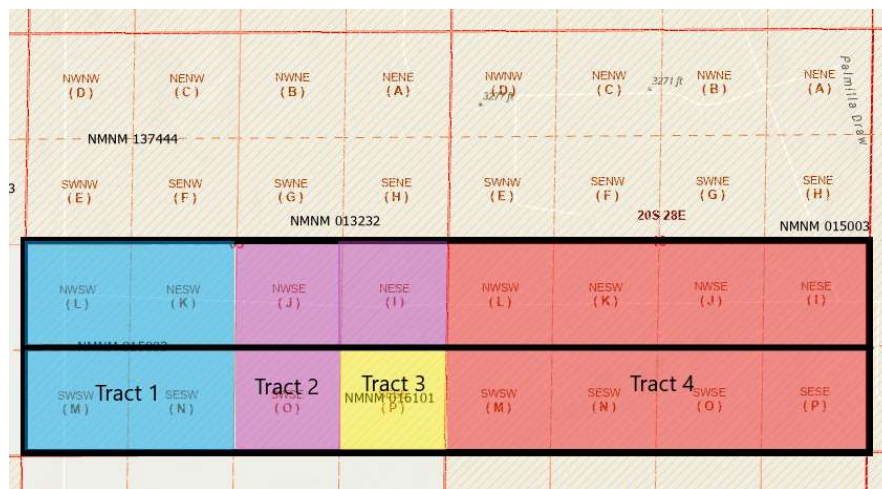
Received by OCD: 7/20/2023 3:48:44 PM

Released to Imaging: 7/20/2023 4:25:07 PM

CASE NO. 23643
ORDER NO. R-22840

Page 7 of 7

Koala 9 Fed Com 114H, 124H, 134H S2S2 BNSG				
WI OWNER	TRACT	NET	WI	FORCE POOL INTEREST
Colgate Production, LLC	1, 2, 3, 4	310.69	97.09%	Operator - Permian Resources Operating, LLC
James H. Barnett	2	0.4	0.13%	Previously Pooled
Bonefish, LLC	2	1.6	0.50%	Previously Pooled
Lepakast Properties, LP	2	1.6	0.50%	Previously Pooled
Avant Operating, LLC	2	0.32	0.10%	Previously Pooled
Legion Production Partners, LLC	2	1.12	0.35%	Previously Pooled
Double Cabin Minerals, LLC	2	0.16	0.05%	Previously Pooled
Daniel Energy, Inc.	2	0.4	0.13%	Previously Pooled
Pocahontas Oil Co., Inc.	2	1.6	0.50%	Previously Pooled
Rutter & Wilbanks Corporation	2	1.6	0.50%	Subject to JOA
Shepherd Oil & Gas, LLC	2	0.2550016	0.08%	Previously Pooled
Charles W. Seltzer Trust	2	0.2549984	0.08%	Previously Pooled
		320.00	100.00%	



LESSEE OF RECORD	FORCE POOL	TRACT
Chi Energy, Inc.	Previously Pooled	2
Dexter Resources	Previously Pooled	2
NRM 84-D INCOME LTD	Previously Pooled	2
NRM Operating Co	Previously Pooled	3
Burton Flat Investors, Ltd	Yes	2

OVERRIDING ROYALTY INTERESTS

Elizabeth S. Shelton Living Trust

Prescott A. Sherman Grandchildren's Trust f/b/o
Cristina Elizabeth Shelton

Prescott A. Sherman Grandchildren's Trust f/b/o
Amy Shelton Murrell

Katherine A. Swaney

Chi Energy, Inc.

Elise A. Lambuth

Estate of Katherine E. Carlisle

Colgate Production, LLC
Case No. 25293
Exhibit A-3

Eloise R. Carlisle, Estate

Anna E. Alford

Frances K. Alford

Adam C. Swaney

Ann E. Lambuth

James B. Lambuth

John Warner Alford

John A. Lambuth

Emily A. Carlisle

Gene H. Davis

Chi Energy, Inc. f/b/o Chi Royalty Pool

The Wright NM Partners, LP

V. W. Adams and wife, Joan Adams

Estate of Benjamin I. Cooksey

Estate of Suzanne Mitchell

Russell C. Williams

Robert J. Behme

Fred A. Sullivan

Colburn Oil, LP

Anthracite Energy Partners, LLC

Tailwag Resources, LLC

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st day of October, 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 20 South, Range 28 East:**Section 9: S2S2****Section 10: S2S2****Eddy County, New Mexico**

Containing **320.00** acres, and this agreement shall include only the **Bone Spring** formation underlying said lands and the associated gaseous hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

Colgate Production, LLC**Case No. 25293**

Koala 9 Fed Com S2S2 BNSG

3. The Operator of the communitized area shall be **Permian Resources Operating, LLC**, whose address is **300 N. Marienfeld Street, Suite 1000, Midland, Texas 79701**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and

obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **October 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying

quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2- year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

PERMIAN RESOURCES OPERATING, LLC

(Operator)

Date:

10/14/2024

By:

Patrick Godwin
Patrick Godwin, Vice President of Land

T-12

ACKNOWLEDGEMENT

STATE OF TEXAS

)

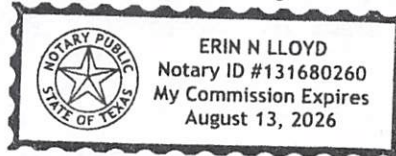
) ss.

COUNTY OF MIDLAND

)

On this 14th day of October, 2024, before me, a Notary Public for the State of Texas, personally appeared Patrick Godwin, known to me to be the Vice President of Land of Permian Resources Operating, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



Notary Public

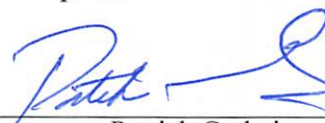
Erin Lloyd

My commission expires

8/13/2026

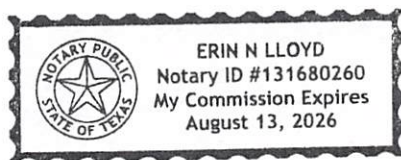
**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

I, the undersigned, hereby certify, on behalf of Permian Resources Operating, LLC, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

Date: 10/14/2024By: 
Patrick Godwin Pgc
Title: Vice President of Land**ACKNOWLEDGEMENT**STATE OF Texas)
COUNTY OF Midland) ss.

On this 14th day of October, 2024, before me, a Notary Public for the State of Texas, personally appeared Patrick Godwin, known to me to be the Vice President of Land of Permian Resources Operating, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/13/2026
My Commission Expires
Notary Public

]

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

COLGATE PRODUCTION, LLC

(Lessee of Record NMNM-15003, NMNM-16101)

(Operating Rights Owner – All Tracts)

Date:

10/14/2024

By:

Patrick Godwin
Patrick Godwin, Vice President of LandPB**ACKNOWLEDGEMENT**

STATE OF TEXAS

)

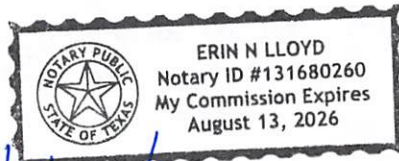
) ss.

COUNTY OF MIDLAND

)

On this 14th day of October 2024, before me, a Notary Public for the State of Texas, personally appeared Patrick Godwin, known to me to be the Vice President of Land of Colgate Production, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



Notary Public

Erin Lloyd

My commission expires

8/13/2026

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

BURTON FLAT INVESTORS, LTD.
(Lessee of Record NMNM-13232)

Date: _____

By: _____

Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 20____, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of _____, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

Notary Public

My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

STELARON, INC.

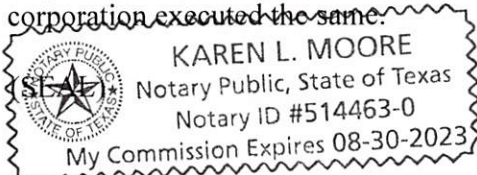
(Lessee of Record NMNM-16101)

Date: August 7, 2023By: [Signature]Title: Vice President

ACKNOWLEDGEMENT

STATE OF Texas)
COUNTY OF Potter) ss.

On this 7th day of August, 20 23, before me, a Notary Public for the State of Texas, personally appeared Jeffrey D. Cone, known to me to be the Vice President of Stelaron, Inc., the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

Karen L. Moore
Notary Public08-30-2023
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

JOHN R. SEAY
(Lessee of Record NMNM-13232)

Date: _____

By: _____

Title: _____

ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 20____, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of _____, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

Notary Public

My commission expires

ACKNOWLEDGEMENT

(Individual capacity)

STATE OF _____)
COUNTY OF _____)

On this ____ day of _____, 20____, before me, a Notary Public for the State of _____, personally appeared _____.

(SEAL)

Notary Public

My commission expires

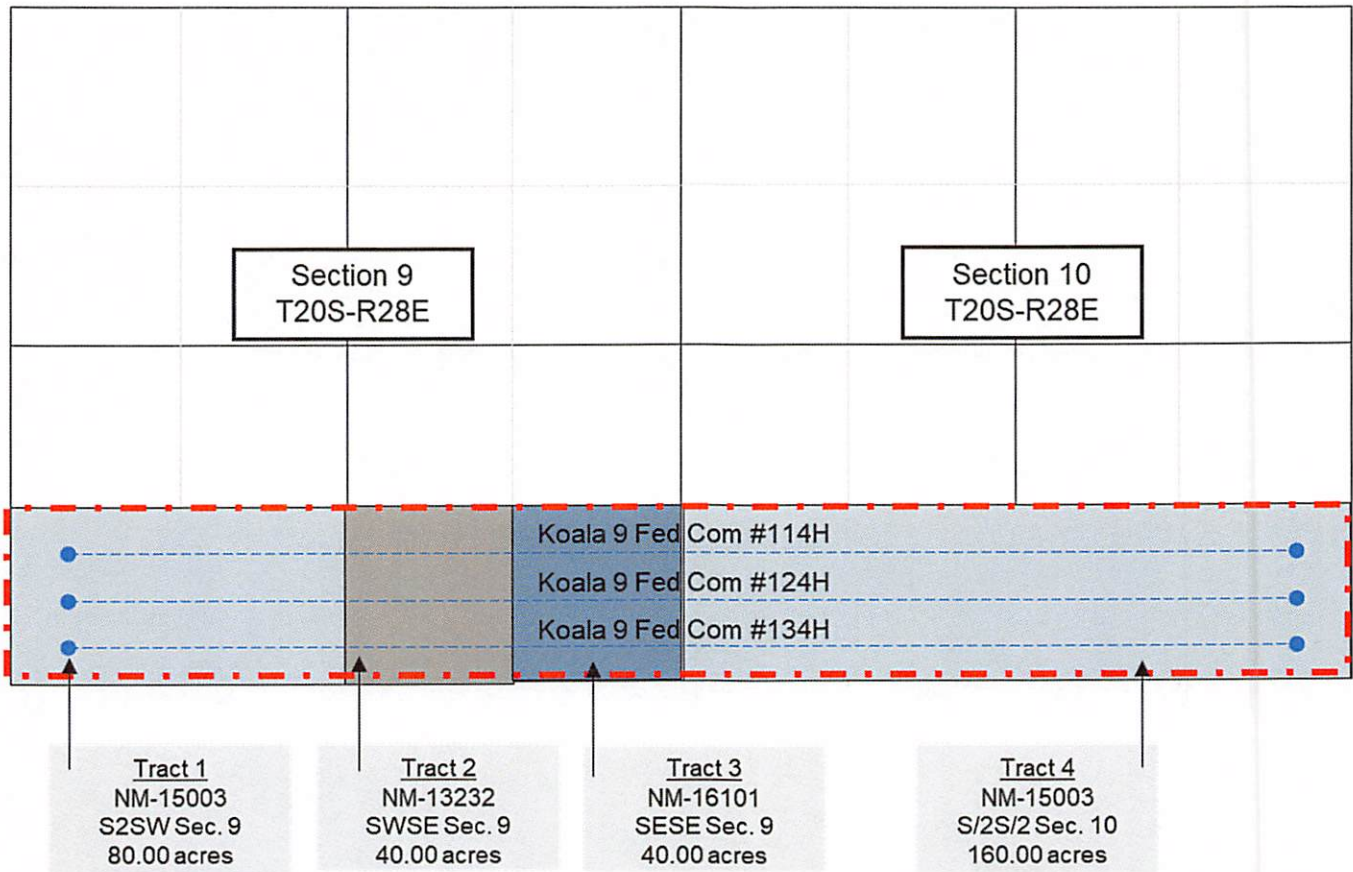
Koala 9 Fed Com S2S2 BNSG

EXHIBIT "A"

Plat of communitized area covering **320.00** acres in S2S2 of Section 9 and 10, T20S-R28E, Eddy County, New Mexico, as written in Section 1 above.

Well Name/No.

Koala 9 Fed Com S2S2



Koala 9 Fed Com S2S2 BNSG

EXHIBIT "B"

To Communitization Agreement Dated October 1, 2023 embracing the following described land in S2S2 of Section 9 and 10, T20S-R28E, Eddy County, New Mexico, as written in Section 1 above.

Operator of Communitized Area: **PERMIAN RESOURCES OPERATING, LLC**

DESCRIPTION OF LEASES COMMITTEDTract No. 1

Lease Serial Number:	NMNM-15003
Description of Lands Committed:	Township 20 South, Range 28 East, N.M.P.M., Section 9: S/2SW/4
Number of Acres:	80.00
Current Lessee(s) of Record:	Colgate Production, LLC
Name of Operating Rights Owners:	Colgate Production, LLC

Tract No. 2

Lease Serial Number:	NMNM-13232
Description of Lands Committed:	Township 20 South, Range 28 East, N.M.P.M., Section 9: SW/4SE/4
Number of Acres:	40.00
Current Lessee(s) of Record:	Burton Flat Investors, Ltd. Chi Energy Inc. NRM 84-D Income Ltd. John R. Seay
Name of Operating Rights Owners:	Colgate Production, LLC

Tract No. 3

Lease Serial Number:	NMNM-16101
Description of Lands Committed:	Township 20 South, Range 28 East, N.M.P.M., Section 9: SE/4SE/4

Koala 9 Fed Com S2S2 BNSG

Number of Acres: 40.00

Current Lessee(s) of Record: Dexter Resources Co.
NRM Operating Co.
Stelaron, Inc.

Name of Operating Rights Owners: Colgate Production, LLC

Tract No. 4

Lease Serial Number: NMNM-15003

Description of Lands Committed: Township 20 South, Range 28 East, N.M.P.M.,
Section 10: S/2S/2

Number of Acres: 160.00

Current Lessee(s) of Record: Colgate Production, LLC

Name of Operating Rights Owners: Colgate Production, LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	80.00	25.0000%
2	40.00	12.5000%
3	40.00	12.5000%
4	160.00	50.0000%
Total	320.00	100.00%



300 N. MARIENFELD STREET, SUITE 1000
MIDLAND, TX 79701

OFFICE 432.695.4222
FAX 432.695.4063

Koala – Chronology of Communication

Date	Summary
7/25/2023	Koala Comm Agmts sent via certified mail to Burton Flat Investors, Ltd.
11/14/2023	Mailed and resent comm agreements for execution
10/11/2024	Koala Comm Agmts sent via certified mail to Burton Flat Investors, Ltd.
10/16/2024	Submitted Comm Agmts to BLM with cover letter explaining we would make continued attempts to secure Burton Flat Investor's signatures as RTO
2/12/2025	Mailed and resent comm agreements for execution

Colgate Production, LLC
Case No. 25293
Exhibit A-5

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

**APPLICATION OF COLGATE PRODUCTION,
LLC TO POOL ADDITIONAL INTERESTS
UNDER ORDER NO. R-22838,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25290
ORDER NO. R-22838**

**APPLICATION OF COLGATE PRODUCTION,
LLC TO POOL ADDITIONAL INTERESTS
UNDER ORDER NO. R-22842,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25291
ORDER NO. R-22842**

**APPLICATION OF COLGATE PRODUCTION,
LLC TO POOL ADDITIONAL INTERESTS
UNDER ORDER NO. R-22840,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25293
ORDER NO. R-22840**

**SELF-AFFIRMED STATEMENT
OF JACLYN M. MCLEAN**

1. I am attorney in fact and authorized representative of Colgate Production, LLC (“Colgate”) Applicant herein.
2. I am familiar with the Notice Letter attached as **Exhibit B-1**, and caused the Notice Letter, along with the Application in this case, to be sent to the party listed in the Postal Delivery Report attached as **Exhibit B-2**.
3. Exhibit B-2 also provides the date the Notice Letter was sent, along with the delivery status of the letter. While this letter was never received by the one additional party to be pooled, Colgate affected public notice in a timely manner.
4. On April 22, 2025, I caused a notice to be published 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-3**.
5. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date

**Colgate Production, LLC
Case No. 25293
Exhibit B**

handwritten next to my signature below.

/s/Jaclyn M. McLean
Jaclyn M. McLean

April 30, 2025
Date



April 17, 2025

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 25290 - 25295 – Applications of Colgate Production, LLC to Pool Additional Interests Under Order Nos. R-22838, R-22842, R-22841, R-22840, R-22839, and R-22837 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 **May 8, 2025**, beginning at 9:00 a.m. The hearing will be conducted in a hybrid fashion, both virtually and in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/hearing-info/>. 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/oed/oedpermitting/>) or via e-mail to oed.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.

If you have any questions about this application, please contact Ryan Curry, Landman at Permian Resources Operating, LLC, via e-mail at ryan.curry@permianres.com.

125 Lincoln Avenue, Suite 223
Santa Fe, NM 87501
505-230-4410

HardyMcClean.com

Writer:
Jaclyn M. McLean
Managing Partner
jmclean@hardymcClean.com

Colgate Production, LLC
Case No. 25293
Exhibit B-1

Hardy McLean LLC
April 17, 2025

Page 2

Sincerely,

/s/ Jaclyn M. McLean
Jaclyn M. McLean

Enclosure

Postal Delivery Report

Permian Resources -Koala 9 Fed Com Case Numbers 25290,25291,25293

Recipient	Mailed	USPS Tracking Number	Date Delivered	Delivery Status
Burton Flat Investors	4/15/2025	94148362085512814	In Transit	Not Received

Colgate Production, LLC
Case No. 25293
Exhibit B-2

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 1491
Ad Number: 44240
Description: Permian Koala 25290-25295
Ad Cost: \$156.37

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

April 22, 2025

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Sherry Groves

Agent

Subscribed to and sworn to me this 22th day of April 2025.

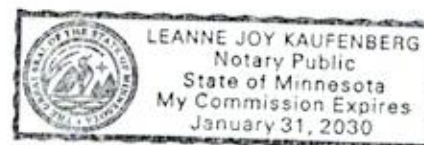
Leanne Kaufenberg

Leanne Kaufenberg, Notary Public, Redwood County
Minnesota

CARA DOUGLAS
HARDY MCLEAN LLC
125 LINCOLN AVE. SUITE 223
SANTA FE, NM 87501
cdouglas@hardymclean.com

This is to notify all interested parties, including: Burton Flat Investors Ltd.; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted by Colgate Production, LLC. (Case Nos. 25290, 25291, 25292, 25293, 25294, & 25295). The hearing will be conducted on May 8, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: <https://www.emnrd.nm.gov/oed/hearing-info/>. In Case No. 25290, Colgate Production, LLC ("Applicant") seeks to pool additional uncommitted interests under the terms of Division Order No. R-22838. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the N/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 113H, Koala 9 Fed Com 123H, and Koala 9 Fed Com 133H wells; and (3) designated Permian Resources Operating, LLC ("Permian Resources") (OGRID No. 372165) as operator of the Unit and Wells. In Case No. 25291, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22842. The Order: (1) pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 203H and Koala 9 Fed Com 204H wells; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25292, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22841. The Order: (1) pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the N/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 201H and Koala 9 Fed Com 202H wells; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25293, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22840. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to Koala 9 Fed Com 114H, Koala 9 Fed Com 124H, and Koala 9 Fed Com 134H; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25294, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22839. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 N/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 112H, Koala 9 Fed Com 122H, and Koala 9 Fed Com 132H wells; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25295, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22837. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the N/2 N/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 111H, Koala 9 Fed Com 121H, and Koala 9 Fed Com 131H wells; and (3) designated Permian Resources as operator of the Unit and Wells. Since the Orders were entered, Applicant has identified additional uncommitted interests in the Units that should be pooled under the terms of the Orders. The Wells are located approximately 12 miles northeast of Carlsbad, New Mexico.

Published in the Carlsbad Current-Argus April 22, 2025.
#44240



Colgate Production, LLC
Case No. 25293
Exhibit B-3