

**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. 22943 - 22946

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

Colgate Operating, LLC

ATTORNEYS

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

INTERESTED PARTIES

N/A

ATTORNEYS

STATEMENT OF THE CASE

In **Case No. 22943**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico. The Unit will be dedicated to the Mad Max 6 Fed Com 134H, which will be horizontally drilled from a surface hole location in Lot 7 of Section 6, Township 20 South, Range 28 East to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 5, Township 20 South, Range 28 East. The completed intervals of the Wells will be orthodox.

In **Case No. 22944**, Applicant applies for an order pooling all uncommitted interests 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 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico. The Unit will be dedicated to the Mad Max 6 Fed Com 133H well, which will be horizontally drilled from a surface hole location in Lot 7 of Section 6, Township 20 South, Range 28 East to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 5, Township 20 South, Range 28 East. The completed intervals of the Wells will be orthodox.

In **Case No. 22945**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico. The Unit will be dedicated to the Mad Max 6 Fed Com 132H well, which will be horizontally drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 1, Township 20 South, Range 27 East to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 5, Township 20 South, Range 28 East. The completed intervals of the Wells will be orthodox.

In **Case No. 22946**, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Sections 5 and 6, Township 20 South, Range 28 East, Eddy County, New Mexico. The Unit will be dedicated to the Mad Max 6 Fed Com 131H well, which will be horizontally drilled from a surface hole location in the SE/4 NE/4 (Unit H) of Section 1, Township 20 South, Range 27 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 5, Township 20 South, Range 28 East. 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. The Wells are located approximately 12 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

| <u>Witness</u> | <u>Occupation</u> | <u>Estimated Time</u> | <u>Exhibits</u> |
|-----------------------|--------------------------|------------------------------|------------------------|
| Mark Hajdik | Landman | Affidavit | Approx. 5 |
| David DaGian | Geologist | Affidavit | Approx. 7 |

PROCEDURAL MATTERS

Applicant requests that these matters 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

Yarithza Peña

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

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

Action 157609

QUESTIONS

| | |
|---|--|
| Operator: COLGATE OPERATING, LLC 300 North Marienfeld Street Midland, TX 79701 | OGRID: 371449 |
| | Action Number: 157609 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

| | |
|---|---------------|
| Testimony | |
| Please assist us by provide the following information about your testimony. | |
| Number of witnesses | Not answered. |
| Testimony time (in minutes) | Not answered. |