

**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. 21629

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

Earl E. DeBrine
Deana M. Bennett
Lance D. Hough
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
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INTERESTED PARTY

None

ATTORNEY

None

STATEMENT OF CASES

In Case No. 21629, Colgate seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-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 N/2 of Section 3 and the N/2 N/2 of Section 2, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Meridian 3 Fed State 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 15.5 miles 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. 7
Sergio Ojeda – Geologist	Approx. 1 Minute	Approx. 10

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 these cases as consolidated and by affidavit.

Respectfully submitted,

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

By: /s/ Lance D. Hough

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