

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

**APPLICATION OF COLGATE OPERATING, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 21317**

**APPLICATION OF COLGATE OPERATING, LLC  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 21318**

**CONSOLIDATED PRE-HEARING STATEMENT**

Colgate Operating, LLC ("Colgate") submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Colgate Operating, LLC

**ATTORNEY**

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**INTERESTED PARTY**

MRC Permian Company

**ATTORNEY**

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Cimarex Energy Company  
On Behalf of Magnum Hunter

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**STATEMENT OF CASES**

**In Case No. 21317, Colgate** seeks an order from the Division: (1) to the extent necessary, approving the creation of a 233-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying

the S/2 NW/4 equivalent of irregular Section 18, Township 19 South, Range 29 East and the S/2 N/2 of Section 13, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Atlas 18 State Fed Com 122H** and **132H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 16.5 miles north northeast of Carlsbad, New Mexico.

**In Case No. 21318, Colgate** seeks an order from the Division: (1) to the extent necessary, approving the creation of a 233-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 NW/4 equivalent of irregular Section 18, Township 19 South, Range 29 East and the N/2 N/2 of Section 13, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Atlas 18 State Fed Com 131H** well, to be horizontally drilled. The producing interval for this well will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16.5 miles north northeast of Carlsbad, New Mexico.

#### **PROPOSED EVIDENCE**

##### **APPLICANT:**

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Mark Hajdik – Landman	Approx. 1 Minute	Approx. 15
Sergio Ojeda – Geologist	Approx. 1 Minute	Approx. 7

### **PROCEDURAL ISSUES**

Colgate is not aware of an entry of appearance or request for continuance from any party in these cases. Accordingly, Colgate does not anticipate any opposition to these cases and intends to present its evidence by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: /s/ Lance D. Hough

Earl E. DeBrine, Jr.

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*Attorney for Applicant Colgate Operating, LLC*

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on August 13, 2020:

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