

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

**APPLICATIONS OF COLGATE OPERATING,  
LLC FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NOS. 22689-22691**

**CONSOLIDATED PRE-HEARING STATEMENT**

Colgate Operating, LLC (“Applicant”) submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Colgate Operating, LLC

**ATTORNEYS**

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**INTERESTED PARTIES**

No other interested parties.

**ATTORNEYS**

**STATEMENT OF THE CASE**

In **Case No. 22689**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation from the top of the Bone Spring formation at a depth of approximately 4,320’ to a depth of approximately 7,673’ underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2N/2 of Section 35, Township 19 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the Uluru 35 Fed State Com 121H well which will be horizontally drilled from a surface hole location in the NW/4NW/4 (Unit D) of Section 35 to a bottom hole location in the NE/4NE/4 (Unit A) of Section 35. To address other

development in the Bone Spring formation, Applicant seeks to pool all uncommitted interests from the top of the Bone Spring formation at a stratigraphic equivalent of approximately 4,320' MD to approximately 7,673' MD as observed on the Dero Federal #3 well log (API 3001530399).

In **Case No. 22690**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation from the top of the Bone Spring formation at a depth of approximately 4,320' to a depth of approximately 7,673' underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the S/2N/2 of Section 35, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Uluru 35 Fed State Com 122H well, which will be horizontally drilled from a surface hole location in the NW/4NW/4 (Unit D) of Section 35 to a bottom hole location in the SE/4NE/4 (Unit H) of Section 35. To address other development in the Bone Spring formation, Applicant seeks to pool all uncommitted interests from the top of the Bone Spring formation at a stratigraphic equivalent of approximately 4,320' MD to approximately 7,673' MD as observed on the Dero Federal #3 well log (API 3001530399).

In **Case No. 22691**, Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation from the top of the Bone Spring formation at a depth of approximately 4,320' to a depth of approximately 7,673' underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2S/2 of Section 35, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Uluru 35 Fed State Com 123H well, which will be horizontally drilled from a surface hole location in the SW/4SW/4 (Unit M) of Section 35 to a bottom hole location in the NE/4SE/4 (Unit I) of Section 35. To address other development in the Bone Spring formation, Applicant seeks to pool all uncommitted interests from the top of the Bone Spring formation at a stratigraphic equivalent of approximately 4,320' MD to approximately 7,673' MD as observed on the Dero Federal #3 well log (API 3001530399).

Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 12 miles northeast of Carlsbad, New Mexico.

**PROPOSED EVIDENCE**

<b>Witness</b>	<b>Occupation</b>	<b>Estimated Time</b>	<b>Exhibits</b>
Mark Hajdik	Landman	Affidavit	Approx. 7
David DaGian	Geologist	Affidavit	Approx. 7

**PROCEDURAL MATTERS**

Applicant requests Case Nos. 22689, 22690 and 22691 be consolidated for hearing. Applicant will present its cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR, LLP

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS

Action 98762

**QUESTIONS**

Operator: V-F PETROLEUM INC P.O. Box 1889 Midland, TX 79702	OGRID: 24010
	Action Number: 98762
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.