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

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

CASE NOS. 22792-22795

CONSOLIDATED PRE-HEARING STATEMENT

Colgate Operating, LLC ("Colgate" or "Applicant") submits its Consolidated Pre-Hearing

Statement pursuant to the rules of the Oil Conservation Division.

APPLICANT

ATTORNEYS

Colgate Operating, LLC

Dana S. Hardy Jaclyn McLean Hinkle Shanor LLP P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com

INTERESTED PARTIES

XTO Energy, Inc. and Fasken Oil & Ranch, Ltd.

ATTORNEYS

Michael H. Feldewert Adam G. Rankin Julia Broggi Paula M. Vance Holland & Hart LLP P.O. Box 2208 Santa Fe, NM 87504 Phone: (505) 988-4421 mfeldewert@hollandhart.com jbroggi@hollandhart.com

STATEMENT OF THE CASE

In **Case No. 22792**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring and Harkey formations underlying a 320.32-acre, more or less, standard horizontal spacing unit comprised of Lots 1, 2, 3, and 4 (W/2 W/2 equivalent) of irregular Sections 18 and 19, Township 20 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells, which will be horizontally drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 18 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 19: Batman Fed Com 111H, Batman Fed Com 121H, Batman Fed Com 122H, Batman Fed Com 171H, and Batman Fed Com 131H. The completed intervals of the Wells will be orthodox.

In **Case No. 22793**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring and Harkey formations underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 18 and 19, Township 20 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells, which will be horizontally drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 18 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 19: Batman Fed Com 112H, Batman Fed Com 123H, Batman Fed Com 124H, Batman Fed Com 172H, and Batman Fed Com 132H. The completed intervals of the Wells will be orthodox.

In **Case No. 22794**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring and Harkey formations underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 18 and 19, Township 20 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells, which will be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 18 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 19: Batman Fed Com 113H, Batman Fed Com 125H, Batman Fed Com 126H, Batman Fed Com 173H, and Batman Fed Com 133H. The completed intervals of the Wells will be orthodox.

In **Case No. 22795**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring and Harkey formations underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 18 and 19, Township 20 South, Range 34 East, Lea County, New Mexico. The Unit will be dedicated to the following wells, which will be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 18 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 19: Batman Fed Com 114H, Batman Fed Com 127H, Batman Fed Com 128H, Batman Fed Com 174H, and Batman Fed Com 134H. The completed intervals of the Wells will be orthodox.

Also to be considered in each case 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. In addition, Colgate has agreed with XTO Energy, Inc. and Marathon Oil Permian to include special provisions in the standard pooling order that pertain to the commencement of drilling and well election issues.

The Wells are located approximately 27.62 miles southwest of Hobbs, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Travis Macha	Landman	Affidavit	Approx. 5
John Anthony	Geologist	Affidavit	Approx. 7

PROCEDURAL MATTERS

Applicant requests Case Nos. 22792, 22793, 22794, and 22795 be consolidated for hearing. Applicant will present its cases by affidavit if there is no opposition to its application. Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn McLean P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com *Counsel for Colgate Operating, LLC*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Prehearing Statement was served on the following counsel of record by electronic mail on May 26, 2022.

Michael H. Feldewert Adam G. Rankin Julia Broggi Paula M. Vance Holland & Hart LLP P.O. Box 2208 Santa Fe, NM 87504 Phone: (505) 988-4421 mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com pmvance@hollandhart.com *Counsel for XTO Energy, Inc. and Fasken Oil & Ranch Ltd.*

/s/ Dana S. Hardy

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

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

QUESTIONS

Operator: COLGATE OPERATING, LLC	OGRID: 371449			
300 North Marienfeld Street	Action Number:			
Midland, TX 79701	111400			
	Action Type: [HEAR] Prehearing Statement (PREHEARING)			
QUESTIONS				
Testimony				

Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	12	

Action 111400

.