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

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

Case No. ____ Order No. R-21354 Previous Case No. <u>21226</u>

APPLICATION TO AMEND ORDER R-21354

COLGATE OPERATING, LLC, 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-21354 ("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. 21226 on May 28, 2020 and entered the Order on June 10, 2020.
- 2. The Order designated Colgate as the operator of the unit and the four proposed wells.
- 3. Paragraph 20 of the Order states: "The Operator shall commence drilling the initial wells within one (1) year after the date of this Order; and (b) for an infill well, no later than thirty (30) days after completion of the wells". Paragraph 21 of the Order states: "Operator shall comply with the infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC". Paragraph 22 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21".
- 4. Under the Order, Colgate would be required to commence drilling the well by June 10, 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 to 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 June 10, 2021 to June 10, 2022.

WHEREFORE, Colgate requests this application be set for hearing before and Examiner of the Oil Conservation Division on June 3, 2021, and after notice and hearing as required by law, the Division amend Order R-21354 to extend the time for Colgate to commence drilling the well under the Order for a year, through June 10, 2022.

PADILLA LAW FIRM, P.A.

By: /s/ Ernest L. Padilla

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