

**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-22277
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23149
ORDER NO. R-22277**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22278
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23150
ORDER NO. R-22278**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22279
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23151
ORDER NO. R-22279**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22280
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23152
ORDER NO. R-22280**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22281
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23153
ORDER NO. R-22281**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22282
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23154
ORDER NO. R-22282**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22283
LEA COUNTY, NEW MEXICO**

**CASE NO. 23155
ORDER NO. R-22283**

**APPLICATION OF COLGATE OPERATING,
LLC, TO POOL ADDITIONAL INTERESTS,
UNDER ORDER NO. R-22284
LEA COUNTY, NEW MEXICO.**

**CASE NO. 23156
ORDER NO. R-22284**

**COLGATE OPERATING, LLC'S MOTION TO STRIKE
DOYLE AND MARGARET HARTMAN'S PRE-HEARING STATEMENT**

Colgate Operating, LLC (“Colgate” or “Applicant”) requests that the Division strike Doyle and Margaret Hartman’s Pre-Hearing Statement and allow this matter to proceed to hearing by affidavit. In support of this motion, Colgate states the following.

1. In these cases, Colgate seeks to pool additional interests under the pooling orders on its Batman Fed Com Wells (“Wells”). Collectively, the orders pooled uncommitted interests in the Bone Spring and Wolfcamp formations underlying Sections 18 and 19, Township 20 South, Range 34 east in Lea County and dedicated the units to 24 wells.

2. The additional interests Colgate seeks to pool include the minority record title interest held by Doyle Hartman (“Hartman”). Colgate is not seeking to pool any working interest held by Hartman, as Colgate’s title research has definitively showed that Hartman does not own a working interest in the Wells.¹ Hartman is, however, named as a record title owner of the federal lease involved and has refused to sign a communitization agreement. As a result, Colgate seeks to pool his record title interest so it can obtain a communitization agreement and produce the 24 Wells.

3. Hartman opposes Colgate’s applications to pool his minority record title interest because he claims to also own a working interest in the units. Although Colgate has performed extensive title research and determined that Hartman does not own a working interest in the units, that matter is not before the Division and is irrelevant. As discussed above, Colgate is not pooling any working interest owned by Hartman. If Hartman decides to file a quiet title action and a court determines that he does, in fact, own a working interest in the units, Colgate would address that

¹ Hartman Assigned out operating rights interest in all pertinent lands via county assignment filed: Volume 1416, Page 357 (Hartman to Plantation, ABOS dated 12/15/2005).

interest through negotiation or further pooling. Hartman should not, however, be permitted to impede Colgate's development by opposing pooling of his record title interest because he claims he also owns a working interest that is not being pooled.

4. Hartman's arguments regarding due process have no merit. He claims that his ownership interest was pooled in the original proceedings without notice when that is false. Hartman's record title interest was shown in Colgate's exhibits but was not listed as being pooled because Hartman was expected to sign the communitization agreement. He has not done so, which is the reason Colgate has filed these applications.

5. Hartman's objections to the risk penalty and cost provisions of the pooling order are baseless. Colgate is only pooling Hartman's record title interest, and that interest is not subject to the risk penalty or cost provisions of the pooling orders.

6. Hartman's claim that pooling cannot occur if there is an existing JOA is incorrect. Any existing JOAs do not cover all of the acreage at issue or include all current owners.

7. With respect to Hartman's claims regarding a BLM development area, notice was sent to Hartman and delivery was confirmed on February 7, 2022, certified mail receipt #7020-3160-0000-8219-7143. And in any event, this issue is irrelevant to the pooling of Hartman's record title interest.

8. Ultimately, Hartman states that if the Division issues orders in these cases, the orders should: (1) recognize the title dispute regarding Hartman's working interest; (2) expressly state that any working interest owned by Hartman is not being pooled; and (3) provide a procedure for reopening the cases to accommodate any final title determination. Colgate agrees with these conditions. As a result, these cases should proceed to hearing by affidavit on November 3, 2022. Hartman should not be permitted to block Colgate's 24-well development because he believes he

owns a working interest in the units that Colgate does not believe he owns and is not pooling regardless. Hartman's actions in that regard violate Colgate's correlative rights and will result in waste.

9. Counsel for Hartman was contacted and opposes this motion.

For the foregoing reasons, Colgate requests that the Division strike Hartman's Pre-Hearing Statement and allow these cases to proceed to hearing by affidavit on November 3, 2022.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing motion was sent to the following counsel of record by electronic mail on this 2nd day of November, 2022.

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Dana S. Hardy