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

APPLICATIONS OF COLGATE OPERATING, LLC, TO POOL ADDITIONAL INTERESTS, UNDER ORDER NOS. R-22277 – R-22284 LEA COUNTY, NEW MEXICO.

CASE NOS. 23149 – 23156

COLGATE OPERATING, LLC'S RESPONSE TO DOYLE AND MARGARET HARTMAN'S MOTION FOR RECONSIDERATION

Colgate Operating, LLC ("Colgate") submits the following Response to Doyle and Margaret Hartman's Motion for Reconsideration ("Motion"). For the reasons discussed below, the Motion should be denied.

1. In these cases, Colgate proposes to fully develop the Bone Spring and Wolfcamp formations underlying Sections 18 and 19, Township 20 South, Range 34 East in Lea County by drilling and completing 24 wells.

2. During the hearing on December 15, 2022, the Division correctly granted Colgate's Motion to Quash Doyle and Margaret Hartman's Subpoena Duces Tecum because the Joint Operating Agreements ("JOA") and BLM communications sought by Hartman are irrelevant to the single issue involved in these matters—the pooling of Hartman's record title interest.

3. Hartman now asks the Division to reconsider its decision but provides no new information or basis for the request. The Motion appears to be yet another attempt by Hartman to delay these matters.¹ The Division's ruling was correct and should not be reconsidered, and these matters should proceed to hearing on January 19, 2023.

¹ Colgate's applications were filed on October 5, 2022 and were initially set for hearing on November 3, 2022. As a result of Hartman's objection, the cases were set for a contested hearing on December 15, 2022 and were again continued to January 19, 2023. Colgate has a rig scheduled to spud the wells on January 22, 2023.

4. Colgate only seeks to pool Hartman's record title interest, and neither the JOAs nor Hartman's request for all of Colgate's communications with the BLM regarding the Batman wells are relevant to that issue. In this regard, Colgate incorporates by reference its Objections to and Motion to Quash Doyle and Margaret Hartman's Subpoena Duces Tecum, filed on November 23, 2022, and its Reply in Support of Motion to Quash Doyle and Margaret Hartman's Subpoena Duces Tecum, filed on December 12, 2022.

5. Additionally, Colgate's hearing exhibits include the BLM's written confirmation that when a record title owner fails to sign a communitization agreement, the BLM accepts a Division pooling order in lieu of the signed agreement. *See* Colgate Exhibit A-15.

6. The information sought by Hartman is not relevant or reasonably calculated to lead to the discovery of admissible evidence in this proceeding, where Colgate only seeks to pool Hartman's record title interest in accordance with BLM requirements. Hartman's Motion for Reconsideration does not provide any basis for the Division to reconsider its ruling and should be denied.

Respectfully submitted,

HINKLE SHANOR, LLP

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing response was sent to the following counsel of record by electronic mail on this 17th day of January, 2023:

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Dana S. Hardy