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

APPLICATION OF COLGATE OPERATING, LLC, FOR COMPULSORY POOLING, NON-STANDARD SPACING AND PRORATION UNIT, EDDY COUNTY, NEW MEXICO.

CASE NO. 21339

EOG'S PRE-HEARING STATEMENT

EOG Resources, Inc. ("EOG") submits this pre-hearing statement as required by the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEY

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EOG'S STATEMENT OF THE CASE

Applicant seeks an order pooling all mineral interests within the Palmillo Bone Spring (Pool Code 96413), underlying the N/2 N/2 of Section 22, Township 19 South,

Range 28 East, NMPM, Eddy County, New Mexico, for its proposed Toro 22 Fed State Com 121H and 131H wells. EOG requests that the pooling order contain the following provision:

Applicant grants EOG Resources the ability to sequentially elect to pay its share of costs for each proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of each well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each well.

This provision is reasonable and necessary to protect EOG from premature election and payment obligations for the proposed wells.

PROCEDURAL ISSUES

EOG does not apposed this case being presented by affidavit if the requested election and payment provision is acceptable to the Applicant.

Respectfully submitted,

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ATTORNEYS FOR EOG RESOURCES, INC.

CERTIFICATE OF SERVICE

I hereby certify that on July 15, 2020, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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