

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

**APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21311,
EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-21311
(Re-Open)**

APPLICATION

Colgate Operating LLC (“Colgate”), OGRID Number 371449, through its undersigned attorney, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-21311 (“the Order”) to allow for an extension of time for drilling the well under the Order. In support of this application, Colgate states as follows:

1. The Division heard Case No. 21185 on April 30, 2020 and entered the Order on May 7, 2020.
2. The Order designated Colgate as the operator of the unit and the **Black Diamond 34 Fed Com 122H** and **Black Diamond 34 Fed Com 132H** wells; and pooled uncommitted interest owners in a 240-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Section 34 and S/2 N/2 of the E/2 of Section 33, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico.
3. Paragraph 19 of the Order states: “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.” Paragraph 20 of the Order states: “This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.”
4. Under the Order, Colgate would be required to commence drilling the well by May 7, 2021.

5. Colgate requests that the Order be re-opened and amended to allow Colgate an additional year to commence drilling the well under the Order.

6. Colgate requests this extension because there have been changes in Colgate's drilling schedule due to the COVID-19 pandemic and current market conditions.

7. Good cause exists for Colgate's request for an extension of time.

8. Colgate asks that the deadline to commence drilling the well be extended for a year from May 7, 2021 to May 7, 2022.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on April 8, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21311 to extend the time for Colgate to commence drilling the well under the Order for a year, through May 7, 2022.

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

By:  _____

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(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21311, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21311 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21311 on May 7, 2020, which designated Colgate as the operator of the unit and the **Black Diamond 34 Fed Com 122H** and **Black Diamond 34 Fed Com 132H** wells; and pooled uncommitted interest owners in a 240-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Section 34 and S/2 N/2 of the E/2 of Section 33, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to current market conditions.