

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

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

**Case No. 23108**

**HEARING EXHIBITS**

Compulsory Pooling Checklist

- |           |  |
|-----------|--|
| Exhibit A | Self-Affirmed Statement of Travis Macha                              |
| A-1       | Application & Proposed Notice of Hearing                             |
| A-2       | C-102s   |
| A-3       | Plat of Tracts, Tract Ownership, Pooled Parties, Unit Recapitulation |
| A-4       | Sample Well Proposal Letter & AFEs                                   |
| A-5       | Chronology of Contact  |
| Exhibit B | Self-Affirmed Statement of David DaGian                              |
| B-1       | Regional Locator Map   |
| B-2       | Cross-Section Locator Map  |
| B-3       | Second Bone Spring Structure Map                                     |
| B-4       | Third Bone Spring Structure Map                                      |
| B-5       | Structural Cross-Section   |
| B-6       | Stratigraphic Cross-Section  |
| B-7       | Gunbarrel Diagram  |
| Exhibit C | Self-Affirmed Statement of Dana S. Hardy                             |
| C-1       | Sample Notice Letter to All Interested Parties                       |
| C-2       | Chart of Notice to All Interested Parties                            |
| C-3       | Copies of Certified Mail Receipts and Returns                        |
| C-4       | Affidavit of Publication for October 16, 2022                        |

# COMPULSORY POOLING APPLICATION CHECKLIST

## ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

<b>Case No.:</b>	<b>23108</b>
<b>Hearing Date:</b>	<b>11/3/2022</b>
Applicant	Colgate Operating, LLC
Designated Operator & OGRID	OGRID # 371449
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors	None.
Well Family	Dingo
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent	Bone Spring
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Bone Spring
Pool Name and Pool Code	Old Millman Ranch; BS Pool (Code 48035)
Well Location Setback Rules	Statewide
Spacing Unit Size	320-acre
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre
Building Blocks	quarter-quarter
Orientation	West/East
Description: TRS/County	N/2 S/2 of Sections 16 and 17, Township 20 South, Range 28 East, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	No
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Dingo 17 Federal Com 123H (API # pending) SHL: 964' FSL & 230' FEL (Unit P), Section 18, T20S-R28E BHL: 1650' FSL & 10' FEL (Unit I), Section 16, T20S-R28E Completion Target: Second Bone Spring (Approx. 7150' TVD)
Well #2	Dingo 17 Federal Com 133H (API # pending) SHL: 964' FSL & 290' FEL (Unit P), Section 18, T20S-R28E BHL: 1650' FSL & 10' FEL (Unit I), Section 16, T20S-R28E Completion Target: Third Bone Spring (Approx. 8420' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000.00
Production Supervision/Month \$	\$800.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, C-2, C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
<b>Ownership Determination</b>	

Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	None.
Ownership Depth Severance	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-7
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-3; Exhibit B-4
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-6
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana S. Hardy
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy
<b>Date:</b>	10/28/2022

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

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

CASE NO. 23108

SELF-AFFIRMED STATEMENT  
OF TRAVIS MACHA

1. I am a Senior Landman at Colgate Operating, LLC (“Colgate”) and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”) and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced case. Copies of Colgate’s application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

4. Colgate seeks an order pooling all uncommitted interests in the Old Millman Ranch; BS Pool (Code 48035) within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 16 and 17, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”).

5. The Unit will be dedicated to the **Dingo 17 Federal Com 123H** and **Dingo Federal Com 133H** wells (“Wells”), which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 20 South, Range, 28 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 16, Township 20 South, Range 28 East.

6. The completed interval of the Wells will be orthodox.

**Colgate Operating, LLC**  
**Case No. 23108**  
**Exhibit A**

7. **Exhibit A-2** contains the C-102 for the Wells.

8. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Colgate seeks to pool highlighted in yellow. All of the interest owners Colgate seeks to pool are locatable.

9. Colgate has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches to locate interest owners it seeks to pool.

10. **Exhibit A-4** contains a sample well proposal letter and AFEs sent to working interest owners for the Wells. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

11. Colgate has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches to locate interest owners it seeks to pool.

12. In my opinion, Colgate made a good-faith effort to reach voluntary joinder of uncommitted interests in the Wells as indicated by the chronology of contact described in **Exhibit A-5**.

13. Colgate requests overhead and administrative rates of \$8,000 per month while the Wells are being drilled and \$800 per month while the Wells are producing. These rates are fair and are comparable to the rates charged by Colgate and other operators in the vicinity.

14. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

15. In my opinion, the granting of Colgate's application would serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

16. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.



Travis Macha

10-20-22

Date

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

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

CASE NO. 23108

APPLICATION

Pursuant to NMSA § 70-2-17, Colgate Operating, LLC (OGRID No. 371449) (“Applicant”) applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 16 and 17, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). In support of its application, Colgate states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. Applicant seeks to dedicate the Unit to the following wells:
  - a. The **Dingo 17 Federal Com 123H** well, to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 20 South, Range 28 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 16, Township 20 South, Range 28 East; and
  - b. The **Dingo 17 Federal Com 133H** well, to be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 20 South, Range 28 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 16, Township 20 South, Range 28 East.
3. The completed interval of the Wells will be orthodox.

Colgate Operating, LLC  
Case No. 23108  
Exhibit A-1

4. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.

5. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 3, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as the operator of the Unit and the Wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the Wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.



Respectfully submitted,

HINKLE SHANOR LLP

*/s/ Dana S. Hardy*

---

Dana S. Hardy

Jaclyn M. McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

*Counsel for Colgate Operating, LLC*

**Application of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.**

Applicant seeks an order pooling all uncommitted interests in the Bone Spring Formation underlying a 320-acre, more or less standard horizontal spacing unit comprised of the N/2 S/2 of Sections 16 and 17, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the **Dingo 17 Federal Com 123H** and the **Dingo 17 Federal Com 133H** wells, which will be drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 20 South, Range 28 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 16, Township 20 South, Range 28 East. The completed intervals of the wells will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, 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 9.1 miles North of Carlsbad, New Mexico.

**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 Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<b>1 API Number</b>		<b>2 Pool Code</b> 48035		<b>3 Pool Name</b> Old Millman Ranch; BS Pool	
<b>4 Property Code</b>		<b>5 Property Name</b> DINGO 17 FEDERAL COM			<b>6 Well Number</b> 123H
<b>7 OGRID No.</b> 371449		<b>8 Operator Name</b> COLGATE OPERATING, LLC			<b>9 Elevation</b> 3301.02'

**10 Surface Location**

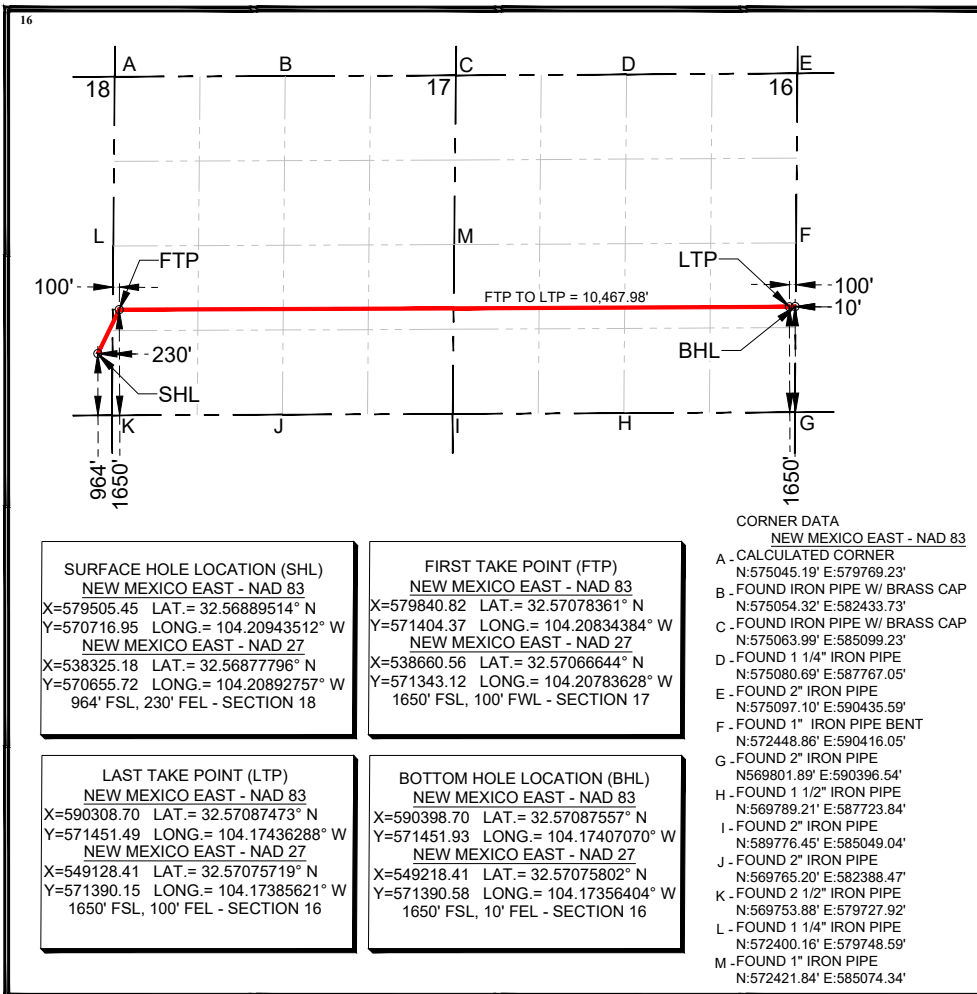
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	20-S	28-E		964'	SOUTH	230'	EAST	EDDY

**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	16	20-S	28-E		1650'	SOUTH	10'	EAST	EDDY

<b>12 Dedicated Acres</b> 320	<b>13 Joint or Infill</b>	<b>14 Consolidation Code</b>	<b>15 Order No.</b>
----------------------------------	---------------------------	------------------------------	---------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

E-mail Address \_\_\_\_\_

---

**18 SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

CHARLES L. BURICA  
NEW MEXICO  
25490  
PROFESSIONAL SURVEYOR

Date of Survey 06/14/2022

Signature and Seal of Professional Surveyor: \_\_\_\_\_

Certificate Number \_\_\_\_\_

**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 Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<b>1 API Number</b>		<b>2 Pool Code</b> 48035		<b>3 Pool Name</b> Old Millman Ranch; BS Pool	
<b>4 Property Code</b>		<b>5 Property Name</b> DINGO 17 FEDERAL COM			<b>6 Well Number</b> 133H
<b>7 OGRID No.</b> 371449		<b>8 Operator Name</b> COLGATE OPERATING, LLC			<b>9 Elevation</b> 3302.15'

**10 Surface Location**

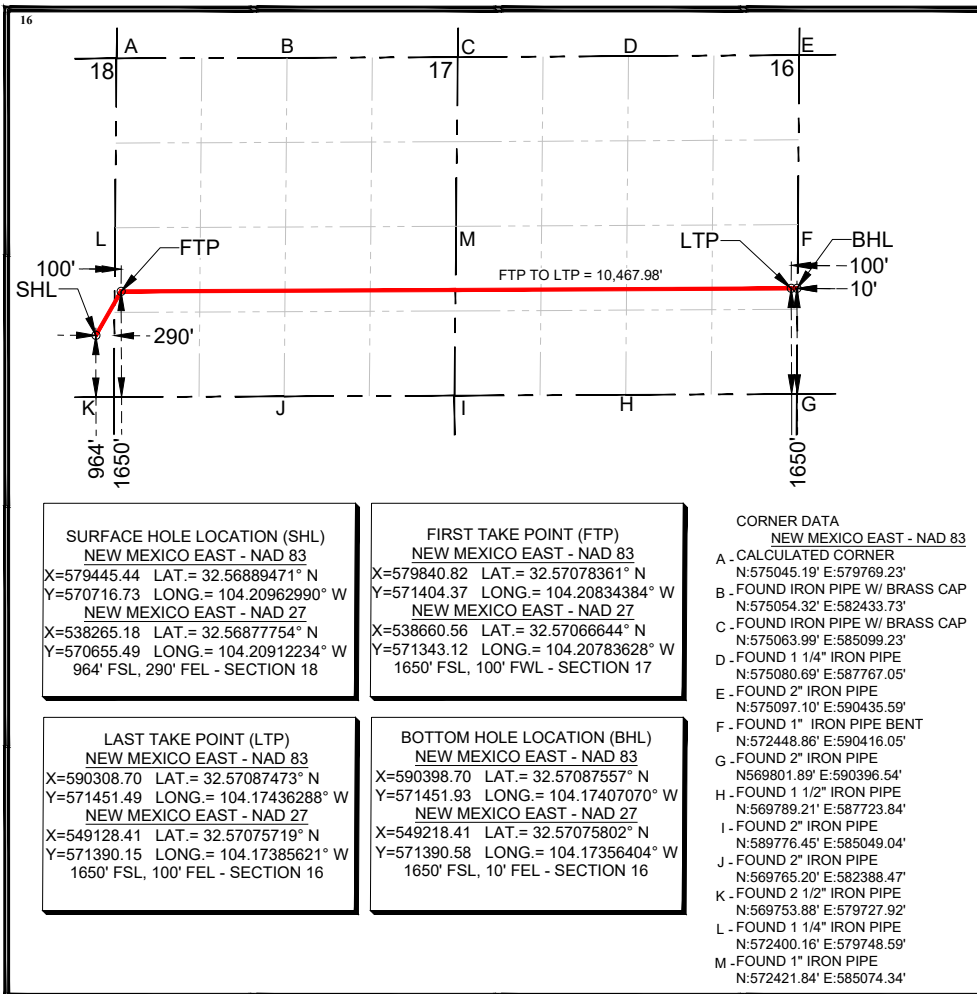
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	20-S	28-E		964'	SOUTH	290'	EAST	EDDY

**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	16	20-S	28-E		1650'	SOUTH	10'	EAST	EDDY

<b>12 Dedicated Acres</b> 320	<b>13 Joint or Infill</b>	<b>14 Consolidation Code</b>	<b>15 Order No.</b>
----------------------------------	---------------------------	------------------------------	---------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Printed Name \_\_\_\_\_  
E-mail Address \_\_\_\_\_

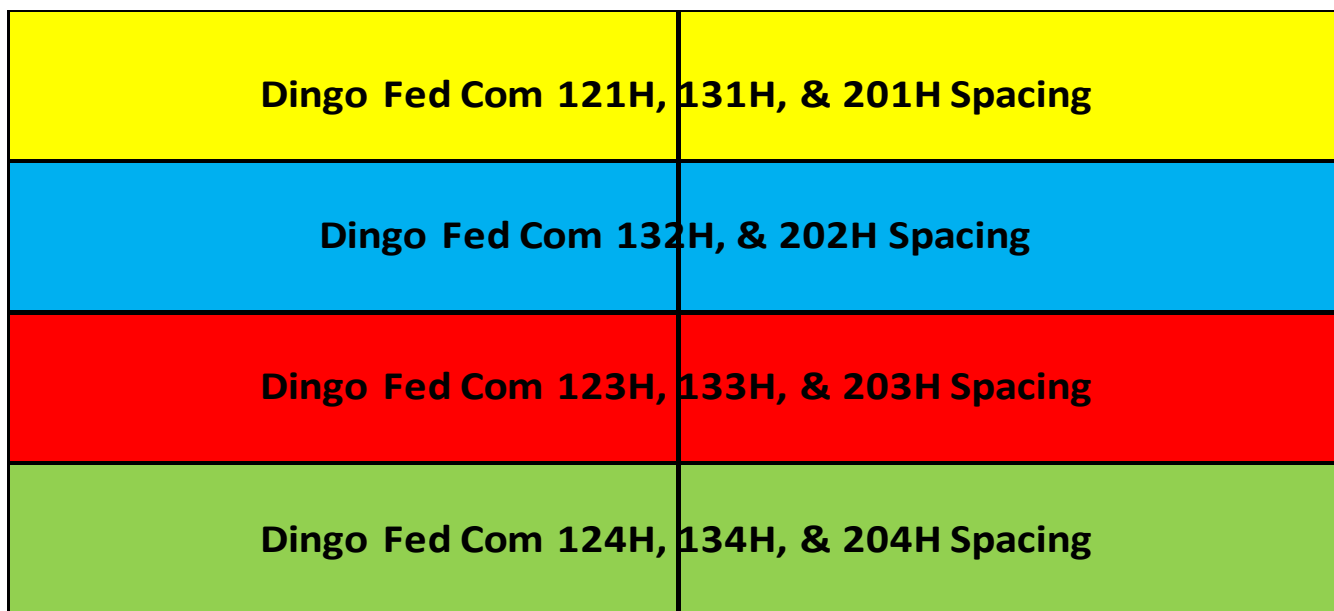
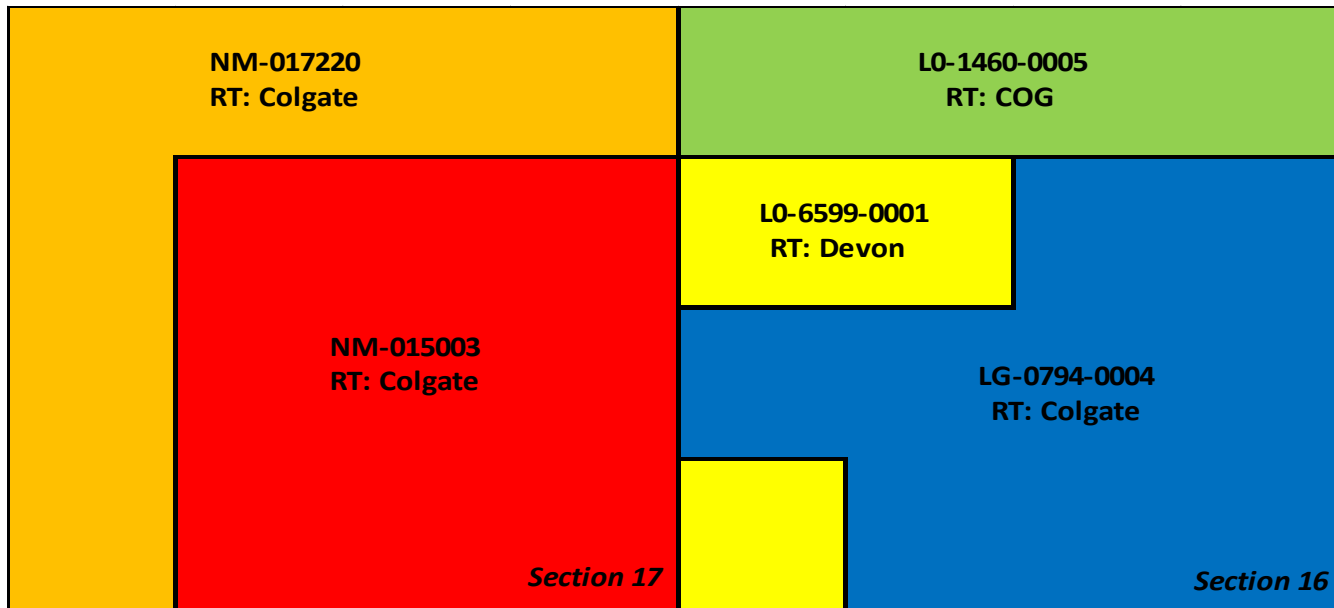
**18 SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey \_\_\_\_\_ 06/14/2022  
Signature and Seal of Professional Surveyor: \_\_\_\_\_  
Certificate Number \_\_\_\_\_

*Charles J. Durica*  
NEW MEXICO  
25490  
PROFESSIONAL SURVEYOR

**Land Exhibit: N2S2 - BONE SPRING - Dingo Fed Com 123H & 133H**

N2S2 of Sections 16 & 17, T20S-R28E, Eddy Co., NM



Owner	Pooling?	Documents Sent			Notes
		Proposal	JOA	Com Agmt	
Colgate Production, LLC	N/A	N/A	N/A	N/A	
Devon Energy Production, LP	Y	Y	Y	Y	
Diamondhead Properties, LP	Y	Y	Y	Y	In process of executing docs
Dugan Production Corp.	Y	Y	Y	Y	
COG Operating, LLC	N	Y	Y	Y	Executed All Docs

\*Please Note Oxy USA, Inc. has assigned all rights and interest unto Colgate Production, LLC. Record title transfers are processing with the BLM

Owner	Leasehold Ownership					
	Sec 16: S2NW, SWSW - 2nd Bone Spring	Sec 16: S2NW, SWSW - All Depths, SAE 2nd Bone Spring	Sec 16: N2N2	Sec 16: S2NE, N2SW, SESW, SE	Sec 17: N2N2, SWNW, W2SW	Sec 17: E2SW, SW, SENW, S2NE
Colgate Production, LLC	53.202240%	5.000000%	0.000000%	100.000000%	100.000000%	100.000000%
Devon Energy Production, LP	0.000000%	48.202240%	0.000000%	0.000000%	0.000000%	0.000000%
Diamondhead Properties, LP	23.398880%	23.398880%	0.000000%	0.000000%	0.000000%	0.000000%
Dugan Production Corp.	23.398880%	23.398880%	0.000000%	0.000000%	0.000000%	0.000000%
COG Operating, LLC	0.000000%	0.000000%	100.000000%	0.000000%	0.000000%	0.000000%

\*Contractual interest already spread in Section 16 via 1976 JOA, new 2022 uperceding JOA has been proposed

Unit Capitation - N2S2	
Owner	Working Interest
Colgate Production, LLC	78.5937500%
Devon Energy Production, LP	4.518960%
Diamondhead Properties, LP	2.193645%
Dugan Production Corp.	2.193645%
COG Operating, LLC	12.500000%
<b>Total</b>	<b>100.000000%</b>

**Colgate Operating, LLC**  
**Case No. 23108**  
**Exhibit A-3**



August 2, 2022

*Via Certified Mail*

ConocoPhillips Company (COG Operating, LLC)  
600 W Illinois Ave.  
Midland, TX 79701

**RE: Dingo 17 Federal Com – Well Proposals**  
Section 16: All, Section 17: All, T20S-28E, Bone Spring and Wolfcamp Formations  
Eddy County, New Mexico

To Whom It May Concern:

Colgate Operating, LLC, as operator for Colgate Production, LLC (“Colgate”), hereby proposes the drilling and completion of the following twelve (12) wells, the Dingo 17 Federal Com 121H, 122H, 123H, 124H, 131H, 132H, 133H, 134H, 201H, 202H, 203H, and 204H from two well pads at the following approximate locations within Township 20 South, Range 28 East:

- 1. Dingo 17 Federal Com 121H – North Pad**  
SHL: 1,502’ FNL & 210’ FEL or at a legal location within Unit H of Section 18  
BHL: 660’ FNL & 10’ FEL of Section 16  
FTP: 660’ FNL & 100’ FWL of Section 17  
LTP: 660’ FNL & 100’ FEL of Section 16  
TVD: 7,180’  
TMD: Approximately 17,465’  
Proration Unit: N2N2 of Sections 16 & 17  
Targeted Interval: 2<sup>nd</sup> Bone Spring  
Total Cost: See attached AFE
  
- 2. Dingo 17 Federal Com 122H – North Pad**  
SHL: 1,502’ FNL & 180’ FEL or at a legal location within Unit H of Section 18  
BHL: 2,310’ FNL & 10’ FEL of Section 17  
FTP: 2,310’ FNL & 100’ FWL of Section 17  
LTP: 2,310’ FNL & 100’ FEL of Section 17  
TVD: 7,180’  
TMD: Approximately 12,365’  
Proration Unit: S2N2 of Section 17  
Targeted Interval: 2<sup>nd</sup> Bone Spring  
Total Cost: See attached AFE

300 N. Marienfeld St., Suite 1000, Midland, Texas 79701  
P: (432) 695-4222 | F: (432) 695-4063  
www.ColgateEnergy.com

**Colgate Operating, LLC**  
**Case No. 23108**  
**Exhibit A-4**

Dingo 17 Federal Com Well Proposal

- 3. Dingo 17 Federal Com 123H – South Pad**  
SHL: 964' FSL & 230' FEL or at a legal location within Unit P of Section 18  
BHL: 1,650' FSL & 10' FEL of Section 16  
FTP: 1,650' FSL & 100' FWL of Section 17  
LTP: 1,650' FSL & 100' FEL of Section 16  
TVD: 7,150'  
TMD: Approximately 17,435'  
Proration Unit: N2S2 of Sections 16 & 17  
Targeted Interval: 2<sup>nd</sup> Bone Spring  
Total Cost: See attached AFE
- 4. Dingo 17 Federal Com 124H – South Pad**  
SHL: 964' FSL & 200' FEL or at a legal location within Unit P of Section 18  
BHL: 330' FSL & 10' FEL of Section 16  
FTP: 330' FSL & 100' FWL of Section 17  
LTP: 330' FSL & 100' FEL of Section 16  
TVD: 7,150'  
TMD: Approximately 17,435'  
Proration Unit: S2S2 of Sections 16 & 17  
Targeted Interval: 2<sup>nd</sup> Bone Spring  
Total Cost: See attached AFE
- 5. Dingo 17 Federal Com 131H – North Pad**  
SHL: 1,502' FNL & 270' FEL or at a legal location within Unit H of Section 18  
BHL: 990' FNL & 10' FEL of Section 16  
FTP: 990' FNL & 100' FWL of Section 17  
LTP: 990' FNL & 100' FEL of Section 16  
TVD: 8,430'  
TMD: Approximately 18,715'  
Proration Unit: N2N2 of Sections 16 & 17  
Targeted Interval: 3<sup>rd</sup> Bone Spring  
Total Cost: See attached AFE
- 6. Dingo 17 Federal Com 132H – North Pad**  
SHL: 1,502' FNL & 240' FEL or at a legal location within Unit H of Section 18  
BHL: 2,310' FNL & 10' FEL of Section 16  
FTP: 2,310' FNL & 100' FWL of Section 17  
LTP: 2,310' FNL & 100' FEL of Section 16  
TVD: 8,430'  
TMD: Approximately 18,715'  
Proration Unit: S2N2 of Sections 16 & 17  
Targeted Interval: 3<sup>rd</sup> Bone Spring  
Total Cost: See attached AFE
- 7. Dingo 17 Federal Com 133H – South Pad**  
SHL: 964' FSL & 290' FEL or at a legal location within Unit P of Section 18  
BHL: 1,650' FSL & 10' FEL of Section 16  
FTP: 1,650' FSL & 100' FWL of Section 17  
LTP: 1,650' FSL & 100' FEL of Section 16  
TVD: 8,420'  
TMD: Approximately 18,705'  
Proration Unit: N2S2 of Sections 16 & 17  
Targeted Interval: 3<sup>rd</sup> Bone Spring  
Total Cost: See attached AFE

## Dingo 17 Federal Com Well Proposal

- 8. Dingo 17 Federal Com 134H – South Pad**  
SHL: 964' FSL & 260' FEL or at a legal location within Unit P of Section 18  
BHL: 330' FSL & 10' FEL of Section 16  
FTP: 330' FSL & 100' FWL of Section 17  
LTP: 330' FSL & 100' FEL of Section 16  
TVD: 8,420'  
TMD: Approximately 18,705'  
Proration Unit: S2S2 of Sections 16 & 17  
Targeted Interval: 3<sup>rd</sup> Bone Spring  
Total Cost: See attached AFE
- 9. Dingo 17 Federal Com 201H – North Pad**  
SHL: 1,502' FNL & 330' FEL or at a legal location within Unit H of Section 18  
BHL: 330' FNL & 10' FEL of Section 16  
FTP: 330' FNL & 100' FWL of Section 17  
LTP: 330' FNL & 100' FEL of Section 16  
TVD: 8,765'  
TMD: Approximately 19,050'  
Proration Unit: N2N2 of Sections 16 & 17  
Targeted Interval: Wolfcamp XY  
Total Cost: See attached AFE
- 10. Dingo 17 Federal Com 202H – North Pad**  
SHL: 1,502' FNL & 300' FEL or at a legal location within Unit H of Section 18  
BHL: 1,650' FNL & 10' FEL of Section 16  
FTP: 1,650' FNL & 100' FWL of Section 17  
LTP: 1,650' FNL & 100' FEL of Section 16  
TVD: 8,765'  
TMD: Approximately 19,050'  
Proration Unit: S2N2 of Sections 16 & 17  
Targeted Interval: Wolfcamp XY  
Total Cost: See attached AFE
- 11. Dingo 17 Federal Com 203H – South Pad**  
SHL: 964' FSL & 350' FEL or at a legal location within Unit P of Section 18  
BHL: 2,310' FSL & 10' FEL of Section 16  
FTP: 2,310' FSL & 100' FWL of Section 17  
LTP: 2,310' FSL & 100' FEL of Section 16  
TVD: 8,735'  
TMD: Approximately 19,020'  
Proration Unit: N2S2 of Sections 16 & 17  
Targeted Interval: Wolfcamp XY  
Total Cost: See attached AFE

*Continued on next page*



Dingo 17 Federal Com Well Proposal

**12. Dingo 17 Federal Com 204H – South Pad**

SHL: 964' FSL & 320' FEL or at a legal location within Unit P of Section 18

BHL: 990' FSL & 10' FEL of Section 16

FTP: 990' FSL & 100' FWL of Section 17

LTP: 990' FSL & 100' FEL of Section 16

TVD: 8,735'

TMD: Approximately 19,020'

Proration Unit: S2S2 of Sections 16 & 17

Targeted Interval: Wolfcamp XY

Total Cost: See attached AFE

The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. Colgate is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is enclosed. The Operating Agreement has the following general provisions:

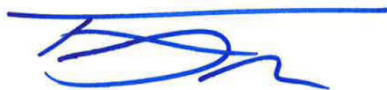
- 100%/300%/300% non-consent provisions
- \$8,000/\$800 drilling and producing rates
- Colgate Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the previously proposed AFE, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Colgate will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well. If you do not wish to participate, Colgate would be interested in acquiring your interest in the subject lands which is subject to further negotiation.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.400.1037 or by email at [tmacha@colgateenergy.com](mailto:tmacha@colgateenergy.com).

Respectfully,



Travis Macha  
Senior Landman

*Enclosures*

Dingo 17 Federal Com Well Proposal

<b>Well Elections:</b> <i>(Please indicate your responses in the spaces below)</i>		
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate
Dingo 24 Federal Com 121H		
Dingo 24 Federal Com 122H		
Dingo 24 Federal Com 123H		
Dingo 24 Federal Com 124H		
Dingo 24 Federal Com 131H		
Dingo 24 Federal Com 132H		
Dingo 24 Federal Com 133H		
Dingo 24 Federal Com 134H		
Dingo 24 Federal Com 201H		
Dingo 24 Federal Com 202H		
Dingo 24 Federal Com 203H		
Dingo 24 Federal Com 204H		

Company Name (If Applicable):

\_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Colgate Energy**

300 N. Mariefeld St., Ste. 1000 Midland, TX 79701  
 Phone (432) 695-4222 • Fax (432) 695-4063

**ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE**

DATE:	7/28/2022	AFE NO.:	0
WELL NAME:	Dingo 17 Federal Com 123H	FIELD:	Avalon; BONE SPRING
LOCATION:	Section 18, Block T20S-R28E	MD/TVD:	17435 TMD / 7150 TVD
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	10,467
Colgate WI:		DRILLING DAYS:	19.5
GEOLOGIC TARGET:	SBSG	COMPLETION DAYS:	19
REMARKS:	Drill a horizontal SBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	\$ 42,500	\$	\$	\$ 42,500
2 Location, Surveys & Damages	207,283	13,000	10,000	230,283
4 Freight / Transportation	32,330	30,250		62,580
5 Rental - Surface Equipment	84,757	153,700	6,120	244,577
6 Rental - Downhole Equipment	137,058	35,613		172,671
7 Rental - Living Quarters	33,154	43,450		76,604
10 Directional Drilling, Surveys	280,308			280,308
11 Drilling	545,357			545,357
12 Drill Bits	82,680			82,680
13 Fuel & Power	135,945	538,248		674,193
14 Cementing & Float Equip	188,192			188,192
15 Completion Unit, Swab, CTU			12,000	12,000
16 Perforating, Wireline, Slickline	-	301,525	18,000	319,525
17 High Pressure Pump Truck	-	88,700		88,700
18 Completion Unit, Swab, CTU	-	92,225		92,225
20 Mud Circulation System	75,291			75,291
21 Mud Logging	13,354			13,354
22 Logging / Formation Evaluation	5,190	6,000		11,190
23 Mud & Chemicals	249,257	302,604		551,861
24 Water	42,400	490,773		533,173
25 Stimulation	-	588,558		588,558
26 Stimulation Flowback & Disp	-	102,125		102,125
28 Mud / Wastewater Disposal	156,986	44,000		200,986
30 Rig Supervision / Engineering	86,660	102,075	4,800	193,535
32 Drlg & Completion Overhead	7,500	-		7,500
35 Labor	117,766	50,000	20,000	187,766
54 Proppant		888,905		888,905
95 Insurance	8,968			8,968
97 Contingency	-	17,657	7,092	24,749
99 Plugging & Abandonment	-			-
<b>TOTAL INTANGIBLES &gt;</b>	<b>2,532,937</b>	<b>3,889,408</b>	<b>78,012</b>	<b>6,500,357</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	\$ 34,403	\$	\$	\$ 34,403
61 Intermediate Casing	65,402			65,402
62 Drilling Liner	116,403			116,403
63 Production Casing	446,005			446,005
64 Production Liner	-			-
65 Tubing	-		55,000	55,000
66 Wellhead	68,900		51,200	120,100
67 Packers, Liner Hangers	10,600	-	7,500	18,100
68 Tanks	-		16,500	16,500
69 Production Vessels	-			-
70 Flow Lines	-		12,500	12,500
71 Rod string	-			-
72 Artificial Lift Equipment	-		40,000	40,000
73 Compressor	-		42,500	42,500
74 Installation Costs	-			-
75 Surface Pumps	-		5,000	5,000
76 Downhole Pumps	-			-
77 Measurement & Meter Installation	-		21,000	21,000
78 Gas Conditioning / Dehydration	-			-
79 Interconnecting Facility Piping	-			-
80 Gathering / Bulk Lines	-			-
81 Valves, Dumps, Controllers	-			-
82 Tank / Facility Containment	-			-
83 Flare Stack	-			-
84 Electrical / Grounding	-		55,000	55,000
85 Communications / SCADA	-			-
86 Instrumentation / Safety	-			-
<b>TOTAL TANGIBLES &gt;</b>	<b>741,713</b>	<b>0</b>	<b>306,200</b>	<b>1,047,913</b>
<b>TOTAL COSTS &gt;</b>	<b>3,274,650</b>	<b>3,889,408</b>	<b>384,212</b>	<b>7,548,270</b>

**PREPARED BY Colgate Energy:**

Drilling Engineer:	SS/RM/PS
Completions Engineer:	Miles Landry
Production Engineer:	Levi Harris

**Colgate Energy APPROVAL:**

Co-CEO	_____	Co-CEO	_____	VP - Operations	_____
	WH		JW		CRM
VP - Land & Legal	_____	VP - Geosciences	_____		
	BG		SO		

**NON OPERATING PARTNER APPROVAL:**

Company Name:	_____	Working Interest (%):	_____	Tax ID:	_____
Signed by:	_____	Date:	_____		
Title:	_____	Approval:	<input type="checkbox"/> Yes <input type="checkbox"/> No	(mark one)	

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.

**Colgate Energy**

300 N. Mariefeld St., Ste. 1000 Midland, TX 79701  
 Phone (432) 695-4222 • Fax (432) 695-4063

**ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE**

DATE:	7/28/2022	AFE NO.:	0
WELL NAME:	Dingo 17 Federal Com 133H	FIELD:	Avalon; BONE SPRING
LOCATION:	Section 18, Block T20S-R28E	MD/TVD:	18705 TMD / 8420 TVD
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	10,467
Colgate WI:		DRILLING DAYS:	26.7
GEOLOGIC TARGET:	TBSG	COMPLETION DAYS:	19
REMARKS:	Drill a horizontal TBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
<b>INTANGIBLE COSTS</b>				
1 Land / Legal / Regulatory	\$ 42,500	\$ -	\$ -	\$ 42,500
2 Location, Surveys & Damages	209,509	13,000	10,000	232,509
4 Freight / Transportation	32,330	30,250	-	62,580
5 Rental - Surface Equipment	109,738	153,700	6,120	269,558
6 Rental - Downhole Equipment	139,443	35,613	-	175,056
7 Rental - Living Quarters	40,452	43,450	-	83,902
10 Directional Drilling, Surveys	350,443	-	-	350,443
11 Drilling	705,811	-	-	705,811
12 Drill Bits	82,680	-	-	82,680
13 Fuel & Power	183,526	538,248	-	721,774
14 Cementing & Float Equip	188,192	-	-	188,192
15 Completion Unit, Swab, CTU	-	-	12,000	12,000
16 Perforating, Wireline, Slickline	-	301,525	18,000	319,525
17 High Pressure Pump Truck	-	88,700	-	88,700
18 Completion Unit, Swab, CTU	-	92,225	-	92,225
20 Mud Circulation System	96,318	-	-	96,318
21 Mud Logging	20,254	-	-	20,254
22 Logging / Formation Evaluation	9,133	6,000	-	15,133
23 Mud & Chemicals	312,210	330,967	-	643,177
24 Water	46,110	540,596	-	586,706
25 Stimulation	-	637,310	-	637,310
26 Stimulation Flowback & Disp	-	102,125	-	102,125
28 Mud / Wastewater Disposal	156,986	44,000	-	200,986
30 Rig Supervision / Engineering	118,419	102,075	4,800	225,294
32 Drlg & Completion Overhead	10,125	-	-	10,125
35 Labor	117,766	50,000	20,000	187,766
54 Proppant	-	973,254	-	973,254
95 Insurance	9,603	-	-	9,603
97 Contingency	-	19,119	7,092	26,211
99 Plugging & Abandonment	-	-	-	-
<b>TOTAL INTANGIBLES &gt;</b>	<b>2,981,549</b>	<b>4,102,157</b>	<b>78,012</b>	<b>7,161,718</b>
<b>TANGIBLE COSTS</b>				
60 Surface Casing	\$ 34,403	\$ -	\$ -	\$ 34,403
61 Intermediate Casing	65,402	-	-	65,402
62 Drilling Liner	116,403	-	-	116,403
63 Production Casing	477,237	-	-	477,237
64 Production Liner	-	-	-	-
65 Tubing	-	-	55,000	55,000
66 Wellhead	68,900	-	51,200	120,100
67 Packers, Liner Hangers	10,600	-	7,500	18,100
68 Tanks	-	-	16,500	16,500
69 Production Vessels	-	-	-	-
70 Flow Lines	-	-	12,500	12,500
71 Rod string	-	-	-	-
72 Artificial Lift Equipment	-	-	40,000	40,000
73 Compressor	-	-	42,500	42,500
74 Installation Costs	-	-	-	-
75 Surface Pumps	-	-	5,000	5,000
76 Downhole Pumps	-	-	-	-
77 Measurement & Meter Installation	-	-	21,000	21,000
78 Gas Conditioning / Dehydration	-	-	-	-
79 Interconnecting Facility Piping	-	-	-	-
80 Gathering / Bulk Lines	-	-	-	-
81 Valves, Dumps, Controllers	-	-	-	-
82 Tank / Facility Containment	-	-	-	-
83 Flare Stack	-	-	-	-
84 Electrical / Grounding	-	-	55,000	55,000
85 Communications / SCADA	-	-	-	-
86 Instrumentation / Safety	-	-	-	-
<b>TOTAL TANGIBLES &gt;</b>	<b>772,945</b>	<b>0</b>	<b>306,200</b>	<b>1,079,145</b>
<b>TOTAL COSTS &gt;</b>	<b>3,754,494</b>	<b>4,102,157</b>	<b>384,212</b>	<b>8,240,863</b>

**PREPARED BY Colgate Energy:**

Drilling Engineer:	SS/RM/PS
Completions Engineer:	ML/BA
Production Engineer:	Levi Harris

**Colgate Energy APPROVAL:**

Co-CEO	_____	Co-CEO	_____	VP - Operations	_____
	WH		JW		CRM
VP - Land & Legal	_____	VP - Geosciences	_____		
	BG		SO		

**NON OPERATING PARTNER APPROVAL:**

Company Name:	_____	Working Interest (%):	_____	Tax ID:	_____
Signed by:	_____	Date:	_____		
Title:	_____	Approval:	<input type="checkbox"/> Yes <input type="checkbox"/> No (mark one)		

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.



**Dingo – Chronology of Communication**

July 28, 2022 – Proposal to all parties sent

August 2022 – Devon and Colgate agree on trade proposal for Devon to exit unit, close is pending

August 4, 2022 – Initial conversation with Dugan, informing of interest and development plans

August 11, 2022 – JOA negotiations with COG Operating (ConocoPhillips)

August 23, 2022 – COG Operating signs JOA and Com Agreements

October 19, 2022 – final conversation with Dugan, they indicated their intent to participate in wellbores

300 N. Marienfeld St., Suite 1000, Midland, Texas 79701  
P: (432) 695-4222 | F: (432) 695-4063  
www.ColgateEnergy.com

**Colgate Operating, LLC**  
**Case No. 23108**  
**Exhibit A-5**

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

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

**CASE NO. 23108**

**SELF-AFFIRMED STATEMENT  
OF DAVID DAGIAN**

1. I am a geologist with Colgate Operating, LLC (“Colgate”) and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum geology matters were accepted and made a matter of record am familiar with the geological matters that pertain to the above-referenced case.

2. **Exhibit B-1** is a regional locator map that identifies the Dingo project area, in proximity to the Capitan Reef within the Delaware Basin, for the Bone Spring horizontal spacing units that are the subject of these applications.

3. **Exhibit B-2** is a cross section location map for the proposed horizontal spacing unit (“Unit”) within the Bone Spring formation. The approximate wellbore paths for the proposed Dingo 17 Federal Com 123H and Dingo 17 Federal Com 133H wells (“Wells”) are represented by dashed lines. Existing producing wells in the targeted interval are represented by solid lines. This map identifies the cross-section running from A-A’ with the cross-section well names and a black line in proximity to the proposed wells.

4. **Exhibit B-3** is a Second Bone Spring (SBSG) Structure map on the base of the Second Bone Spring formation in TVD subsea with a contour interval of 50 ft. The map identifies

**Colgate Operating, LLC  
Case No. 23108  
Exhibit B**

the approximate wellbore path for the Dingo 17 Federal Com 123H proposed Well with an orange dashed line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed well. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

5. **Exhibit B-4** is a Third Bone Spring (TBSG) Structure map on the top of the Third Bone Spring formation in TVD subsea with a contour interval of 50 ft. The map identifies the approximate wellbore path for the Dingo 17 Federal Com 133H proposed Well with a red dashed line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed well. The data points are indicated by red triangles. The map demonstrates the formation is gently dipping to the east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted intervals with horizontal wells.

6. **Exhibit B-5** identifies three wells penetrating the targeted interval I used to construct a structural cross-section from A to A'. The structural cross section from west to east shows the regional dip to the East-Southeast for both the Bone Spring Wells. I used these well logs because they penetrate the targeted interval, are of good quality, and are representative of the geology in the area. The target zones for the proposed Wells is the Bone Spring formation, which is consistent across the units. The approximate well-path for the proposed Wells are indicated by dashed lines to be drilled from west to east across the units.

7. **Exhibit B-6** is a stratigraphic cross-section from A to A' using the representative wells identified on **Exhibit B-5**. It contains gamma ray, resistivity, and porosity logs. The cross section is oriented from west to east and is hung on the top of the Wolfcamp formation. The proposed landing zone for the Wells is labeled on the exhibit. The approximate well-path for the

proposed well is indicated by dashed lines to be drilled from west to east across the units. This cross-section demonstrates the target interval is continuous across the Unit.

8. **Exhibit B-7** is a gun barrel diagram that shows the Dingo 17 Federal Com 123H and Dingo 17 Federal Com 133H Wells in the Bone Spring formation.

9. In my opinion, a laydown orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

10. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

11. In my opinion, the granting of Colgate's application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

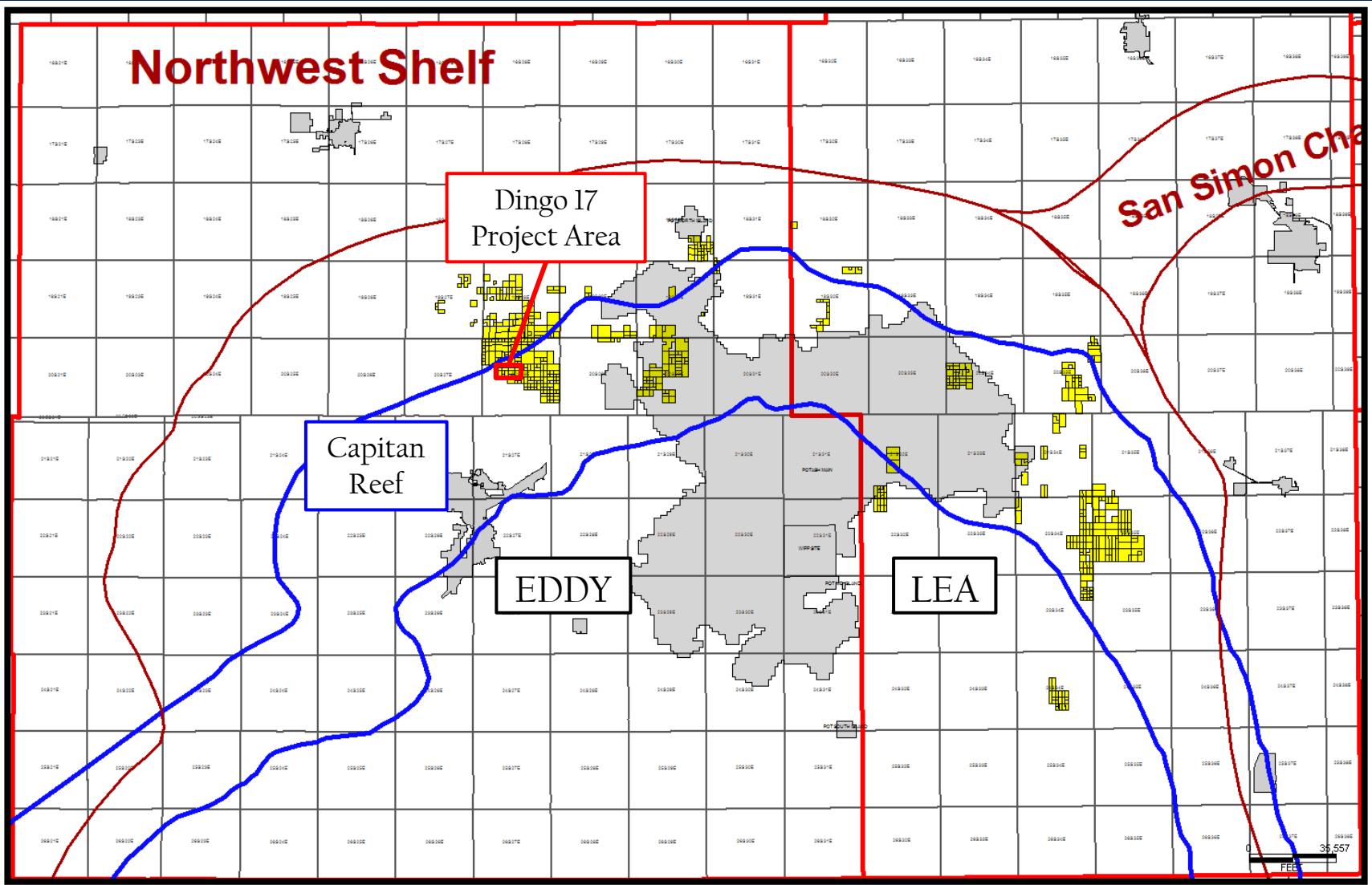
12. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

13. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date identified next to my signature below.

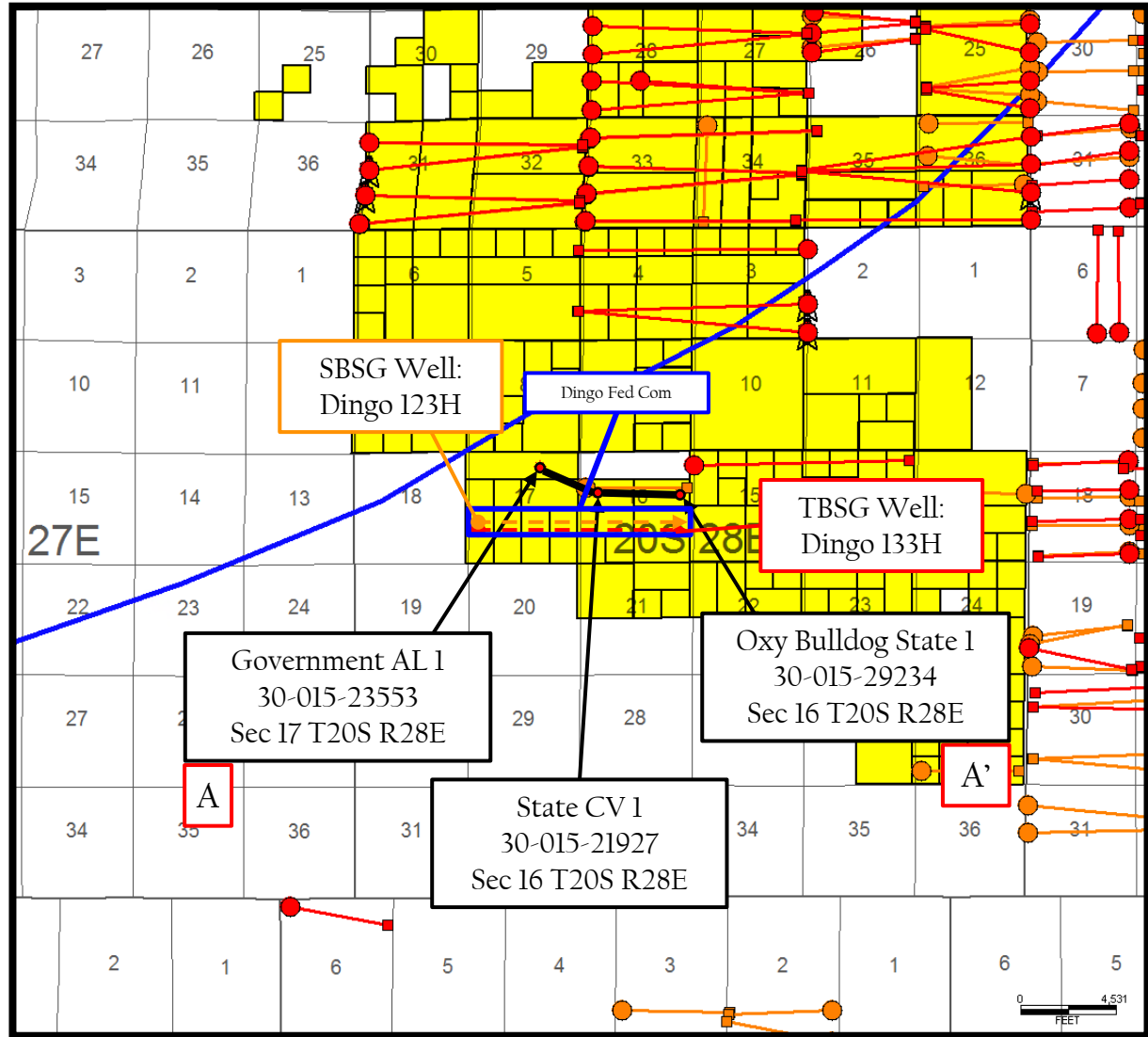
  
\_\_\_\_\_  
David DaGian

  
\_\_\_\_\_  
Date

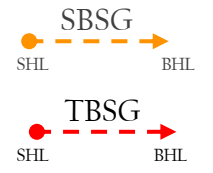




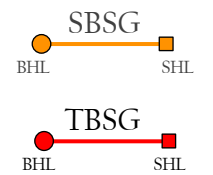
 Colgate Energy



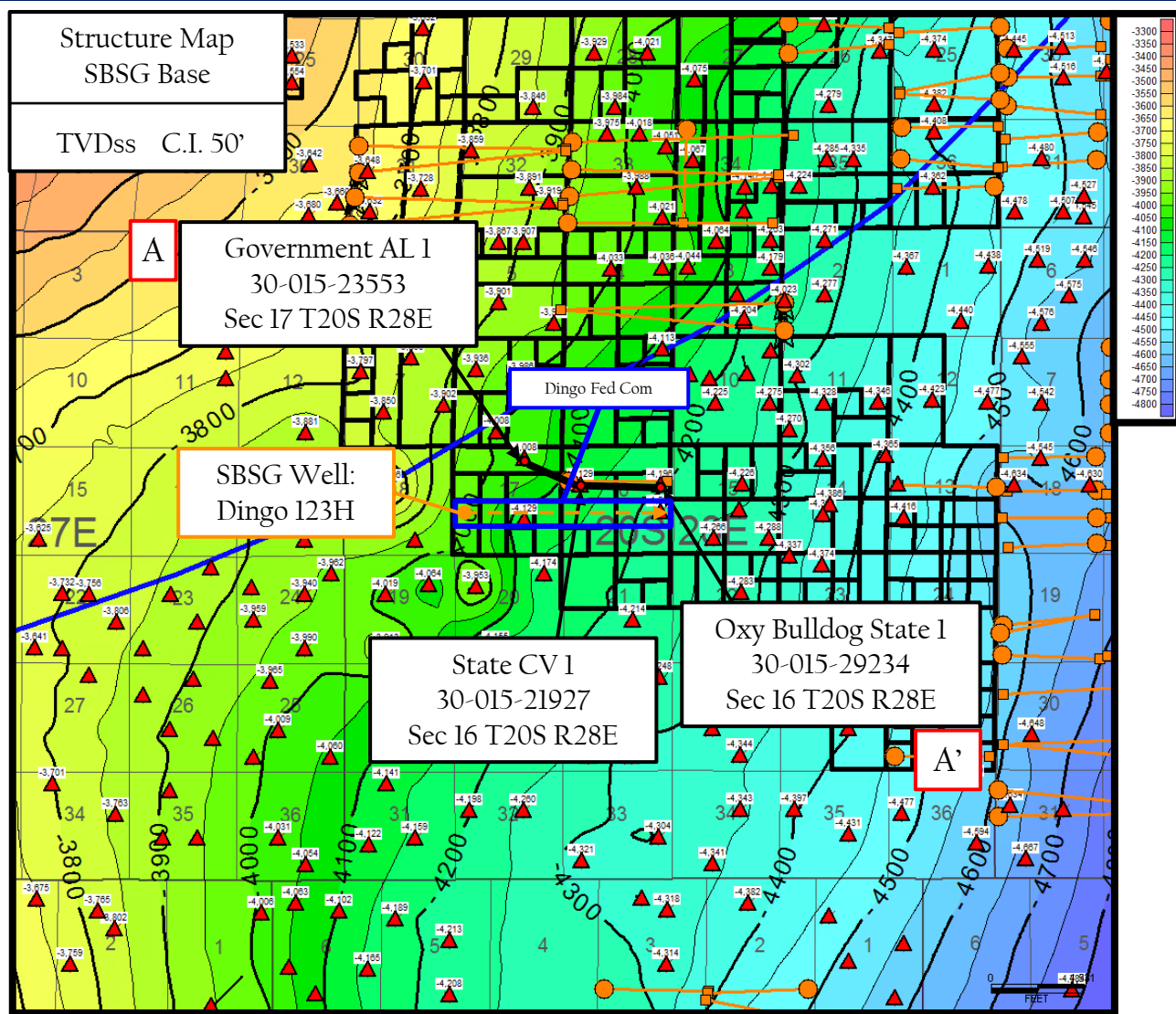
### Proposed Wells



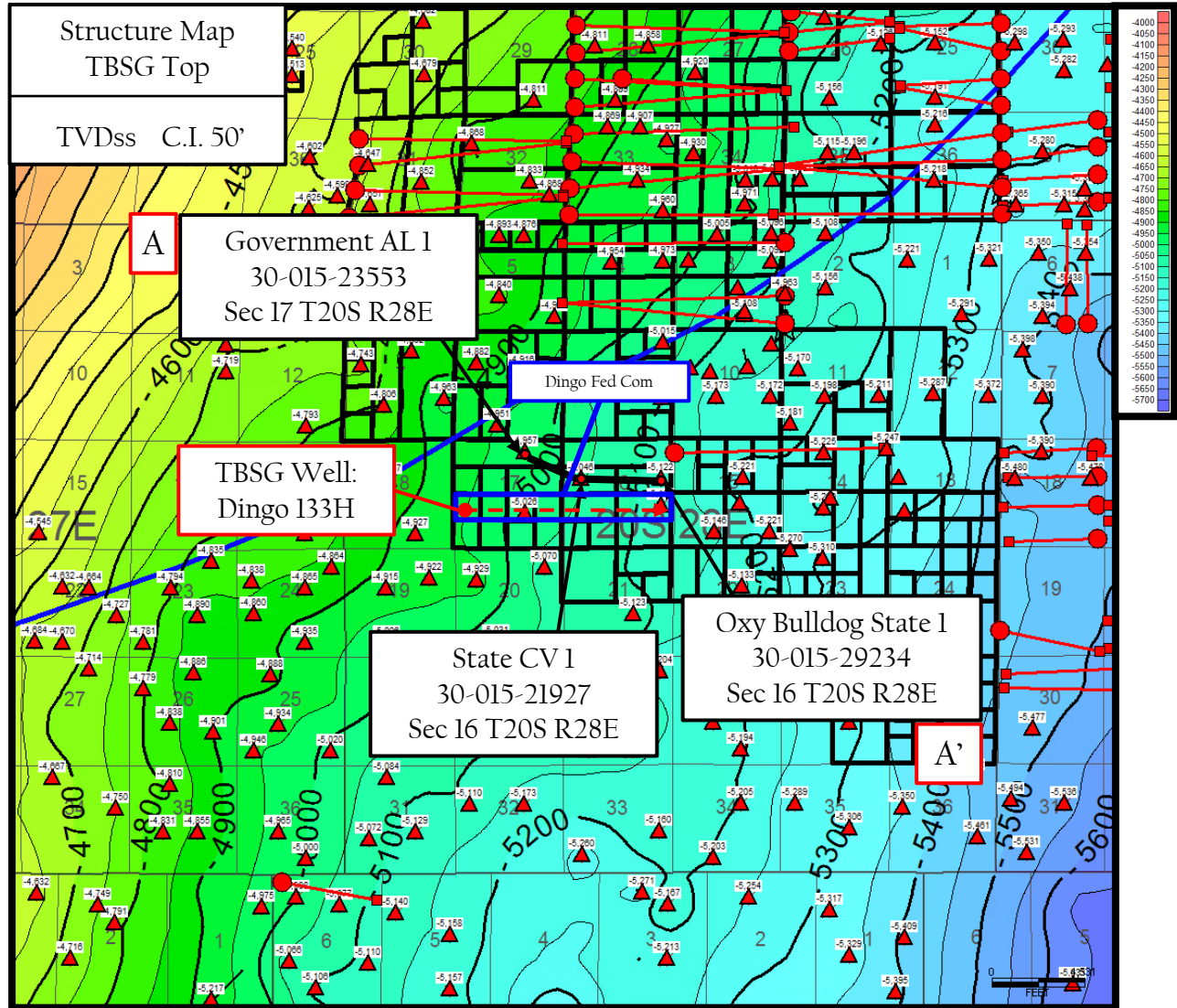
### Producing Wells

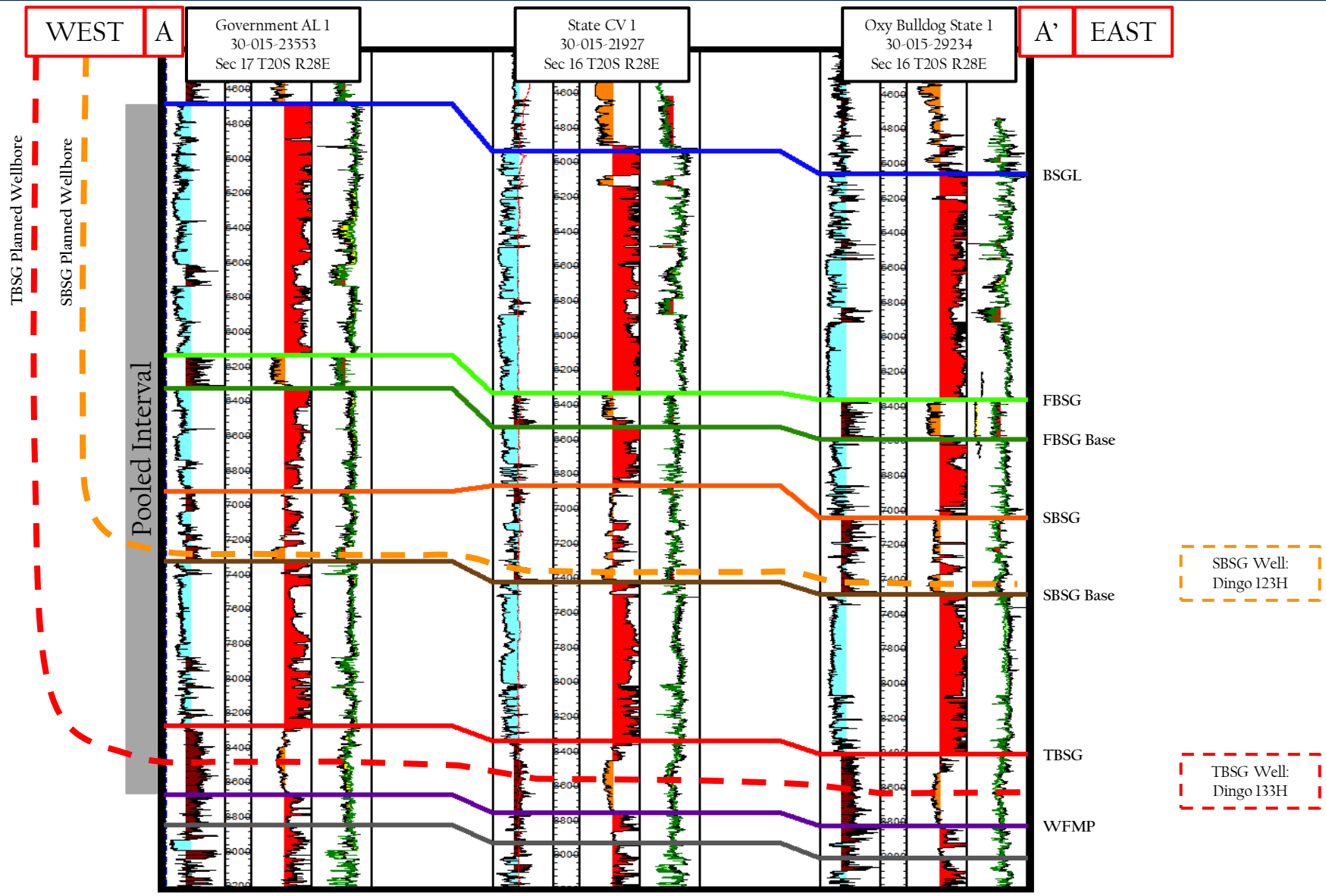


Colgate Energy



Colgate Energy



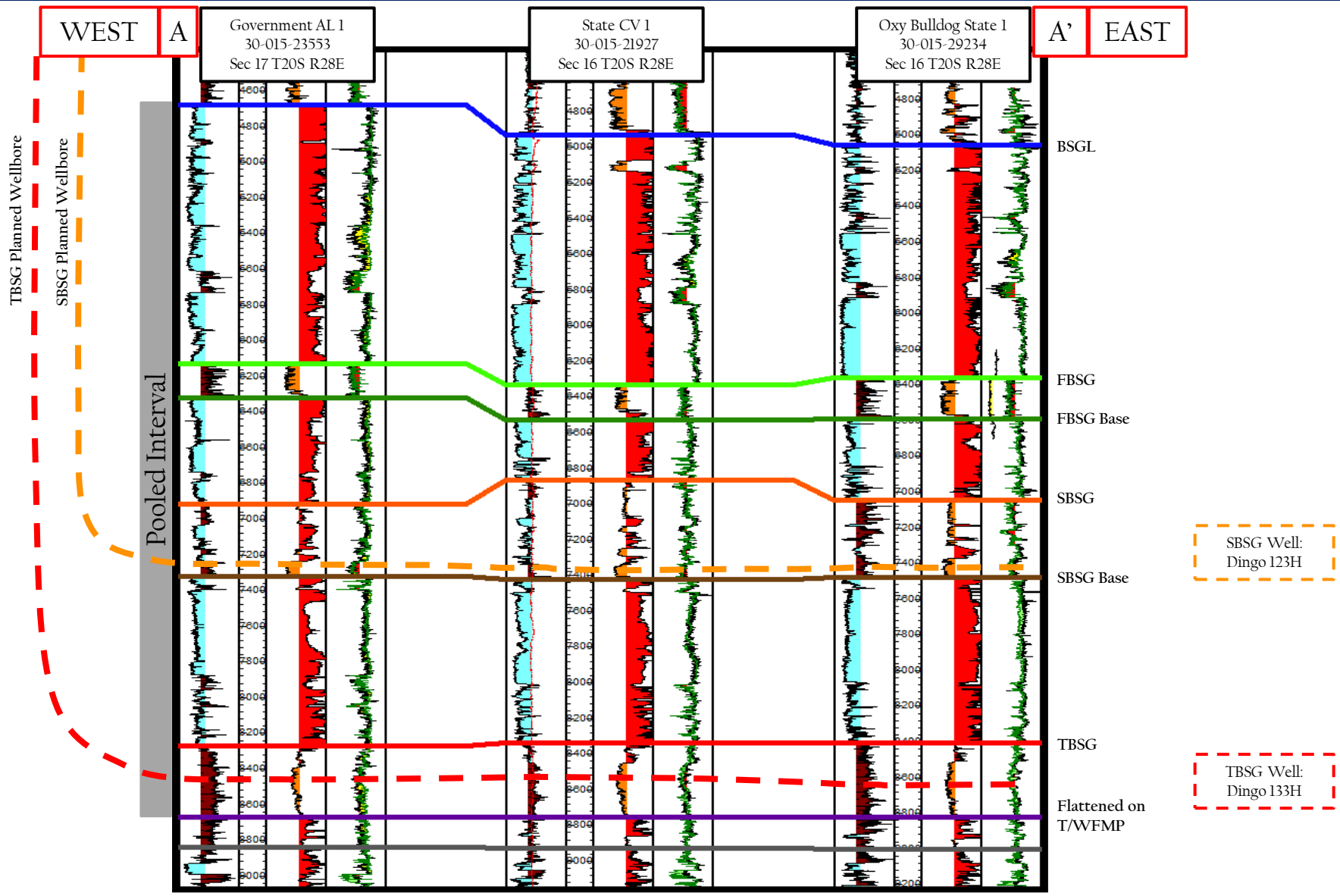


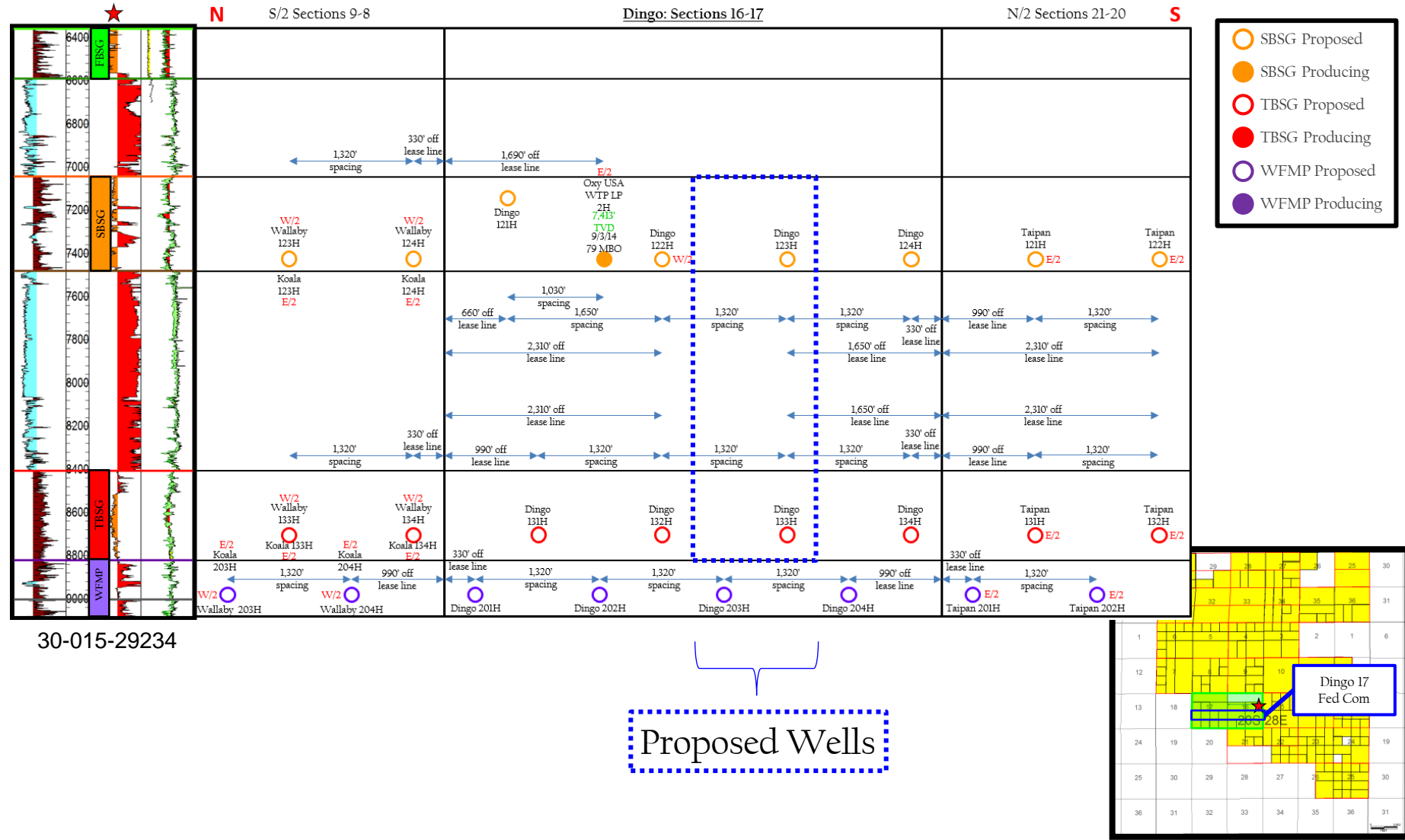
# Stratigraphic Cross Section A-A'

Dingo 17 Fed Com 123H, 133H

Colgate Operating, LLC  
Case No. 23108  
Exhibit B-6

Exhibit B-6





30-015-29234

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

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

**Case No. 23108**

**SELF-AFFIRMED STATEMENT OF  
DANA S. HARDY**

1. I am attorney in fact and authorized representative of Colgate Operating, LLC, the Applicant herein.

2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter to be sent to the parties set out in the chart attached as **Exhibit C-2**.

3. The above-referenced Application was provided, along with the Notice Letters, to the recipients listed in Exhibit C-2. Exhibit C-2 also provides the date each Notice Letter was sent and the date each return was received.

4. Copies of the certified mail green cards and white slips are attached as **Exhibit C-3** as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

5. On October 16, 2022, I caused a notice to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Current Argus, along with a copy of the notice publication, is attached as **Exhibit C-4**.

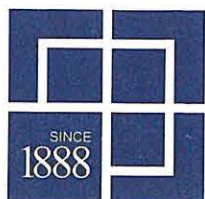
6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dana S. Hardy  
Dana S. Hardy

October 28, 2022  
Date

**Colgate Operating, LLC  
Case No. 23108  
Exhibit C**





hinklelawfirm.com

**HINKLE SHANOR LLP**

ATTORNEYS AT LAW

PO BOX 2068

SANTA FE, NEW MEXICO 87504

505-982-4554 (FAX) 505-982-8623

WRITER:

Dana S. Hardy, Partner  
dhardy@hinklelawfirm.com

October 7, 2022

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO ALL PARTIES ENTITLED TO NOTICE**

**Re: Case Nos. 23107 - 23114 - Applications of Colgate Operating, LLC for Compulsory Pooling, Eddy County, New Mexico.**

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **November 3, 2022** beginning at 8:15 a.m.

Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Pursuant to Division Rule 19.15.4.13.B, a party who intends to present evidence at the hearing shall file a pre-hearing statement and serve copies on other parties, or the attorneys of parties who are represented by counsel, at least four business days in advance of a scheduled hearing, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.state.nm.us/ocd/ocdpermitting/>) or via e-mail to [ocd.hearings@state.nm.us](mailto:ocd.hearings@state.nm.us) and should include: the names of the parties and their attorneys, a concise statement of the case, the names of all witnesses the party will call to testify at the hearing, the approximate time the party will need to present its case, and identification of any procedural matters that are to be resolved prior to the hearing.

Please contact Travis Macha at (432) 400-1037 if you have questions about this matter.

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

**Colgate Operating, LLC**  
**Case No. 23108**  
**Exhibit C-1**

Enclosure

PO BOX 10  
ROSWELL, NEW MEXICO 88202  
575-622-6510  
(FAX) 575-623-9332

PO BOX 2068  
SANTA FE, NEW MEXICO 87504  
505-982-4554  
(FAX) 505-982-8623

7601 JEFFERSON ST NE • SUITE 180  
ALBUQUERQUE, NEW MEXICO 87109  
505-858-8320  
(FAX) 505-858-8321

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

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

**CASE NOs. 23107-23114**

**NOTICE LETTER CHART**

<b>PARTY</b>	<b>NOTICE LETTER SENT</b>	<b>RETURN RECEIVED</b>
Devon Energy Production Company, LP 333 West Sheridan Ave. Oklahoma City, OK 73102	10/07/22	10/17/22
Diamond Head Properties, LP Attn: Rosalind Grover 303 West Wall St, Suite 1900 Midland, TX 79702	10/07/22	10/13/22
Dugan Production Corporation P.O. Box 420 Farmington, NM 87499	10/07/22	10/19/22

**Colgate Operating, LLC  
Case No. 23108  
Exhibit C-2**

7020 0090 0000 0865 8841

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

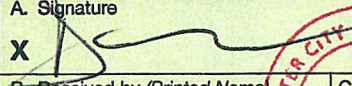
Total Postage and Fees \$ \_\_\_\_\_

Devon Energy Production Company, LP  
 333 West Sheridan Ave.  
 Oklahoma City, OK 73102

23107-23114 Colgate - Dingo

PS Form 3800, April 2015 PSN 7580-02-000-9047 See Reverse for Instructions

*Postmark Here*  
 OCT 07 2022  
 SANTA FE MAIN POST OFFICE  
 87501-9998

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  </p> <p>B. Received by (Printed Name)        Hinkle Sharon LLC</p> <p>C. Date of Delivery        OCT 17 2022</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes        If YES, enter delivery address below: <input checked="" type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Devon Energy Production Company, LP        333 West Sheridan Ave.        Oklahoma City, OK 73102</p> <p>23107-23114 Colgate - Dingo</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>
<p>2. Article Number (Transfer from service label)</p> <p>7020 0090 0000 0865 8841</p>	<p>RECEIVED        OCT 17 2022</p>
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>

Colgate Operating, LLC '  
 Case No. 23108  
 Exhibit C-3

7020 0090 0000 0865 8834

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
 Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

Total Postage and Fees \$ \_\_\_\_\_

Diamond Head Properties, LP  
 Attn: Rosalind Grover  
 303 West Wall St, Suite 1900  
 Midland, TX 79702  
 23107-23114 Colgate - Dingo

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark Here  
 OCT 07 2022  
 87501-9998

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <input checked="" type="checkbox"/> <i>Flaine Love</i> <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Flaine Love</i> C. Date of Delivery <i>10-11-22</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes        If YES, enter delivery address below: <input type="checkbox"/> No</p> <p><b>RECEIVED</b>        OCT 13 2022</p>
<p>1. Article Addressed to:</p> <p>Diamond Head Properties, LP          Attn: Rosalind Grover          303 West Wall St, Suite 1900          Midland, TX 79702          23107-23114 Colgate - Dingo</p> <p>9590 9402 6746 1074 2499 63</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)</p> <p>7020 0090 0000 0865 8834</p>	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt

7020 0090 0000 0865 8858

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ \_\_\_\_\_

Return Receipt (electronic) \$ \_\_\_\_\_

Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

Total Postage and Fees \$ \_\_\_\_\_

Sent To

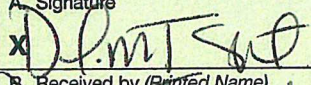
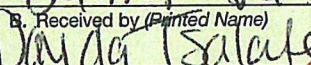
Dugan Production Corporation  
P.O. Box 420  
Farmington, NM 87499

23107-23114 Colgate - Dingo

Postmark Here  
**OCT 07 2022**

87301-9998

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

<b>SENDER: COMPLETE THIS SECTION</b>		<b>COMPLETE THIS SECTION ON DELIVERY</b>	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		<p>A. Signature   <input type="checkbox"/> Agent  <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p>Dugan Production Corporation  P.O. Box 420  Farmington, NM 87499</p> <p>23107-23114 Colgate - Dingo</p>		<p>B. Received by (Printed Name)   Linda Salate</p> <p>C. Date of Delivery  <b>OCT 19 2022</b></p>	
<p>2. Article Number (Transfer from service label)</p> <p>7020 0090 0000 0865 8858</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes  If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery Fee</p> <p><input type="checkbox"/> Certified Mail®</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>		<p>Hinkle Sh... <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005448752

This is not an invoice

**HINKLE SHANOR LLP**  
218 MONTEZUMA

**SANTA FE, NM 87501**

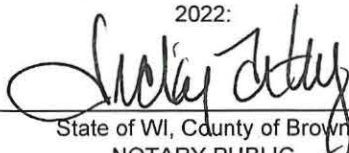
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

**10/16/2022**



Legal Clerk

Subscribed and sworn before me this October 16, 2022:

  
State of WI, County of Brown  
NOTARY PUBLIC  
9/19/25

My commission expires

VICKY FELTY  
Notary Public  
State of Wisconsin

This is to notify all interested parties, including Devon Energy Production Company, LP; Diamond Head Properties, LP; Dugan Production Corporation; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Colgate Operating, LLC (Case No. 23108). The hearing will be conducted remotely on November 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website for that date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. Applicant applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 16 and 17, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells: Dingo 17 Federal Com 123H and the Dingo 17 Federal Com 133H, which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 18, Township 20 South, Range 28 East, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 16, Township 20 South, Range 28 East. The completed interval of the Wells will be orthodox. Also to be considered is 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 9.1 miles north of Carlsbad, New Mexico. #5448752, Current Argus, October 16, 2022

**Colgate Operating, LLC**  
**Case No. 23108**  
**Exhibit C-4**

Ad # 0005448752  
PO #: 5448752  
# of Affidavits 1

This is not an invoice