

**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. 22796 - 22799**

**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

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**STATEMENT OF THE CASE**

In **Case No. 22796**, Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring Formation to the base of the Second Bone Spring Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Bondi 24 Fed Com 121H** well (“Well”) to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 23. A depth severance exists in the Bone Spring Formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring Formation at a stratigraphic equivalent of approximately 5,250’ MD to the base of the Second Bone Spring Formation at a stratigraphic equivalent of approximately 7,624’ MD as observed on the Government AA #1 well log (API 30-015-21286).

In **Case No. 22797**, Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring Formation to the base of the Second Bone Spring Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Bondi 24 Fed Com 122H** well (“Well”) to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 24 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 23. A depth severance exists in the Bone Spring Formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring Formation at a stratigraphic equivalent of approximately 5,250’ MD to the base of the Second Bone Spring Formation at a stratigraphic equivalent of approximately 7,624’ MD as observed on the Government AA #1 well log (API 30-015-21286).

In **Case No. 22798**, Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring Formation to the base of the Second Bone Spring Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Bondi 24 Fed Com 123H** well (“Well”) to be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 24 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 23. A depth severance exists in the Bone Spring Formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring Formation at a stratigraphic equivalent of approximately 5,250’ MD to the base of the Second Bone Spring Formation at a stratigraphic equivalent of approximately 7,624’ MD as observed on the Government AA #1 well log (API 30-015-21286).

In **Case No. 22799**, Applicant applies for an order pooling all uncommitted interests from the top of the Bone Spring Formation to the base of the Second Bone Spring Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 23 and 24, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Bondi 24 Fed Com 124H** well (“Well”) to be horizontally drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 24 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 23. A depth severance exists in the Bone Spring Formation within the Unit. Accordingly, Applicant seeks to pool uncommitted interests from the top of the Bone Spring Formation at a stratigraphic equivalent of approximately 5,250’ MD to the base of the Second Bone Spring Formation at a stratigraphic equivalent of approximately 7,624’ MD as observed on the Government AA #1 well log (API 30-015-21286).

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 11.12 miles northeast of Carlsbad, New Mexico.

**PROPOSED EVIDENCE**

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

**PROCEDURAL MATTERS**

Applicant requests that these cases be consolidated for hearing. Applicant will present its cases by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing Prehearing Statement was sent to the following counsel by electronic mail on this 26<sup>th</sup> day of May, 2022.

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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QUESTIONS

Action 111395

**QUESTIONS**

Operator: COLGATE OPERATING, LLC 300 North Marienfeld Street Midland, TX 79701	OGRID: 371449
	Action Number: 111395
	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	2
Testimony time (in minutes)	14