

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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION FOR  
THE PURPOSE OF CONSIDERING:**

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

**Commission Case No. 21744  
Case No. 21629  
Order No. R-21575  
Order No. R-21575-A  
Order No. R-21575-B  
Order No. R-21575-C**

**UNOPPOSED MOTION FOR CONTINUANCE**

Colgate Operating, LLC (“Colgate”) moves the Commission for a continuance of the de novo hearing scheduled for November 11, 2022 to the Commission’s January 12, 2023 hearing docket. As grounds for this motion, Colgate states:

1. Colgate and its parent, Colgate Energy LLC, have been acquired by Permian Resources Corporation effective September 1, 2022, and as a result, operational changes have been made such that the flow of work, assignments, and reorganization has necessarily changed or occurred. Such reorganization is still ongoing, but to a lesser extent. For example, the Business Development Group handling the Colgate/Cimarex issues in this case has been reorganized with a mix of Colgate, Permian Resources, and newly added personnel, which required an overall assessment by the Group. This reassignment of individuals within the company has resulted in work flow delays.

2. Permian Resources/Colgate’s Business Development Group is now actively

engaged in acquiring the Cimarex interests involved in this case. The proposed transaction now involves other lands aside from the lands involved in the spacing unit in this case, and simply stated, requires additional time to finalize. Currently, Colgate is in the final stage of making an offer to acquire the Cimarex interests in the proposed spacing unit and other lands which may amicably resolve this case. The offer Colgate is currently formulating is a direct response to communication and requests from Cimarex. Cimarex provided guidance for an acceptable offer and requested that Colgate proceed with formulating a response. A combination of the additional lands and reorganization of Colgate staff has resulted in unexpected delays in negotiations. Although Colgate intends to have a response to Cimarex in advance of the hearing it is anticipated that Cimarex will need time to evaluate the proposal and provide feedback.

3. A continuance would benefit the parties since there is now a strong likelihood that that resolution of the dispute will occur since both parties are amenable to a resolution.

4. A continuance would also save Commission time that would be wasted if the parties came to a resolution.

5. Counsel for Cimarex does not object to this motion.

WHEREFORE, Colgate requests continuance of the scheduled matters as set forth above.

Respectfully Submitted,

PADILLA LAW FIRM, P.A.

*/s/ Ernest L. Padilla*

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**CERTIFICATE OF SERVICE**

I hereby certify that on November 1, 2022, I served a copy of the foregoing pleading by electronic mail to:

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*/s/ Ernest L. Padilla*

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