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

APPLICATION OF COLGATE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-21355-A, EDDY COUNTY, NEW MEXICO.

CASE NO.
ORDER NO. R-21355-A
(Re-Open Case No. 21227)

<u>APPLICATION</u>

Pursuant to NMSA § 70-2-17, Colgate Operating, LLC ("Applicant") (OGRID No. 371449) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-21355-A. Applicant states the following in support of its application.

- 1. On September 25, 2020, the Division entered Order No. R-21355-A ("Order") in Case No. 21227, which pooled all uncommitted interests in the Winchester, Bone Spring Pool (Code 65010) within the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2 of Sections 33 and 34, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Order further dedicated the Unit to the Shamrock 34 Fed State Com 121H, Shamrock 34 Fed State Com 131H, Shamrock Fed State Com 122H, and Shamrock 34 Fed State Com 132H wells ("Wells") and designated Applicant as operator of the Unit and Wells.
- 2. Since entry of the Order, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.
- 3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional mineral interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from the owners.

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4. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional mineral interest owners should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on June 2, 2022, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-21335-A.

Respectfully submitted,

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