

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

APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21589
EDDY COUNTY, NEW MEXICO

CASE NO. 22477
ORDER NO. R-21589
(Re-Open)

Examiner Docket: February 3, 2022

COLGATE'S EXHIBITS

Bolander 32 State Fed Com 122H
Bolander 32 State Fed Com 132H



Earl E. DeBrine, Jr.
Deana M. Bennett
Jamie L. Allen

 MODRALL SPERLING

500 Fourth Street NW, Suite 1000
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**CASE NO. 22477
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(Re-Open)**

- Exhibit A Self-Affirmed Declaration of Mark Hajdik
 A-1 Application for Case No. 22477
 A-2 Order No.R-21589
- Exhibit B Affidavit of Jamie L. Allen
 B-1 Hearing Notice Letter / January 14, 2022
 B-2 Certified Mail Log / Notice January 14, 2022
 B-3 Certified Mail Log / Report February 1, 2022

Earl E. DeBrine, Jr.
Deana M. Bennett
Jamie L. Allen



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SELF-AFFIRMED DECLARATION

Mark Hajdik, hereby states and declares as follows:

1. I am over the age of 18, I am a landman for Colgate Operating, LLC (“Colgate”) and I have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and I have been qualified by the Division as an expert petroleum landman.

2. My area of responsibility at Colgate includes the area of Eddy County in New Mexico.

3. I am familiar with the application filed by Colgate in the above-captioned case, which is attached as **Exhibit 1**.

4. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above-referenced application.

5. I am familiar with the status of the lands that are subject to this application.

6. In Case No. 22477, the purpose of the application is to amend Order No. R-21589, attached as **Exhibit 2**, to allow for one-year extension of time to commence drilling the initial wells under Order No. R-21589.

7. Order No. R-21589, pooled uncommitted interest owners in a 320-acre (more or less) Bone Spring non-standard horizontal spacing unit underlying the N/2 N/2 of Section 32 and



N/2 N/2 of Section 31, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. Said area is located approximately 19 miles southeast of Artesia, New Mexico.

8. Order No. R-21589 designated Colgate as the operator of the wells and the unit. Under Order No. R-21589, Colgate would be required to commence drilling the initial well by February 2, 2022.

9. There have been changes in Colgate's drilling schedule due to COVID-19 and a disruption caused by difficulties in drilling a well and advancing a well on the schedule to qualify for a lease extension that have prevented Colgate from drilling the wells authorized in Order R-21589 by the February 2, 2002 date provided for in the order.

10. Colgate is in good standing under the statewide rules and regulations.

11. Colgate asks that the deadline to commence drilling the initial well be extended for a year from February 2, 2022 to February 2, 2023.

12. Colgate, through its counsel, notified all pooled working interest owners of Colgate's request to re-open Order No. R-21589 for the purpose specified in the application. No opposition is expected because the pooled working interest owners have been contacted, and have not indicated any opposition. Proof of notification is attached as **Exhibit 3** to this Affidavit. Exhibit 3 shows the parties who were notified of this hearing, the status of whether they received notice.

13. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

14. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

15. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: January 31, 2022



Mark Hajdik

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

APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21589
EDDY COUNTY, NEW MEXICO

CASE NO. _____
ORDER NO. R-21589
(Re-Open)

APPLICATION

Colgate Operating LLC (“Colgate”), OGRID Number 371449, through its undersigned counsel, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-21589 (“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. 21467 on January 21, 2021 and entered Order No. R-21589 on February 2, 2021.
2. The Order designated Colgate as the operator of the horizontal spacing unit for the drilling of Colgate’s proposed **Bolander 32 State Fed Com 121H** and **Bolander 32 State Fed Com 131H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring non-standard horizontal spacing unit comprised of the N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 28 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 February 2, 2022.



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 disruptions in Colgate's drilling schedule due to the COVID-19 pandemic and operational problems encountered by Colgate when drilling.

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

8. Colgate asks that the deadline to commence drilling the initial well be extended for a year from February 2, 2022 to February 2, 2023.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on February 3, 2022 and after notice and hearing as required by law, the Division amend Order No. R-21589 to extend the time for Colgate to commence drilling the well under the Order for a year, through February 2, 2023.

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

By: /s/ Earl E. DeBrine, Jr.

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Attorneys for Applicant

W4185249.DOCX

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21589, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21589 to allow for a one-year extension of time to commence drilling the initial well under the Order. The Division issued Order No. R-21589 on February 2, 2021, which designated Colgate as the operator of the unit and the **Bolander 32 State Fed Com 121H** and **Bolander 32 State Fed Com 131H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. Said area is located approximately 19 miles southeast of Artesia, New Mexico.

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
COLGATE OPERATING, LLC**

**CASE NO. 21467
ORDER NO. R-21589**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on January 21, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Colgate Operating, LLC (“Operator”), submitted an application (“Application”) to compulsorily pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.



9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. 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.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").

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23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL
DIRECTOR
AES/kms

Date: 2/02/2021

CASE NO. 21467
ORDER NO. R-21589

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Exhibit "A"

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21467	APPLICANT'S RESPONSE
Date	January 21, 2021
Applicant	Colgate Operating LLC
Designated Operator & OGRID (affiliation if applicable)	Colgate Operating, LLC (OGRID 371449)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF COLGATE OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, CASE NO. 21467
Entries of Appearance/Intervenors:	B.C. Operating, Inc.
Well Family	Bolander
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Winchester, Bone Spring, West Pool (Code 97569)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	Approximately 320 Acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	Approximately 320 Acres
Building Blocks:	Quarter-Quarter Section Equivalents
Orientation:	East to West
Description: TRS/County	N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes; previously described as "non-standard" due to slightly atypical section shape
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit B.2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibit B.4-67 and Exhibit B.5-67




CASE NO. 21467
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Well #1	<p>Bolander 32 State Fed Com 121H SHL: 1298 feet from the North line and 300 feet from the East line, NE/4 NE/4 of Section 32, Township 19 South, Range 28 East, NMPM, Eddy County. BHL: 965 feet from the North line and 10 feet from the West line, NW/4 NW/4 of Section 31, Township 19 South, Range 28 East, NMPM, Eddy County.</p> <p>Completion Target: 2nd Bone Spring at approx 7,500 feet TVD. Well Orientation: East to West Completion Location expected to be: standard</p>
Well #2	<p>Bolander 32 State Fed Com 131H SHL: 1253 feet from the North line and 300 feet from the East line, NE/4 NE/4 of Section 32, Township 19 South, Range 28 East, NMPM, Eddy County. BHL: 945 feet from the North line and 10 feet from the West line, NW/4 NW/4 of Section 31, Township 19 South, Range 28 East, NMPM, Eddy County.</p> <p>Completion Target: 3rd Bone Spring at approx 8,600 feet TVD. Well Orientation: East to West Completion Location expected to be: standard</p>
Horizontal Well First and Last Take Points	Exhibit B.5-67
Completion Target (Formation, TVD and MD)	Exhibit B; Exhibit B.3; Exhibit B.4-67; Exhibit C.3 through C.10
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit B.6-67 for AFEs
Requested Risk Charge	200%; see Exhibit B
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D.2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D.3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B; Exhibit B.2
Tract List (including lease numbers and owners)	Exhibit B.2
Pooled Parties (including ownership type)	Exhibit B.2
Unlocatable Parties to be Pooled	Exhibit B.2; Exhibit D.2

CASE NO. 21467
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Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit B.3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.2
Chronology of Contact with Non-Joined Working Interests	Exhibit B.1
Overhead Rates In Proposal Letter	Exhibit B.3
Cost Estimate to Drill and Complete	Exhibit B.6-67 for AFEs
Cost Estimate to Equip Well	Exhibit B.6-67 for AFEs
Cost Estimate for Production Facilities	Exhibit B.6-67 for AFEs
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibits B.5-67, C.2, and C.3
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.3
Well Orientation (with rationale)	Exhibit C
Target Formation	Exhibits C.3 through C.10
HSU Cross Section	Exhibits C.7 through C.10
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibit C B.5-67
Tracts	Exhibit B.2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.2
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibits C.2 through C.10
Structure Contour Map - Subsea Depth	Exhibits C.4 and C.6
Cross Section Location Map (including wells)	Exhibit C.2
Cross Section (including Landing Zone)	Exhibits C.7 through C.10
Additional Information	
Special Provisions/Stipulations	None
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Lance Hough
Signed Name (Attorney or Party Representative):	
Date:	January 18, 2021

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

APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21589
EDDY COUNTY, NEW MEXICO

CASE NO. 22477
ORDER NO. R-21589
(Re-Open)

AFFIDAVIT OF JAMIE L. ALLEN

STATE OF NEW MEXICO)
)ss.
COUNTY OF BERNALILLO)


Jamie L. Allen, attorney in fact and authorized representative of Colgate Operating LLC (“Colgate”), the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under notices of hearing to parties entitled to notice; and that the following are attached hereto: a sample of said notice of hearing as **Exhibit B.1**, and proof of mailed notice of hearing as **Exhibit B.2** and proof of report of mailing receipt as **Exhibit B-3**.



Jamie L. Allen

SUBSCRIBED AND SWORN to before me this 1st day of February 2022 by Jamie L. Allen.

S E A L



Notary Public
My commission expires: 12/07/2023

STATE OF NEW MEXICO
NOTARY PUBLIC
Zina Carmelita Crum
Commission No. 1062220
December 07, 2023





MODRALL SPERLING

LAWYERS

January 14, 2022

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

Earl E. DeBrine, Jr.
Tel: 505.848.1810
edebrine@modrall.com

This letter is to advise you that Colgate Operating LLC has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 22477 (Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21589, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21589 to allow for a one-year extension of time to commence drilling the initial well under the Order. The Division issued Order No. R-21589 on February 2, 2021, which designated Colgate as the operator of the unit and the **Bolander 32 State Fed Com 121H** and **Bolander 32 State Fed Com 131H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. Said area is located approximately 19 miles southeast of Artesia, New Mexico.

This application has been set for hearing before a Division Examiner at **8:15 a.m. on February 3, 2022**. During the COVID-19 Public Health Emergency, the hearing will be conducted remotely. Instructions to appear can be found at <http://www.emnrd.state.nm.us/OCD/documents/10-08OCDHearing.pdf> or under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,


Earl E. DeBrine, Jr.
Attorney for Applicant

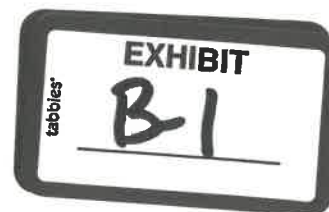
EED/kta/W4302133.DOCX
Enclosures: as stated

Modrall Sperling
Roehl Harris & Sisk P.A.

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

By: /s/ Earl E. DeBrine, Jr.

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Attorneys for Applicant

W4185249.DOCX

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21589, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21589 to allow for a one-year extension of time to commence drilling the initial well under the Order. The Division issued Order No. R-21589 on February 2, 2021, which designated Colgate as the operator of the unit and the **Bolander 32 State Fed Com 121H** and **Bolander 32 State Fed Com 131H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. Said area is located approximately 19 miles southeast of Artesia, New Mexico.

CASE NO. 22477 (Re-Open): Application of Colgate Operating LLC to Amend Order No. R-21589, Eddy County, New Mexico. Notice to all affected parties, as well as their heirs and devisees, of Oxy USA, Inc.; Presbyterian Healthcare Foundation; Presbyterian Village North Foundation; Karen Johnston, SSP; Pecas Management, LP; Mary Overstreet a/k/a Mary Merritt; Laurance Merritt, SSP; Tim Lilley and wife, Tashina Lilley; Escondido Oil and Gas, LLC; BriLi, LLC; Mark Wilson Family Partnership; The Board of Regents Univ. Texas System; Ergodic Resources, LLC; Abuelo, LLC; Thomas A. Crow; Silverhair, LLC; Loco Hills Production Company LLC; Gayle Martin & Richard Lantz; Devon Energy Production Company, L.P.; Sabinal Energy Operating, LLC; Mexco Energy Corporation; Penroc Oil Corporation; Marathon Oil Permian; and Crown Oil Partners, VI, LLC of Colgate Operating, LLC's Application for compulsory pooling, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **February 3, 2022** to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear at <http://www.emnrd.state.nm.us/OCD/documents/10-08OCDHearing.pdf> or under "OCD NOTICES" at <http://www.emnrd.state.nm.us/OCD/hearings.html>. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21589 to allow for a one-year extension of time to commence drilling the initial well under the Order. The Division issued Order No. R-21589 on February 2, 2021, which designated Colgate as the operator of the unit and the **Bolander 32 State Fed Com 121H** and **Bolander 32 State Fed Com 131H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. Said area is located approximately 19 miles southeast of Artesia, New Mexico.

JAN 14 2022

FS Form 3877

Type of Mailing: CERTIFIED MAIL
01/14/2022

Firm Mailing Book ID: 221009

Kathleen Allen
Modrall Sperling
500 Fourth St. NW, Suite 1000
Albuquerque NM 87102

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest. Del. Fee	Reference Contents
1	9314 8699 0430 0090 7592 71	Oxy USA, Inc. 5 Greenway Plaza, Suite 110 Houston TX 77046	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
2	9314 8699 0430 0090 7592 88	Presbyterian Healthcare Foundation 8440 Walnut Hill Lane, Suite 800 Dallas TX 75231	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
3	9314 8699 0430 0090 7592 95	Presbyterian Village North Foundation 8600 Skyline Drive - #1212 Dallas TX 75243	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
4	9314 8699 0430 0090 7593 01	Karen Johnston, SSP 2017 Quail Hollow Run Carlsbad NM 88220	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
5	9314 8699 0430 0090 7593 18	Pecas Management, LP 3138 Quail Valley East Drive Missouri City TX 77489	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
6	9314 8699 0430 0090 7593 25	Mary Overstreet a/k/a Mary Merritt 3009 Helen Street Orlando FL 32804	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
7	9314 8699 0430 0090 7593 32	Laurance Merritt, SSP 221 S. Lomita Avenue Ojai CA 93023	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
8	9314 8699 0430 0090 7593 49	Tim Lilley and wife, Tashina Lilley 4873 Raintree Circle Parker CO 80134	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
9	9314 8699 0430 0090 7593 56	Escondido Oil and Gas, LLC P.O. Box 51390 Midland TX 79710	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
10	9314 8699 0430 0090 7593 63	BrLi, LLC 2135 Sedona Hills Parkway Las Cruces NM 88011	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
11	9314 8699 0430 0090 7593 70	Mark Wilson Family Partnership P.O. Box 2415 Midland TX 79702	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
12	9314 8699 0430 0090 7593 87	The Board of Regents Univ. Texas System re Texas M.D. Anderson Cancer Ctr P.O. Box 551 Midland TX 79702	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
	9314 8699 0430 0090 7593 94	Ergodic Resources, LLC P.O. Box 2021 Roswell NM 88202	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
	9314 8699 0430 0090 7594 00	Abuelo, LLC 21 Cook Drive Artesia NM 88210	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
	9314 8699 0430 0090 7594 17	Thomas A. Crow for Mark E. Boling Revocable Trust 8210 Louisiana Boulevard NE, Suite B Albuquerque NM 87113	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice



Kathleen Allen
Modrall Spering
500 Fourth St. NW, Suite 1000
Albuquerque NM 87102

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Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0090 7594 24	Silverhair, LLC 1301 Lewis Road Artesia NM 88210	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
17	9314 8699 0430 0090 7594 31	Loco Hills Production Company LLC P.O. Box 779 Artesia NM 88211	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
18	9314 8699 0430 0090 7594 48	Gayle Martin & Richard Lantz P.O. Box 1880 Block Canyon City AZ 85324	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
19	9314 8699 0430 0090 7594 55	Devon Energy Production Company, L.P. 333 West Sheridan Avenue Oklahoma City OK 73102	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
20	9314 8699 0430 0090 7594 62	Sabinal Energy Operating, LLC 1780 Hughes Blvd. Suite 1200 The Woodlands TX 77380	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
21	9314 8699 0430 0090 7594 79	Mexco Energy Corporation P.O. Box 10502 Midland TX 79702	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
22	9314 8699 0430 0090 7594 86	Permco Oil Corporation 1515 West Calle Sur Street Hobbs NM 88240	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
23	9314 8699 0430 0090 7594 93	Marathon Oil Permian 5555 San Felipe Street Houston TX 77056	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
24	9314 8699 0430 0090 7595 09	Crown Oil Partners, VI, LLC Crump Energy Partners, III, LLC P.O. Box 50820 Midland TX 79710	\$1.36	\$3.75	\$1.85	\$0.00	10091-0004 Bolander Notice
			Totals:	\$90.00	\$44.40	\$0.00	
				Grand Total:		\$167.04	

List Number of Pieces Listed by Sender Total Number of Pieces Received at Post Office Postmaster: Name of receiving employee Dated:

Transaction Report Details - CertifiedPro.net
Firm Mail Book ID= 221009
Generated: 2/1/2022 3:48:50 PM

USPS Article Number	Date Created	Name 1	Name 2	Address1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
314869904300090759509	2022-01-14 3:45 PM	Crown Oil Partners, VI, LLC	Crump Energy Partners, III, LLC	P.O. Box 50820	Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-18 10:37 AM
314869904300090759493	2022-01-14 3:45 PM	Marathon Oil Permian		5555 San Felipe Street	Houston	TX	77056	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-24 1:41 PM
314869904300090759486	2022-01-14 3:45 PM	Penrock Oil Corporation		1515 West Calle Sur Street	Hobbs	NM	88240	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-18 2:09 PM
314869904300090759479	2022-01-14 3:45 PM	Mexco Energy Corporation		P.O. Box 10502	Midland	TX	79702	Undelivered	Return Receipt - Electronic, Certified Mail	
314869904300090759462	2022-01-14 3:45 PM	Sabinal Energy Operating, LLC		1780 Hughes Blvd, Suite 1200	The Woodlands	TX	77380	Delivered	Return Receipt - Electronic, Certified Mail	
314869904300090759455	2022-01-14 3:45 PM	Devon Energy Production Company, LP		333 West Sheridan Avenue	Oklahoma City	OK	73102	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-18 9:15 AM
314869904300090759448	2022-01-14 3:45 PM	Gayle Martin & Richard Lantz		P.O. Box 1880	Block Canyon City	AZ	85324	Undelivered	Return Receipt - Electronic, Certified Mail	
314869904300090759431	2022-01-14 3:45 PM	Loco Hills Production Company LLC		P.O. Box 779	Artesia	NM	88211	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-27 1:18 PM
314869904300090759424	2022-01-14 3:45 PM	Silverhair, LLC		1301 Lewis Road	Artesia	NM	88210	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-19 10:44 AM
314869904300090759417	2022-01-14 3:45 PM	Thomas A. Crow	for Mark E. Boling Revocable Trust	8210 Louisiana Boulevard NE, Suite B	Albuquerque	NM	87113	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-25 2:10 PM
314869904300090759400	2022-01-14 3:45 PM	Abuelo, LLC		21 Cook Drive	Artesia	NM	88210	Delivered	Return Receipt - Electronic, Certified Mail	
314869904300090759394	2022-01-14 3:45 PM	Ergodic Resources, LLC		P.O. Box 2021	Roswell	NM	88202	Undelivered	Return Receipt - Electronic, Certified Mail	
314869904300090759387	2022-01-14 3:45 PM	The Board of Regents Univ. Texas System	re Texas M.D. Anderson Cancer Ctr	P.O. Box 551	Midland	TX	79702	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300090759370	2022-01-14 3:45 PM	Mark Wilson Family Partnership		P.O. Box 2415	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300090759363	2022-01-14 3:45 PM	Brili, LLC		2135 Sedona Hills Parkway	Las Cruces	NM	88011	To be Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300090759356	2022-01-14 3:45 PM	Escondido Oil and Gas, LLC		P.O. Box 51390	Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-19 9:38 AM
9314869904300090759349	2022-01-14 3:45 PM	Tim Lilley and wife, Tashina Lilley		4873 Raintree Circle	Parker	CO	80134	To be Returned	Return Receipt - Electronic, Certified Mail	2022-01-18 12:19 PM
9314869904300090759332	2022-01-14 3:45 PM	Laurance Merritt, SSP		221 S. Lomita Avenue	Ojai	CA	93023	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300090759325	2022-01-14 3:45 PM	Mary Overstreet a/k/a Mary Merritt		3009 Helen Street	Orlando	FL	32804	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300090759318	2022-01-14 3:45 PM	Pecas Management, LP		3138 Quail Valley East Drive	Missouri City	TX	77469	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-18 4:08 PM
9314869904300090759301	2022-01-14 3:45 PM	Karen Johnston, SSP		2017 Quail Hollow Run	Carlsbad	NM	88220	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-18 4:17 PM
9314869904300090759285	2022-01-14 3:45 PM	Presbyterian Village North Foundation		8600 Skyline Drive - #1212	Dallas	TX	75243	Delivered	Return Receipt - Electronic, Certified Mail	2022-01-18 2:46 PM
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9314869904300090759271	2022-01-14 3:45 PM	Oxy USA, Inc.		5 Greenway Plaza, Suite 110	Houston	TX	77046	Delivered	Return Receipt - Electronic, Certified Mail	

