

**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. 23093

HEARING EXHIBITS

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Travis Macha
A-1	Application & Proposed Notice of Hearing
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation
A-4	Sample Well Proposal Letter & AFE
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of David DaGian
B-1	Regional Locator Map
B-2	Cross-Section Location Map
B-3	Third Bone Spring Structure Map
B-4	Structural Cross-Section
B-5	Stratigraphic Cross-Section
B-6	Gunbarrel Diagram
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Sample Notice Letter to All Interested Parties
C-2	Chart of Notice to All Interested Parties and Certified Mail Receipts
C-3	Copies of Certified Mail Receipts and Returns
C-4	Affidavit of Publication for October 16, 2022

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case No.:	23093
Hearing Date:	11/3/2022
Applicant	Colgate Operating, LLC
Designated Operator & OGRID	OGRID # 371449
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors	None
Well Family	Wombat
Formation/Pool	
Formation Name(s) or Vertical Extent	Third Bone Spring
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Third Bone Spring
Pool Name and Pool Code	Avalon; Bone Spring, East Pool (Code 3713)
Well Location Setback Rules	Statewide
Spacing Unit Size	160-acre
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	160-acre
Building Blocks	quarter-quarter
Orientation	East/West
Description: TRS/County	N/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes, there is a depth severance in the Bone Spring Formation within the unit. See Exhibit A at Paragraph 7.
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	None
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	Wombat 13 Federal Com 133H (API # pending) SHL: 2122' FSL & 315' FEL (Unit I), Section 13, T20S-R28E BHL: 2310' FSL & 10' FWL (Unit L), Section 13, T20S-R28E Completion Target: 3rd Bone Spring (Approx. 8987' 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 \$	\$8,000.00
Production Supervision/Month \$	\$800.00
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, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3

Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	None
Ownership Depth Severance	Exhibit A, Paragraph 7; Exhibit A-3
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-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	Exhibit B
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
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
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:	11/1/2022

**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. 23093

**SELF-AFFIRMED STATEMENT
OF TRAVIS MACHA**

1. I am a Senior Landman at Colgate Operating, LLC (“Colgate”) and am over 18 years of age. I 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. Colgate seeks an order pooling all uncommitted interests from the top of the Third Bone Spring formation to the base of the Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Wombat 13 Fed Com 133H** well, which will be completed in the Avalon; Bone Spring, East Pool (Code 3713). The well will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13.

6. The completed interval of the Well will be orthodox.

**Colgate Operating, LLC
Case No. 23093
Exhibit A**

7. There is a depth severance in the Bone Spring Formation within the Unit. Accordingly, Colgate seeks to pool interests in the Third Bone Spring formation from the stratigraphic equivalent of approximately 7,900' TVD to the base of the Bone Spring formation at a stratigraphic equivalent of approximately 8,966' TVD as shown on the Charlie Chocolate 14 15 Federal Com #031H well log (API #30-015-43123).

8. **Exhibit A-2** contains the C-102 for the Well.

9. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Colgate seeks to pool highlighted in yellow.

10. 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.

11. All of the interests Colgate seeks to pool are locatable in that Colgate located what appears to be a valid address for each party. If we were uncertain as to the correct address, notices were sent to multiple addresses.

12. **Exhibit A-4** contains a sample well proposal letter and AFE sent to working interest owners for the Well. The estimated costs reflected on the AFE are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

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

14. Colgate requests overhead and administrative rates of \$8,000 per month while the Well is being drilled and \$800 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Colgate and other operators in the vicinity.

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

16. 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.

17. 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.



Travis Macha

10/19/2022

Date

**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. 23093

APPLICATION

Pursuant to NMSA § 70-2-17, Colgate Operating, LLC (OGRID No. 371449) (“Applicant”) applies for an order pooling all uncommitted interests from the top of the Third Bone Spring Formation to the base of the Bone Spring Formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). In support of its application, Applicant states:

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Wombat 13 Federal Com 133H** well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13.
3. The completed interval of the Well will be orthodox.
4. There is a depth severance in the Bone Spring Formation within the Unit. Accordingly, Applicant seeks to pool interests in the Third Bone Spring Formation from the stratigraphic equivalent of approximately 7,900’ TVD to the base of the Bone Spring Formation at a stratigraphic equivalent of approximately 8,966’ TVD as shown on the Charlie Chocolate 14 15 Federal Com #031H well log (API #30-015-43123).

**Colgate Operating, LLC
Case No. 23093
Exhibit A-1**

5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the Unit should be pooled and Applicant should be designated the operator of the Well and Unit.

WHEREFORE, Applicant requests this application be set for hearing on November 3, 2022, and that after notice and hearing, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Applicant as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

Counsel for Colgate Operating, LLC

Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant applies for an order pooling all uncommitted interests from the top of the Third Bone Spring Formation to the base of the Bone Spring Formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N2/S2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the **Wombat 13 Federal Com 133H** well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool interests in the Third Bone Spring Formation (stratigraphic equivalent of approximately 7,900' TVD to stratigraphic equivalent of approximately 8,966' TVD). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Exhibit A-2

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-		2 Pool Code 3713		3 Pool Name AVALON;BONE SPRING, EAST	
4 Property Code		5 Property Name WOMBAT 13 FED			6 Well Number 133H
7 OGRID No. 371449		8 Operator Name COLGATE OPERATING, LLC			9 Elevation 3257'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	13	20-S	28-E		2122'	SOUTH	315'	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	13	20-S	28-E		2310'	SOUTH	10'	WEST	EDDY

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
160			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>16</p> <p>CORNER DATA NEW MEXICO EAST - NAD 83</p> <p>A. FOUND IRON PIPE W/ BRASS CAP N:5757151.86' E:601070.90' B. FOUND IRON PIPE W/ BRASS CAP N:575157.56' E:603741.91' C. FOUND 1" IRON PIPE N:575080.98' E:606409.34' D. FOUND 2" IRON PIPE N:572511.83' E:606383.21' E. FOUND 1" DISTURBED IRON PIPE N:569795.46' E:606354.93' F. FOUND IRON PIPE W/ BRASS CAP N:569854.71' E:603684.70' G. FOUND IRON PIPE W/ BRASS CAP N:569849.56' E:601014.42' H. FOUND IRON PIPE W/ BRASS CAP N:572500.87' E:601041.19'</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Mikah Thomas</i> Date: 06.27.2022</p> <p>Printed Name: Mikah Thomas</p> <p>E-mail Address: mthomas@colgateenergy.com</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: 5/13/2022</p> <p>Signature and Seal of Professional Surveyor: <i>Mark J. Murray</i></p> <p>Certificate Number: 12177</p>
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Land Exhibit: N2S2 - Wombat Fed Com 123H & 133H

Section 13: N2S2, T20S-R28E, Eddy Co., NM

LC-0050797
RT: LLJ Ventures
WI: Colgate, et al. See Calc.

NM-006856
RT: Colgate
WI: Colgate, et al. See Calc.

Section 13

N2N2 - Not Pooling (Colgate 100%)

S2N2 - Not Pooling (Colgate 100%)

Wombat Federal 123H & 133H Spacing

Wombat Federal Com 124H & 134H Spacing

Section 13

		Documents Sent			
Owner	Pooling?	Proposal	JOA	Com Agmt	Notes
Colgate Production, LLC	N/A	N/A	N/A	N/A	
Javelina Partners	N	Y	Y	Y	Executed All Docs
Lindy's Living Trust	Y	Y	Y	Y	
Delmar Hudson Lewis LT	Y	Y	Y	Y	
Zorro Partners, Ltd.	N	Y	Y	Y	Executed All Docs
Ard Oil, Ltd	N	Y	Y	Y	Signed JOA
Josephine Hudson Trust	Y	Y	Y	Y	
LLJ Ventures	Y	N/A	N/A	Y	Record Title Only
SBI West Texas I LLC	N	Y	Y	Y	Signed JOA - Does not own in 133H

*Please Note Oxy USA, Inc. has assigned all rights and interest unto Colgate Production, LLC. Record title transfers are processing with the BLM

Leasehold Ownership				
Owner	Sec 13: NESW, N2SE, SWSE, S2SW	Sec 13: NWSW (1,200'-7,900')	Sec 13: NWSW (Below 7,900')	Sec 13 SESE
Colgate Production, LLC	85.416667%	30.729167%	85.416667%	100.000000%
Javelina Partners	3.949666%	3.949666%	3.949666%	0.000000%
Lindy's Living Trust	3.190100%	3.190100%	3.190100%	0.000000%
Delmar Hudson Lewis LT	3.190100%	3.190100%	3.190100%	0.000000%
Zorro Partners, Ltd.	2.126733%	2.126733%	2.126733%	0.000000%
Ard Oil, Ltd	1.595050%	1.595050%	1.595050%	0.000000%
Josephine Hudson Trust	0.531684%	0.531684%	0.531684%	0.000000%
SBI West Texas I LLC	0.000000%	54.687500%	0.000000%	0.000000%

Unit Capitulation (Below 7,900') (3rd Bone)	
Owner	Working Interest
Colgate Production, LLC	85.416667%
Javelina Partners	3.949666%
Lindy's Living Trust	3.190100%
Delmar Hudson Lewis LT	3.190100%
Zorro Partners, Ltd.	2.126733%
Ard Oil, Ltd	1.595050%
Josephine Hudson Trust	0.531684%
SBI West Texas I LLC	0.000000%
Total	100.0000000%

ORRI Owners (All Pooling)
Leslie Riggs Mills, Trustee of the Leslie Riggs Mills Trust
Wills Royalty, Inc.
The Toles Company
Elyse Saunders Patterson Trusts Investment LLC
Graham Family Investments, LLC
First Roswell Company, Ltd.
EH Minerals L. P.
Frost National Bank, Trustee (Charles Hall)
Frost National Bank, Trustee (Richard Hall)
Kathryn Rae Brandenburg, Trustee of the Kathryn Rae Brandenburg Trust
Pegasus Resources II, LLC
Rubie Crosby Bell Family LLC

Colgate Operating, LLC

Case No. 23093

Exhibit A-3



October 21, 2022

Via Certified Mail

Jennings Production Co. Ltd.
P.O. Box 670326
Dallas, TX 75367

RE: Wombat 13 Federal & Federal Com – Well Proposals
Section 13: S/2, T20S-28E, Bone Spring & Wolfcamp Formations
Eddy County, New Mexico

To Whom It May Concern:

Colgate Operating, LLC, as operator for Colgate Production, LLC (“Colgate”), hereby proposes the drilling and completion of the following eight (6) wells, the Wombat 13 Federal Com 123H, 124H, 133H, 134H, 203H, & 204H from two well pads at the following approximate locations within Township 20 South, Range 28 East:

- 1. Wombat 13 Federal Com 123H – South Pad**
SHL: 370' FEL & 2,152' FSL or at a legal location within Unit I of Section 24
BHL: 10' FWL & 1,980' FSL of Section 13
FTP: 100' FEL & 1,980' FSL of Section 13
LTP: 100' FWL & 1,980' FSL of Section 13
TVD: 7,859'
TMD: Approximately 13,144'
Proration Unit: N2S2 of Section 13
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE
- 2. Wombat 13 Federal Com 124H – South Pad**
SHL: 340' FEL & 2,152' FSL or at a legal location within Unit I of Section 24
BHL: 10' FWL & 660' FSL of Section 13
FTP: 100' FEL & 660' FSL of Section 13
LTP: 100' FWL & 660' FSL of Section 13
TVD: 7,858'
TMD: Approximately 13,143'
Proration Unit: S2S2 of Section 13
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

300 N. Marienfeld St., Suite 1000, Midland, Texas 79701
P: (432) 695-4222 | F: (432) 695-4063
www.ColgateEnergy.com

Colgate Operating, LLC
Case No. 23093
Exhibit A-4

Wombat 13 Federal Com Well Proposal

3. Wombat 13 Federal Com 133H – South Pad

SHL: 310' FEL & 2,152' FSL or at a legal location within Unit I of Section 24

BHL: 10' FWL & 2,310' FSL of Section 13

FTP: 100' FEL & 2,310' FSL of Section 13

LTP: 100' FWL & 2,310' FSL of Section 13

TVD: 8,987'

TMD: Approximately 14,272'

Proration Unit: N2S2 of Section 13

Targeted Interval: 3rd Bone Spring

Total Cost: See attached AFE

4. Wombat 13 Federal Com 134H – South Pad

SHL: 280' FEL & 2,152' FSL or at a legal location within Unit I of Section 24

BHL: 10' FWL & 990' FSL of Section 13

FTP: 100' FEL & 990' FSL of Section 13

LTP: 100' FWL & 990' FSL of Section 13

TVD: 8,988'

TMD: Approximately 14,273'

Proration Unit: S2S2 of Section 13

Targeted Interval: 3rd Bone Spring

Total Cost: See attached AFE

5. Wombat 13 Federal Com 203H – South Pad

SHL: 250' FEL & 2,152' FSL or at a legal location within Unit I of Section 24

BHL: 10' FWL & 1,650' FSL of Section 13

FTP: 100' FEL & 1,650' FSL of Section 13

LTP: 100' FWL & 1,650' FSL of Section 13

TVD: 9,259'

TMD: Approximately 14,544'

Proration Unit: N2S2 of Section 13

Targeted Interval: Wolfcamp XY

Total Cost: See attached AFE

6. Wombat 13 Federal Com 204H – South Pad

SHL: 220' FEL & 2,152' FSL or at a legal location within Unit I of Section 24

BHL: 10' FWL & 330' FSL of Section 13

FTP: 100' FEL & 330' FSL of Section 13

LTP: 100' FWL & 330' FSL of Section 13

TVD: 9,260'

TMD: Approximately 14,545'

Proration Unit: S2S2 of Section 13

Targeted Interval: Wolfcamp XY

Total Cost: See attached AFE

Wombat 13 Federal Com Well Proposal

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. Colgate is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is enclosed. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Colgate Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the previously proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Colgate will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Colgate would be interested in acquiring your interest in the subject lands which is subject to further negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.400.1037 or by email at tmacha@colgateenergy.com.

Respectfully,



Travis Macha
Senior Landman

Enclosures

Elections on next page

Wombat 13 Federal Com Well Proposal

Well Elections: <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Wombat 13 Federal Com 123H		
Wombat 13 Federal Com 124H		
Wombat 13 Federal Com 133H		
Wombat 13 Federal Com 134H		
Wombat 13 Federal Com 203H		
Wombat 13 Federal Com 204H		

Company Name (If Applicable):

By: _____

Printed Name: _____

Date: _____

Wombat 13 Federal Com Well Proposal

Participate / Rejection Declaration

Please return this page to Colgate by the date specified in the letter, signed indicating your election to either participate in or reject this insurance program. If you reject the insurance coverage arranged by Colgate, then, to the extent that Colgate has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Colgate will be relieved of such obligation, and Colgate will assume that you maintain appropriate levels of insurance and will provide a current Certificate of Insurance upon request. If you fail to make an election within 30 days from receipt of this notice, you will be deemed a participant in the program as detailed on the attached and billed for your percentage participation as such.

- ☐ I hereby elect to participate in the insurance coverage arranged by Colgate Operating, LLC, and understand that I will be charged for such participation.
- ☐ I hereby elect to reject the insurance coverage arranged by Colgate Operating, LLC.

Agreed this _____ day of _____, 2022 by:

Company Name (If Applicable):

By: _____

Printed Name: _____

Date: _____

Colgate Energy

300 N. Mariefeld St., Ste. 1000 Midland, TX 79701
Phone (432) 695-4222 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	4/26/2022	AFE NO.:	0
WELL NAME:	Wombat 13 Federal Com 133H	FIELD:	Old Millman Ranch; BONE SPRING
LOCATION:	Section 13, Block T20S-R28E	MD/TVD:	14,272' MD / 8,987' TVD
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	5,150
Colgate WI:		DRILLING DAYS:	20.4
GEOLOGIC TARGET:	TBSG	COMPLETION DAYS:	13
REMARKS:	Drill a horizontal Bone Spring well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	\$ 42,500	\$	\$	\$ 42,500
2 Location, Surveys & Damages	207,601	13,000	10,000	230,601
4 Freight / Transportation	32,330	30,250		62,580
5 Rental - Surface Equipment	84,757	121,000	6,120	211,877
6 Rental - Downhole Equipment	125,398	35,613		161,011
7 Rental - Living Quarters	34,184	37,450		71,634
10 Directional Drilling, Surveys	273,024			273,024
11 Drilling	568,118			568,118
12 Drill Bits	72,928			72,928
13 Fuel & Power	142,742	272,124		414,866
14 Cementing & Float Equip	188,192			188,192
15 Completion Unit, Swab, CTU			12,000	12,000
16 Perforating, Wireline, Slickline	-	152,275	18,000	170,275
17 High Pressure Pump Truck	-	53,900		53,900
18 Completion Unit, Swab, CTU	-	92,225		92,225
20 Mud Circulation System	78,062			78,062
21 Mud Logging	13,931			13,931
22 Logging / Formation Evaluation	5,520	6,000		11,520
23 Mud & Chemicals	93,197	176,082		269,279
24 Water	42,930	268,526		311,456
25 Stimulation	-	319,405		319,405
26 Stimulation Flowback & Disp	-	99,125		99,125
28 Mud / Wastewater Disposal	147,022	38,000		185,022
30 Rig Supervision / Engineering	90,754	75,075	4,800	170,629
32 Drlg & Completion Overhead	7,875	-		7,875
35 Labor	117,766	35,000	20,000	172,766
54 Proppant		478,863		478,863
95 Insurance	7,225			7,225
97 Contingency	-	9,582	7,092	16,674
99 Plugging & Abandonment	-			-
TOTAL INTANGIBLES >	2,376,055	2,313,494	78,012	4,767,562

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	\$ 60,309	\$	\$	\$ 60,309
61 Intermediate Casing	73,075			73,075
62 Drilling Liner	131,358			131,358
63 Production Casing	360,253			360,253
64 Production Liner	-			-
65 Tubing	-		55,000	55,000
66 Wellhead	68,900		51,200	120,100
67 Packers, Liner Hangers	10,600	-	7,500	18,100
68 Tanks	-		16,500	16,500
69 Production Vessels	-			-
70 Flow Lines	-		12,500	12,500
71 Rod string	-			-
72 Artificial Lift Equipment	-		40,000	40,000
73 Compressor	-		42,500	42,500
74 Installation Costs	-			-
75 Surface Pumps	-		5,000	5,000
76 Downhole Pumps	-			-
77 Measurement & Meter Installation	-		21,000	21,000
78 Gas Conditioning / Dehydration				-
79 Interconnecting Facility Piping				-
80 Gathering / Bulk Lines				-
81 Valves, Dumps, Controllers				-
82 Tank / Facility Containment				-
83 Flare Stack				-
84 Electrical / Grounding			55,000	55,000
85 Communications / SCADA				-
86 Instrumentation / Safety				-
TOTAL TANGIBLES >	704,495	0	306,200	1,010,695
TOTAL COSTS >	3,080,550	2,313,494	384,212	5,778,257

PREPARED BY Colgate Energy:

Drilling Engineer:	SS/RM/PS
Completions Engineer:	ML/BA
Production Engineer:	Levi Harris

Colgate Energy APPROVAL:

Co-CEO	Co-CEO	VP - Operations
WH	JW	CRM
VP - Land & Legal	VP - Geosciences	
BG	SO	

NON OPERATING PARTNER APPROVAL:

Company Name:	Working Interest (%):	Tax ID:
Signed by:	Date:	
Title:	Approval:	Yes No (mark one)

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.



Wombat – Chronology of Communication

May 27, 2022 – Proposal to all known parties sent

June 10, 2022-August 5, 2022 – Correspondence and offer from Colgate to Delmar Hudson Lewis Living Trust (last correspondence from Colgate, no acceptance from Delmar)

July 18, 2022 – Proposal sent to SBI West Texas I LLC

July 2022 – Phone call with SBI conferring on their interest as depth limited

July 15 – August 17, 2022 – Correspondence, offer, acceptance, and assignment of interest from Jennings Production Company to Colgate Production, LLC

August 2022 – Received JOA signatures from Zorro, Ard, Javelina

September 2022 – Received JOA signatures from SBI West Texas I LLC

300 N. Marienfeld St., Suite 1000, Midland, Texas 79701
P: (432) 695-4222 | F: (432) 695-4063
www.ColgateEnergy.com

Colgate Operating, LLC
Case No. 23093
Exhibit A-5

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. 23093

SELF-AFFIRMED STATEMENT
OF DAVID DAGIAN

1. I am a geologist at Colgate Operating, LLC ("Colgate") and am over 18 years of age. I have personal knowledge of the matters addressed herein 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 geology matters were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced case.

3. **Exhibit B-1** is a regional locator map that identifies the Wombat project area, in proximity to the Capitan Reef within the Delaware Basin, for the Bone Spring horizontal spacing units that are the subject of these applications.

4. **Exhibit B-2** is a cross section location map for the proposed horizontal spacing unit ("Unit") within the Bone Spring formation. The approximate wellbore path for the proposed Wombat 13 Fed Com 133H well ("Well") is represented by dashed lines. Existing producing wells in the targeted interval are represented by solid lines. This map identifies the cross-section running from A-A' with the cross-section wells name and a black line in proximity to the proposed well.

5. **Exhibit B-3** is a Third Bone Spring (TBSG) Structure map on the top of the Third Bone Spring formation in TVD subsea with a contour interval of 50 ft. The map identified the approximate wellbore path for the Wombat 13 Fed Com 133H proposed Well with a red dashed

Colgate Operating, LLC
Case No. 23093
Exhibit B

line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed well. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-4** identifies three wells penetrating the targeted interval I used to construct a structural cross-section from A to A'. The structural cross section from west to east shows the regional dip to the East-Southeast for the Third Bone Spring Well. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area. The target zones for the proposed Well is the Third Bone Spring formation, which is consistent across the units. The approximate well-path for the proposed Well is indicated by dashed lines to be drilled from east to west across the units.

7. **Exhibit B-5** is a stratigraphic cross-section from A to A' using the representative wells identified on **Exhibit B-4**. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from west to east and is hung on the top of the Wolfcamp formation. The proposed landing zone for the Well is labeled on the exhibit. The approximate well-path for the proposed well is indicated by dashed lines to be drilled from east to west across the units. This cross-section demonstrates the target interval is continuous across the Unit.

8. **Exhibit B-6** is a gun barrel diagram that shows the Wombat 13 Fed Com 133H well in the Third Bone Spring formation.


9. In my opinion, a laydown orientation for the Well is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

10. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Well.

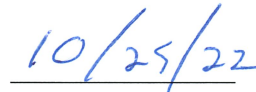
11. In my opinion, the granting of Colgate's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

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

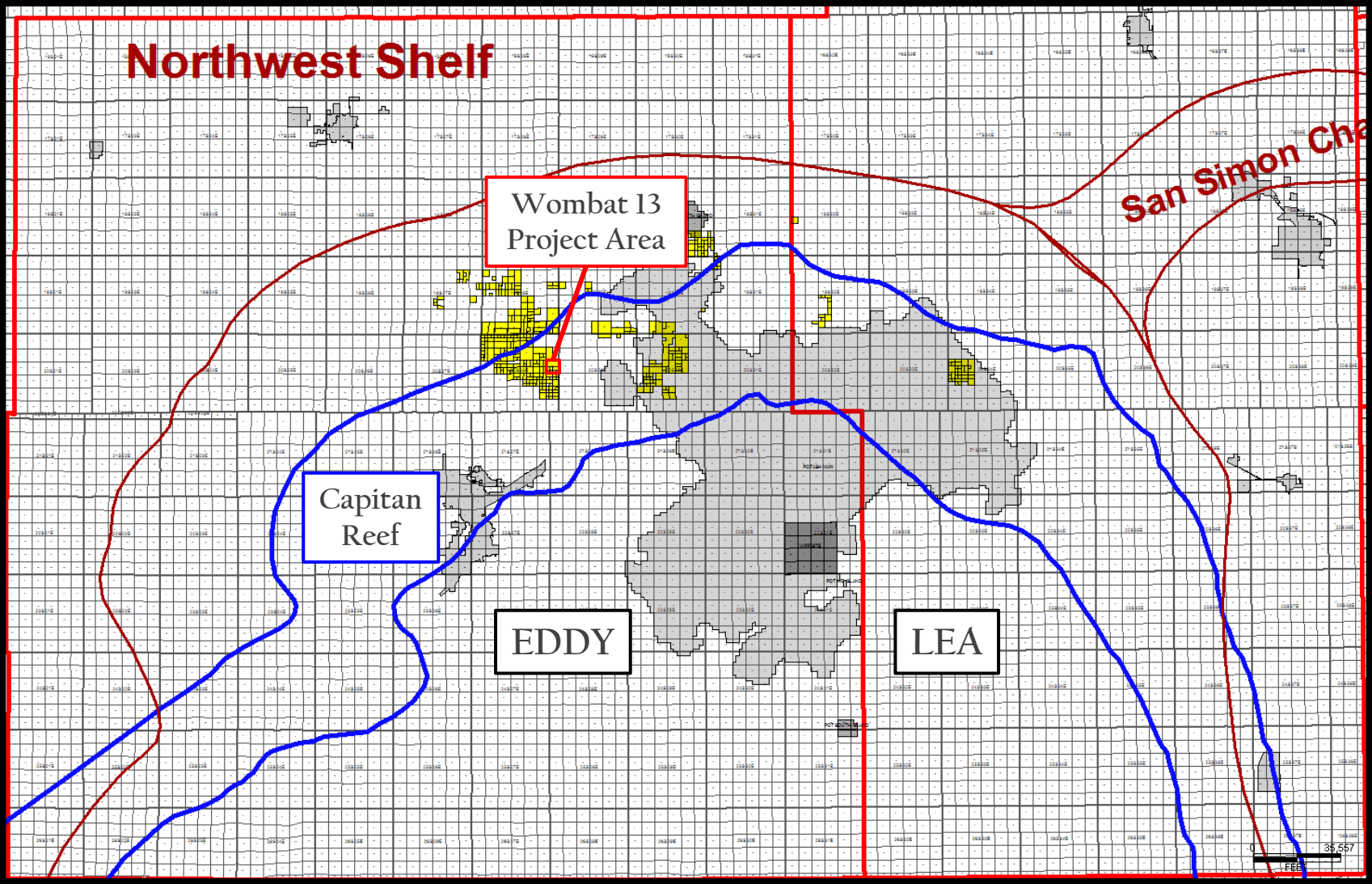
13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.



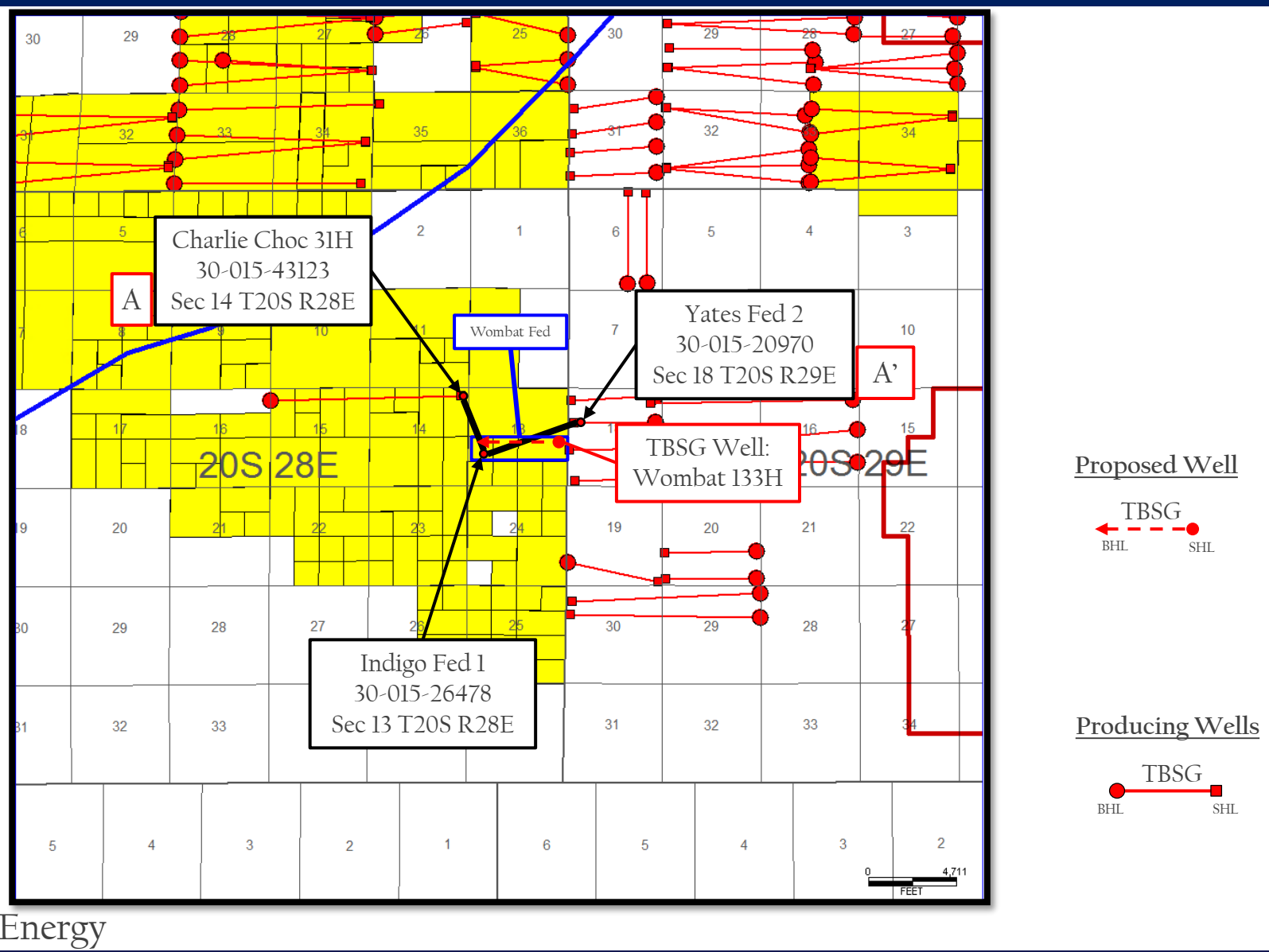
David DaGian



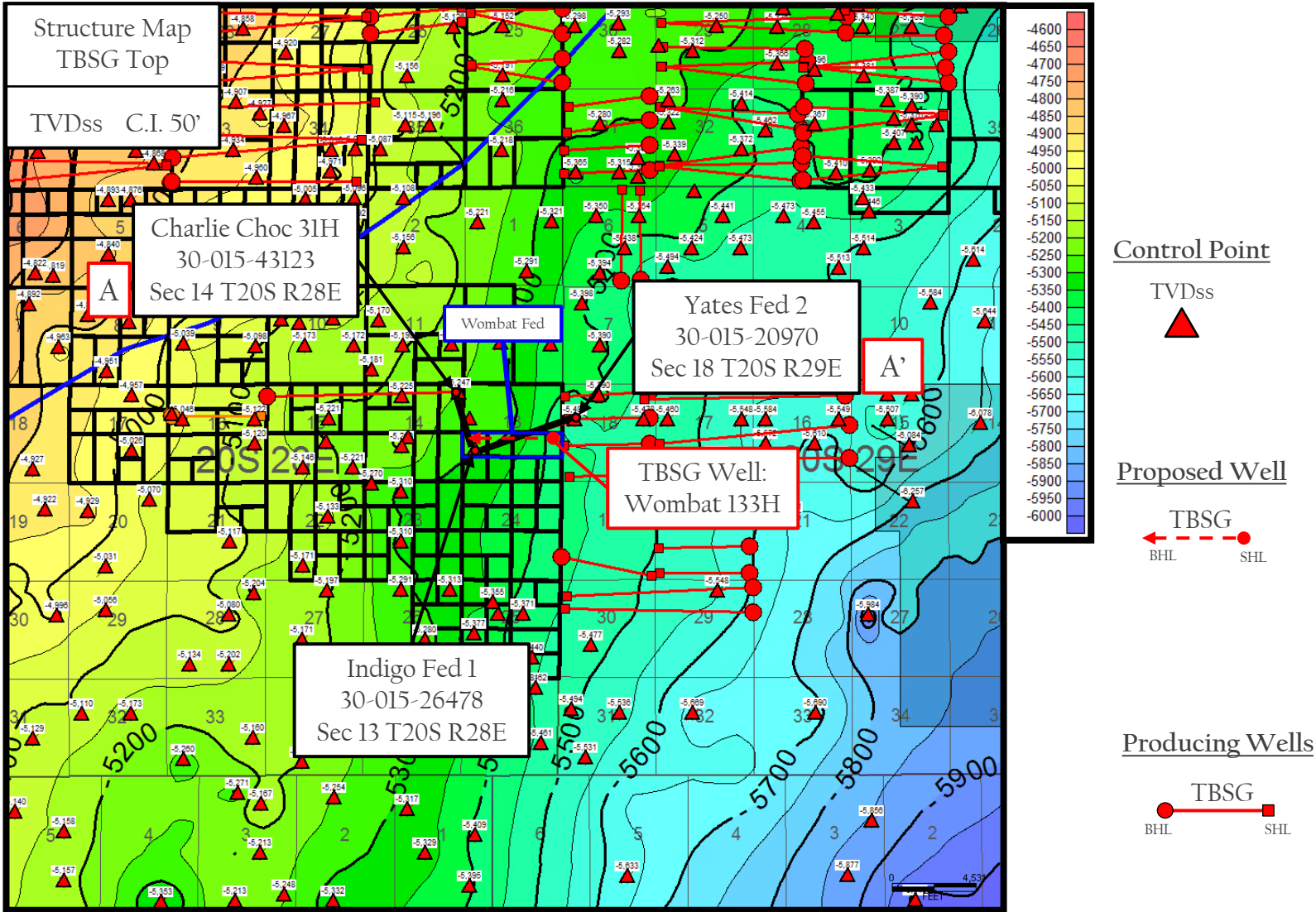
Date



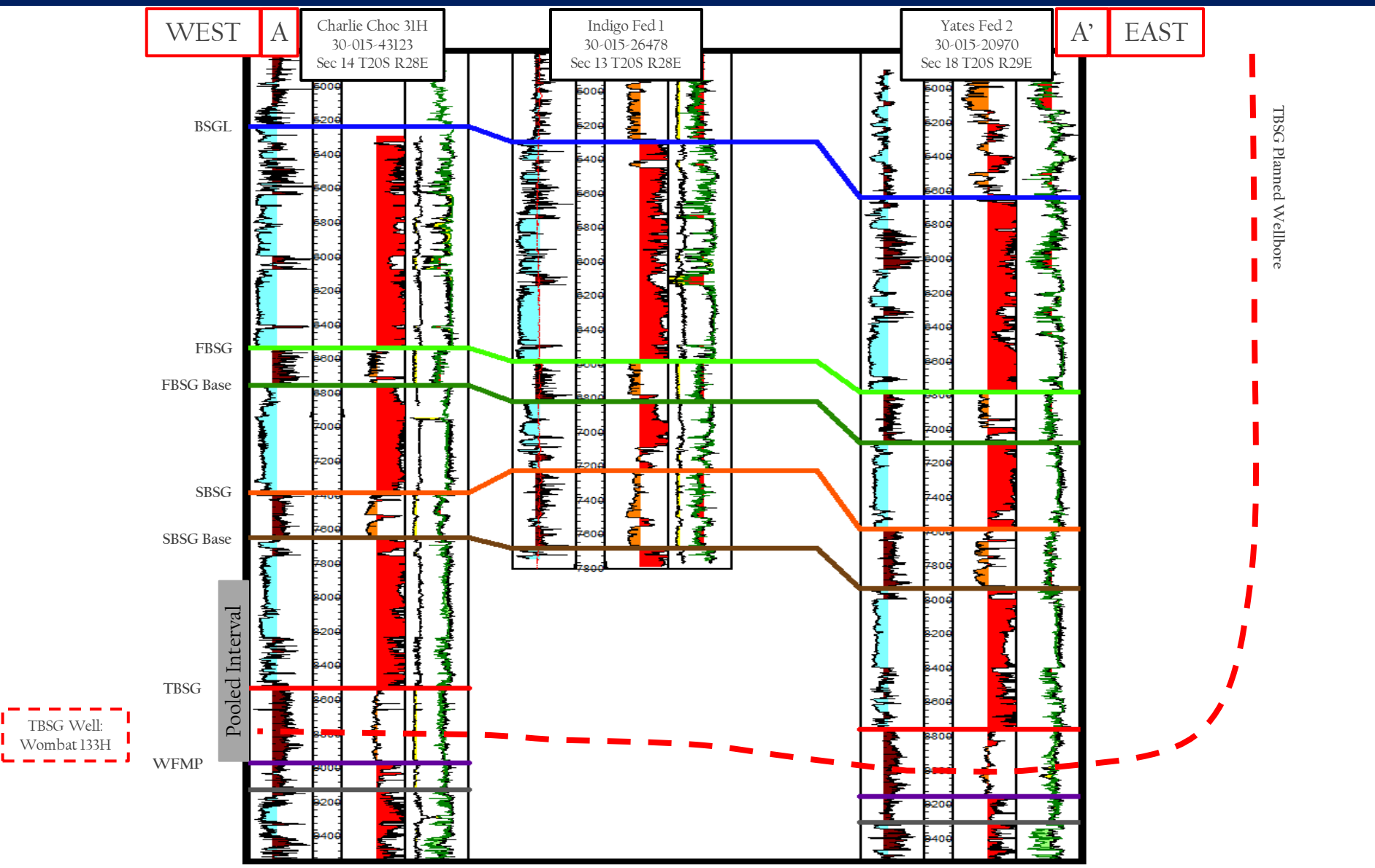
Colgate Energy



Colgate Energy



Colgate Energy

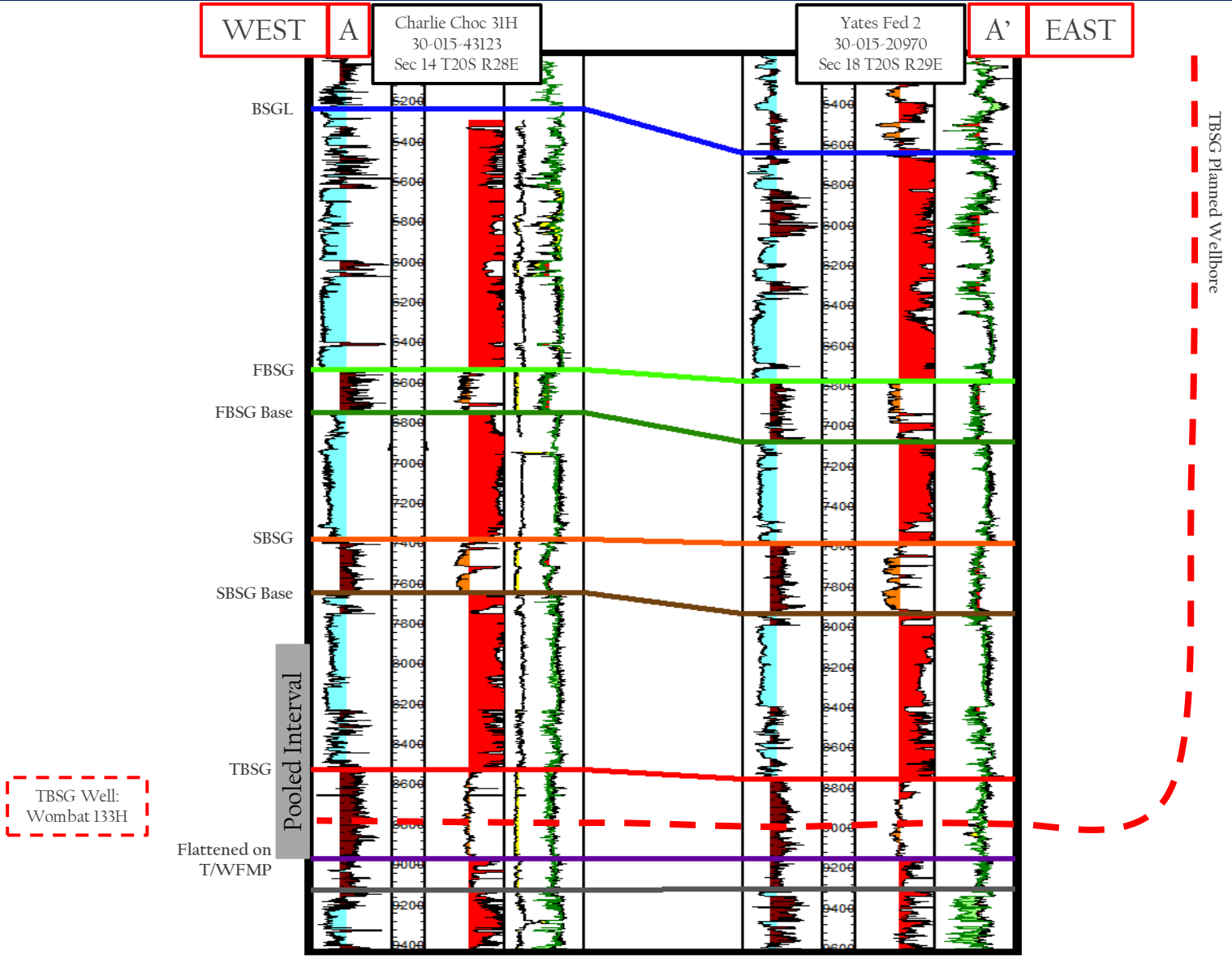


Stratigraphic Cross Section A-A'

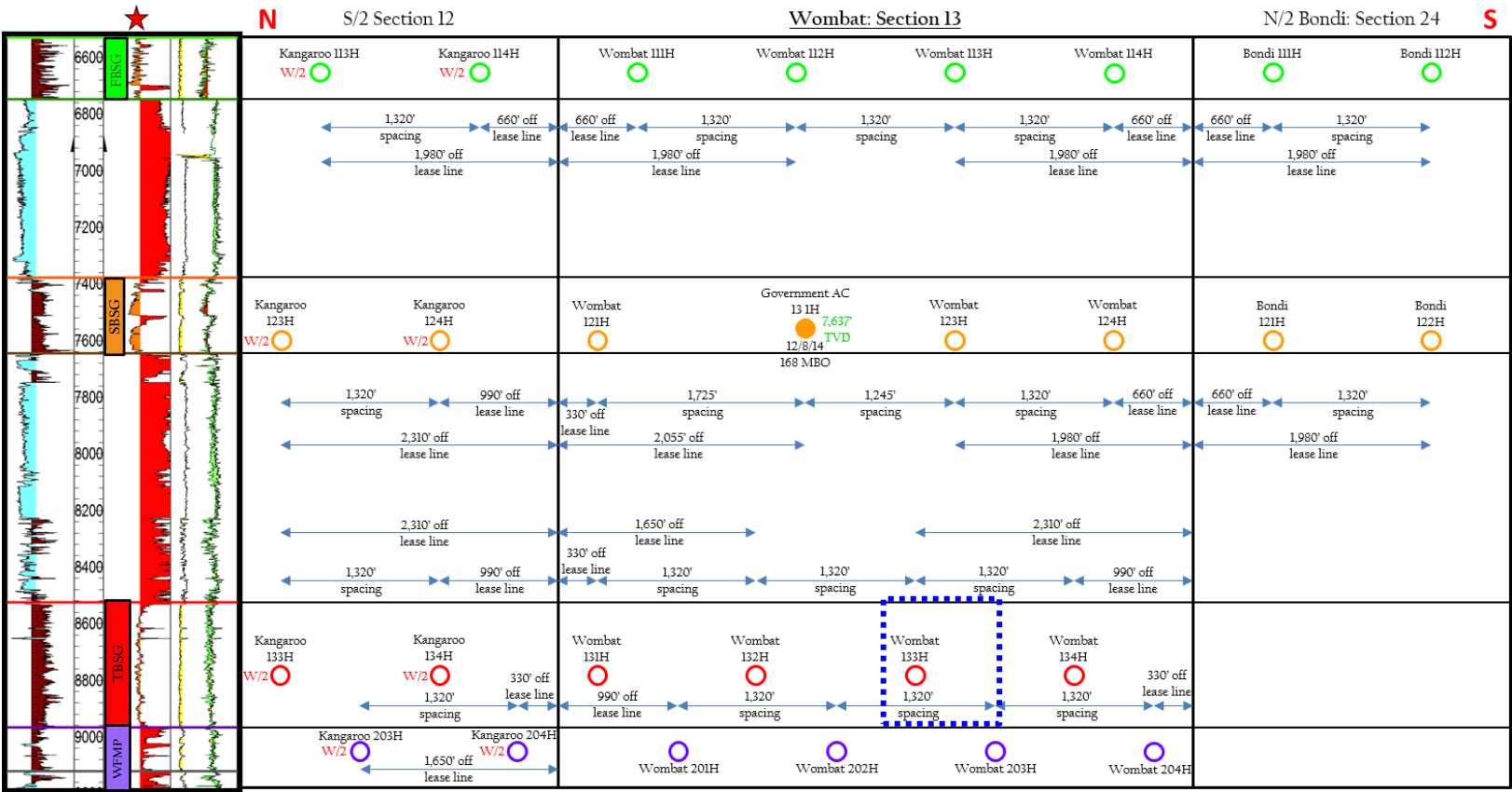
Wombat 13 Fed 133H

Colgate Operating, LLC
Case No. 23093
Exhibit B-5

Exhibit B-5

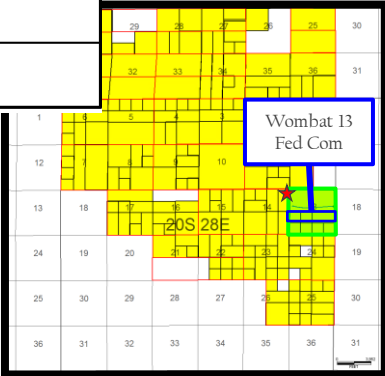


*Indigo Fed 1 did not drill deep enough to flatten on the WFMP



30-015-43123

Proposed Well



**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. 23093

**SELF-AFFIRMED STATEMENT OF
DANA S. HARDY**

1. I am attorney in fact and authorized representative of Colgate Operating, LLC, the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter to be sent to the parties set out in the chart attached as **Exhibit C-2**.

3. The above-referenced Application was provided, along with the Notice Letters, to the recipients listed in Exhibit C-2. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

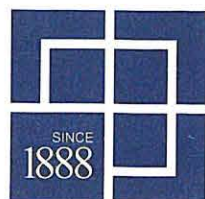
5. On October 16, 2022, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-4**.

6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 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 handwritten next to my signature below.

/s/ Dana S. Hardy
Dana S. Hardy

October 28, 2022
Date

**Colgate Operating, LLC
Case No. 23093
Exhibit C**



hinklelawfirm.com

HINKLE SHANOR LLP

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:

Dana S. Hardy, Partner
dhardy@hinklelawfirm.com

September 23, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**TO ALL PARTIES ENTITLED TO NOTICE****Re: Case No. 23093 - Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **November 3, 2022** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, 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.state.nm.us/oed/oedpermitting/>) or via e-mail to oed.hearings@state.nm.us 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.

Please do not hesitate to contact me if you have questions about this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

Enclosure

Colgate Operating, LLC
Case No. 23093
Exhibit C-1PO BOX 10
ROSWELL, NEW MEXICO 88202
575-622-6510
(FAX) 575-623-9332PO BOX 2068
SANTA FE, NEW MEXICO 87504
505-982-4554
(FAX) 505-982-86237601 JEFFERSON ST NE • SUITE 180
ALBUQUERQUE, NEW MEXICO 87109
505-858-8320
(FAX) 505-858-8321

**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. 23093

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Ard Energy Partners, Ltd. PO Box 101027 Fort Worth, TX 76185	09/23/22	10/03/22
Delmar Hudson Lewis Living Trust P.O. Box 830308 Dallas, TX 75283	09/23/22	10/03/22
Javelina Partners 616 Texas Street Fort Worth, TX 76102	09/23/22	10/03/22
Jennings Production Co. Ltd. P.O. Box 670326 Dallas, TX 75367	09/23/22	10/25/22
Jennings Production Co. Ltd. 6114 Tulip Ln., Suite 250 Dallas, TX 75230	09/23/22	Per USPS Tracking (Last checked 10/28/22) 09/30/22 – Item in transit to next facility.
Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard PO Box 1600 San Antonio, TX 78296	09/23/22	10/03/22
LLJ Ventures P.O. Box 3188 Roswell, NM 88202	09/23/22	10/03/22
Lindy's Living Trust 215 West Bandera Rd, Ste 114-620 Boerne, TX 78006	09/23/22	10/03/22
SBI West Texas I LLC 6702 Broadway Galveston, TX 77554	09/23/22	10/03/22
Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102	09/23/22	10/03/22

**Colgate Operating, LLC
Case No. 23093
Exhibit C-2**

7019 2970 0000 7641 7239

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT <i>Domestic Mail Only</i>	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage	
\$	
Total Postage and Fees	
\$	
Jennings Production Co. Ltd. 6114 Tulip Ln., Suite 250 Dallas, TX 75230 23093 Colgate - Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

Colgate Operating, LLC
 Case No. 23093
 Exhibit C-3

CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$


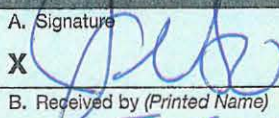
Postage \$

Total Postage and Fees \$

Ard Energy Partners, Ltd.
PO Box 101027
Fort Worth, TX 76185
23093 Colgate - Wombat (New)

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

CRONADO STATION
Postmark Here
SEP 23 2022
47305

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="text-align: center;">Ard Energy Partners, Ltd. PO Box 101027 Fort Worth, TX 76185</p> <p style="text-align: center;">23093 Colgate - Wombat (New)</p>  <p style="text-align: center;">9590 9402 7543 2098 9408 52</p> <p>2. Article Number (Transfer from service label)</p> <p style="text-align: center;">7019 2970 0000 7641 7086</p>	<p>A. Signature  <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Jo Graf</u> C. Date of Delivery <u>9.26.22</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery		<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®																
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™																
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery																
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™																
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery																
<input type="checkbox"/> Collect on Delivery Restricted Delivery																	
<input type="checkbox"/> Insured Mail																	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)																	

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

7019 2970 0000 7641 7093

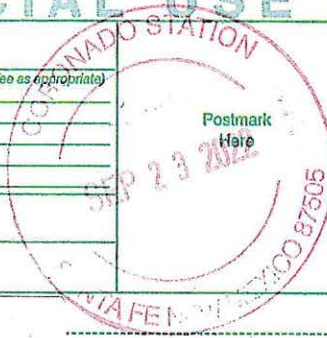
CERTIFIED MAIL® RECEIPT	
Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
Delmar Hudson Lewis Living Trust P.O. Box 830308 Dallas, TX 75283 23093 Colgate - Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee B. Received by (Printed Name) <input type="checkbox"/> Date of Delivery SEP 26 2022
1. Article Addressed to: Delmar Hudson Lewis Living Trust P.O. Box 830308 Dallas, TX 75283 23093 Colgate - Wombat (New)	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
2. Article Number (Transfer from service label) 7019 2970 0000 7641 7093	3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

7019 2970 0000 7641 7109

CERTIFIED MAIL® RECEIPT	
Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
Javelina Partners 616 Texas Street Fort Worth, TX 76102 23093 Colgate – Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X <u>Corri Weidner</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to: Javelina Partners 616 Texas Street Fort Worth, TX 76102 23093 Colgate – Wombat (New)	B. Received by (Printed Name) <u>Corri Weidner</u>
2. Article Number (Transfer from service label) 7019 2970 0000 7641 7109	C. Date of Delivery <u>9-26-22</u>
	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
	3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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OFFICIAL USE

Certified Mail Fee
\$

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postage
\$

Total Postage and Fees
\$

Jennings Production Co. Ltd.
P.O. Box 670326
Dallas, TX 75367
23093 Colgate – Wombat (New)

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SEP 23 2022
SANTA FE NM 87505

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Jennings Production Co. Ltd. P.O. Box 670326 Dallas, TX 75367</p> <p>23093 Colgate – Wombat (New)</p> <p>9590 9402 7543 2098 9409 20</p> <p>2. Article Number (Transfer from service label)</p> <p>7019 2970 0000 7641 7116</p>	<p>A. Signature X. L. Boone <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) RECEIVED For January 10/4/22</p> <p>C. Date of Delivery 10/4/22</p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p style="text-align: center;">RECEIVED OCT 25 2022</p> <p>3. Service Type <input checked="" type="checkbox"/> Adult Signature Santa Fe NM 87505 <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> <p> <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery </p>

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

7019 2970 0000 7641 7246

CERTIFIED MAIL® RECEIPT	
Domestic Mail Only	
For delivery information, visit our website at www.usps.com .	
OFFICIAL USE	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard PO Box 1600 San Antonio, TX 78296 23093 Colgate - Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



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<input checked="" type="checkbox"/> Complete items 1, 2, and 3. <input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) <i>H. Gonzalez</i> C. Date of Delivery <i>9-26-22</i> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard PO Box 1600 San Antonio, TX 78296 23093 Colgate - Wombat (New)	3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
2. Article Number (Transfer from service label) 7019 2970 0000 7641 7246	<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

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For delivery information, visit our website at www.usps.com ®.	
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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
To: LLJ Ventures P.O. Box 3188 Roswell, NM 88202 23093 Colgate - Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<input checked="" type="checkbox"/> Complete items 1, 2, and 3. <input checked="" type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input checked="" type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee B. Received by (Printed Name) <i>Larry Markle</i> C. Date of Delivery
1. Article Addressed to: LLJ Ventures P.O. Box 3188 Roswell, NM 88202 23093 Colgate - Wombat (New)	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No RECEIVED SEP 29 2022
2. Article Number (Transfer from service label) 7019 2970 0000 7641 7147	3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

7019 2970 0000 7641 7154

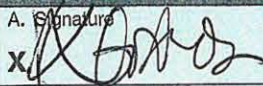

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OFFICIAL USE	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
Lindy's Living Trust 215 West Bandera Rd, Ste 114-620 Boerne, TX 78006 23093 Colgate - Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to: Lindy's Living Trust 215 West Bandera Rd, Ste 114-620 Boerne, TX 78006 23093 Colgate - Wombat (New)	B. Received by (Printed Name) Hinkle Shanor
2. Article Number (Transfer from service label) 7019 2970 0000 7641 7154	C. Date of Delivery 9/26/22
3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No RECEIVED SEP 29 2022
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

7019 2970 0000 7641 7161

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OFFICIAL USE	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$
SBI West Texas I LLC 6702 Broadway Galveston, TX 77554 23093 Colgate - Wombat (New)	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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<ul style="list-style-type: none"> Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature  <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee
1. Article Addressed to:	B. Received by (Printed Name) <u>K. G. H. B.</u> C. Date of Delivery <u>9/26/22</u> D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No
SBI West Texas I LLC 6702 Broadway Galveston, TX 77554 23093 Colgate - Wombat (New)	RECEIVED SEP 29 2022
 9590 9402 7543 2098 9409 99	3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)
2. Article Number (Transfer from service label) 7019 2970 0000 7641 7161	<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

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OFFICIAL USE

Certified Mail Fee
\$

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postage
\$

Total Postage and Fees
\$

Zorro Partners, Ltd.
616 Texas Street
Fort Worth, TX 76102
23093 Colgate - Wombat (New)

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark Here
SEP 23 2022
SANTA FE NEW MEXICO 87505

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Zorro Partners, Ltd. 616 Texas Street Fort Worth, TX 76102 23093 Colgate - Wombat (New)</p> <p>9590 9402 7543 2098 9409 82</p> <p>2. Article Number (Transfer from service label) 7019 2970 0000 7641 7178</p>	<p>A. Signature X <i>an</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>corn Weidner</i></p> <p>C. Date of Delivery <i>9-26-22</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED SEP 29 2022 Hinkle Shanor LLP</p> <p>3. Service Type Santa Fe NM 87504</p> <table border="0"> <tr> <td> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) </td> <td> <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery </td> </tr> </table>	<input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	<input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery		

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

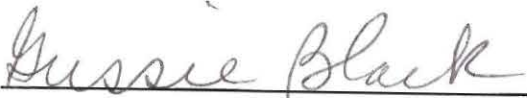
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
October 16, 2022
and ending with the issue dated
October 16, 2022.



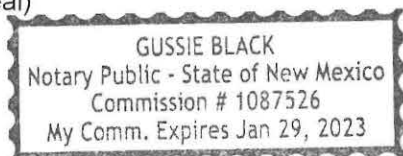
Publisher

Sworn and subscribed to before me this
16th day of October 2022.



Business Manager

My commission expires
January 29, 2023
(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE October 16, 2022

This is to notify all interested parties, including Javelina Partners; Josephine T. Hudson Testamentary Trust; Jennings Production Co. Ltd.; Lindy's Living Trust; Delmar Hudson Lewis Living Trust; Ard Energy Partners, Ltd.; Zorro Partners, Ltd.; LLJ Ventures; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Colgate Operating, LLC (Case No. 23093). The hearing will be conducted remotely on November 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: <https://www.emnrd.nm.gov/oed/hearing-info/>. Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N2/S2 of Section 13, Township 20 South, Range 28 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Wombat 13 Federal Com 133H** well, which will be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 13 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 13. There is a depth severance in the Bone Spring Formation within the Unit, therefore Applicant seeks to pool interests in the Third Bone Spring Formation from a stratigraphic equivalent of approximately 7,900' TVD to the base of the Bone Spring Formation at a stratigraphic equivalent of approximately 8,966' TVD as shown on the Charlie Chocolate 14 15 Federal Com #031H well log (API #30-015-43123). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.
#38133

02107475

00272000

GILBERT
HINKLE, SHANOR LLP
PO BOX 2068
SANTA FE, NM 87504

Colgate Operating, LLC
Case No. 23093
Exhibit C-4