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

#### APPLICATION OF COLGATE OPERATING, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 23879 ORDER NO. R-22432

#### HEARING EXHIBITS

| Exhibit A | Self-Affirmed Statement of Travis Macha                               |
|-----------|---|
| A-1       | Application & Proposed Notice of Hearing                              |
| A-2       | Order No. R-22432   |
| Exhibit B | Self-Affirmed Statement of Dana S. Hardy                              |
| B-1       | Sample Notice Letter to All Interested Parties                        |
| B-2       | Chart of Notice to All Interested Parties and Certified Mail Receipts |
| B-3       | Copies of Certified Mail Receipts and Returns                         |
| B-4       | Affidavit of Publication for October 13, 2023                         |

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

#### APPLICATION OF COLGATE OPERATING, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

#### CASE NO. 23879 ORDER NO. R-22432

#### SELF-AFFIRMED STATEMENT OF TRAVIS MACHA

1. I am a Senior Landman with Permian Resources. Prior to the merger of Centennial Resource Development and Colgate Energy in September 2022, I was a Landman with Colgate Operating, LLC ("Colgate"). I am over 18 years of age, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement. I have previously testified before the Oil Conservation Division ("Division"), and my qualifications as an expert in petroleum land matters were accepted. I am familiar with the above-referenced application and the matters involved.

2. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

3. The Division entered Order No. R-22432 ("Order") in Case No. 22941 on December 5, 2022. The Order pooled all uncommitted interests in the First Bone Spring and Second Bone Spring formations underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit") and dedicated the Unit to the Wombat 13 Fed Com 123H well ("Well"). A copy of the Order is attached as **Exhibit A-2**.

4. Paragraph 19 of the Order requires Colgate to commence drilling the Well within one (1) year of the date of the Order unless Colgate obtains a time extension from the Division Director for good cause shown.

Colgate Operating, LLC Case No. 23879 Exhibit A 5. Good cause for an extension exists because Colgate's ability to commence drilling the Well has been impacted by federal permitting delays.

6. In addition, Colgate's drilling schedule has been revised due to the merger of Colgate and Centennial Resources.

7. Accordingly, Colgate requests that the Division extend the deadline to commence drilling the Well until December 5, 2024.

8. Colgate further requests the other provisions of the Order remain in force and effect.

9. Colgate is in good standing under the statewide rules and regulations.

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

11. The attached exhibits were compiled from company business records.

12. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and it 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.

Travis Macha

\_\_\_\_\_10.24.23\_\_\_\_\_ Date

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

#### APPLICATION OF COLGATE OPERATING, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. 23879 ORDER NO. R-22432

#### **APPLICATION**

Colgate Operating, LLC ("Applicant") (OGRID No. 371449) files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling the well authorized by Order No. R-22432 ("Order"). In support of its application, Applicant states the following.

1. The Division entered the Order in Case No. 22941 on December 5, 2022.

2. The Order pooled all uncommitted interests in the First Bone Spring and Second Bone Spring formations underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit") and dedicated the Unit to the Wombat 13 Fed Com 123H well ("Well").

3. The Order designated Applicant as operator of the Unit and Well.

4. Paragraph 19 of the Order requires Applicant to commence drilling the Well within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.

5. Applicant's ability to commence drilling the Well has been impacted by federal permitting delays and delays due to the merger of Colgate and Centennial Resources.

6. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well until December 5, 2024.

Colgate Operating, LLC Case No. 23879 Exhibit A-1 7. Good cause exists for the requested extension.

WHEREFORE, Applicant requests this application be set for hearing on November 2, 2023, and after notice and hearing, the Division extend the deadline to commence drilling the Well under the Order until December 5, 2024.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com *Attorneys for Colgate Operating, LLC*  Application of Colgate Operating, LLC, to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Colgate Operating, LLC ("Applicant") seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22431 ("Order") until December 5, 2024. The Division entered the Order in Case No. 22940 on December 5, 2022. The Order: pooled all uncommitted interests in the Third Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Wombat 13 Fed Com 134H well ("Well"); and designated Applicant as operator of the Unit and Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Well until December 5, 2024. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico.

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

#### IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY COLGATE OPERATING, LLC

CASE NO. 22941 ORDER NO. R-22432

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on September 15, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### FINDINGS OF FACT

- 1. Colgate Operating, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

#### CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the

Colgate Operating, LLC Case No. 23879 Exhibit A-2 depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

#### <u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

CASE NO. 22941 ORDER NO. R-22432 well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 22941 ORDER NO. R-22432 of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.



Date: <u>12/05/2022</u>

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#### Exhibit A

### COMPULSORY POOLING APPLICATION CHECKLIST

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

| Case No.:  | 22941  |
|--|--|
| Hearing Date:  | 9/15/2022  |
| 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  | Wombat   |
| Formation/Pool   |  |
| Formation Name(s) or Vertical Extent                         | First Bone Spring; Second Bone Spring                              |
| Primary Product (Oil or Gas)                                 | Oil  |
| Pooling this vertical extent                                 | First Bone Spring; Second Bone Spring                              |
| Pool Name and Pool Code                                      | Avalon; Bone Spring, East Pool (Code 3713)                         |
| Well Location Setback Rules                                  | Statewide  |
| Spacing Unit Size  | 160-acre   |
| Spacing Unit   |  |
| Type (Horizontal/Vertical)                                   | Horizontal   |
| Size (Acres)   | 160-acre   |
| Building Blocks  | quarter-quarter  |
| Orientation  | East/West  |
| Description: TRS/County                                      | N/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy      |
|  | County   |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Yes  |
| Other Situations   |  |
| Depth Severance: Y/N. If yes, description                    | Yes, there is a depth severance at the base of the Second Bone     |
|  | Spring Formation within the Unit. See Exhibit A at Paragraph 7.    |
| Proximity Tracts: If yes, description                        | No   |
| Proximity Defining Well: if yes, description                 | N/A  |
| Well(s)  |  |
| Name & API (if assigned), surface and bottom hole location,  | Add wells as needed  |
| footages, completion target, orientation, completion status  |  |
| (standard or non-standard)                                   |  |
| Well #1  | Wombat 13 Federal Com 123H (API # pending)                         |
|  | SHL: 2122' FSL & 375' FEL (Unit I), Section 13, T20S-R28E          |
|  | BHL: 1980' FSL & 10' FWL (Unit L), Section 13, T20S-R28E           |
|  | Completion Target: 2nd Bone Spring (Approx. 7859' TVD)             |
|  | Well Orientation: East to West                                     |
| Horizontal Well First and Last Take Points                   | Exhibit A-2  |
| Completion Target (Formation, TVD and MD)                    | Exhibit A-4  |
| AFE Capex and Operating Costs                                |  |
| Drilling Supervision/Month \$                                | \$8,000.00   |
| Production Supervision/Month \$                              | \$800.00   |
| Justification for Supervision Costs                          | Exhibit A  |
| Requested Risk Charge  | 200%   |
| Notice of Hearing  |  |
| Proposed Notice of Hearing                                   | Exhibit A-1  |
| Proof of Mailed Notice of Hearing (20 days before hearing)   | Exhibits C-1, C-2, C-3   |

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|---|--|
|   |  |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit C-4                            |
| Ownership Determination                                       |  |
| 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                              | Exhibits A-3, A-5                      |
| Ownership Depth Severance                                     | Exhibits A at Paragraph 7, A-3         |
| Joinder   |  |
| 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                            |
| Geology   |  |
| Summary (including special considerations)                    | Exhibit B                              |
| Spacing Unit Schematic  | Exhibit B-1                            |
| Gunbarrel/Lateral Trajectory Schematic                        | Exhibit B-6                            |
| Well Orientation (with rationale)                             | Exhibit B                              |
| Target Formation  | Exhibit B                              |
| HSU Cross Section   | Exhibit B-3                            |
| Depth Severance Discussion                                    | Exhibit B                              |
| Forms, Figures and Tables                                     |  |
| 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                            |
| Cross Section Location Map (including wells)                  | Exhibit B-4                            |
| Cross Section (including Landing Zone)                        | Exhibit B-5                            |
| Additional Information  |  |
| CERTIFICATION: I hereby certify that the information          |  |
| provided in this checklist is complete and accurate.          |  |
| Printed Name (Attorney or Party Representative):              | Dana S. Hardy                          |
| Signed Name (Attorney or Party Representative):               | /s/ Dana S. Hardy                      |
| Date:   | 9/9/2022                               |
|   |  |

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#### CASE NO. 22941 ORDER NO. R-22432

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

#### APPLICATION OF COLGATE OPERATING, LLC TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

#### CASE NO. 23879 ORDER NO. R-22432

#### 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 B-1** and caused the Notice Letter to be sent to the parties set out in the chart attached as **Exhibit B-2**.

3. The above-referenced Application was provided, along with the Notice Letters, to the recipients listed in Exhibit B-2. Exhibit B-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 B-3 as supporting documentation for proof of mailing and the information provided on Exhibit B-2...

5. On October 13, 2023, 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 B-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.

<u>/s/ Dana S. Hardy</u> Dana S. Hardy October 30, 2023 Date

Colgate Operating, LLC Case No. 23879 Exhibit B



### HINKLE SHANOR LLP

ATTORNEYS AT LAW P.O. BOX 2068 SANTA FE, NEW MEXICO 87504 505-982-4554 (FAX) 505-982-8623

October 12, 2023

WRITER: Dana S. Hardy, Partner dhardy@hinklelawfirm.com

#### <u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

#### TO ALL PARTIES ENTITLED TO NOTICE

Re: Case Nos. 23876 - 23881 – Applications of Colgate Operating, LLC to Amend Order Nos. R-22429, R-22430, R-22431, R-22432, R-22433, and R-22533, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed application was filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **November 2, 2023**, 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: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>. 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://www.apps.emnrd.nm.gov/ocd/ocdpermitting/) e-mail or via to ocd.hearings@emnrd.nm.gov 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, Senior Landman, Colgate Operating, LLC, at (432) 400-1037, if you have questions regarding these matters.

Sincerely,

<u>/s/ Dana S. Hardy</u> Dana S. Hardy Colgate Operating, LLC Case No. 23879 Exhibit B-1

Enclosure

PO BOX 10 ROSWELL, NEW MEXICO 88202 (575) 622-6510 FAX (575) 623-9332 7601 JEFFERSON ST NE · SUITE 180 ALBUQUERQUE, NEW MEXICO 87109 505-858-8320 (FAX) 505-858-8321 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

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

| APPLICATIONS OF COLGATE OPERATING, LLC | CASE NO. 23876           |
|--|--------------------------|
| TO EXTEND TIME TO COMMENCE             | <b>ORDER NO. R-22429</b> |
| DRILLING OPERATIONS,                   | &                        |
| EDDY COUNTY, NEW MEXICO.               | CASE NO. 23877           |
|  | <b>ORDER NO. R-22430</b> |
|  | &                        |
|  | CASE NO. 23878           |
|  | <b>ORDER NO. R-22431</b> |
|  | &                        |
|  | CASE NO. 23879           |
|  | <b>ORDER NO. R-22432</b> |
|  | &                        |
|  | CASE NO. 23880           |
|  | <b>ORDER NO. R-22433</b> |
|  | &                        |
|  | CASE NO. 23881           |
|  | <b>ORDER NO. R-22533</b> |

#### NOTICE LETTER CHART

| PARTY                                  | NOTICE LETTER SENT | <b>RETURN RECEIVED</b>     |
|--|--------------------|----------------------------|
| Ard Energy Partners, Ltd.              | 10/12/23           | Per USPS Tracking          |
| PO Box 101027                          |                    | (Last Checked 10/26/23):   |
| Fort Worth, TX 76185                   |                    |                            |
|  |                    | 10/25/23 – Individual      |
|  |                    | picked up at post office.  |
| Delmar Hudson Lewis Living Trust       | 10/12/23           | 10/24/23                   |
| P.O. Box 830308                        |                    |                            |
| Dallas, TX 75283                       |                    |                            |
| Javelina Partners                      | 10/12/23           | 10/23/23                   |
| 616 Texas Street                       |                    |                            |
| Fort Worth, TX 76102                   |                    |                            |
| Jennings Production Co. Ltd.           | 10/12/23           | Per USPS Tracking          |
| 6114 Tulip Ln., Suite 250              |                    | (Last Checked 10/26/23):   |
| Dallas, TX 75230                       |                    |                            |
|  |                    | 10/25/23 – Item in transit |
|  |                    | to the destination.        |
| Jennings Production Co. Ltd.           | 10/12/23           | Per USPS Tracking          |
| P.O. Box 670326                        |                    | (Last Checked 10/26/23):   |
| Dallas, TX 75367                       |                    |                            |
|  |                    | 10/21/23 – Delivery        |
|  |                    | attempted.                 |
| Josephine T. Hudson Testamentary Trust | 10/12/23           | 10/23/23                   |
| FBO J. Terrell Ard                     |                    |                            |
| PO Box 1600                            |                    |                            |
| San Antonio, TX 78296                  |                    |                            |

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

| APPLICATIONS OF COLGATE OPERATING, LLC | CASE NO. 23876           |
|--|--------------------------|
| TO EXTEND TIME TO COMMENCE             | <b>ORDER NO. R-22429</b> |
| DRILLING OPERATIONS,                   | &                        |
| EDDY COUNTY, NEW MEXICO.               | <b>CASE NO. 23877</b>    |
|  | <b>ORDER NO. R-22430</b> |
|  | &                        |
|  | <b>CASE NO. 23878</b>    |
|  | <b>ORDER NO. R-22431</b> |
|  | &                        |
|  | <b>CASE NO. 23879</b>    |
|  | <b>ORDER NO. R-22432</b> |
|  | &                        |
|  | CASE NO. 23880           |
|  | <b>ORDER NO. R-22433</b> |
|  | &                        |
|  | CASE NO. 23881           |
|  | <b>ORDER NO. R-22533</b> |

#### **NOTICE LETTER CHART**

| LLJ Ventures                     | 10/12/23 | 10/19/23                   |
|----------------------------------|----------|----------------------------|
| P.O. Box 3188                    |          |                            |
| Roswell, NM 88202                |          |                            |
| Lindy's Living Trust             | 10/12/23 | Per USPS Tracking          |
| 215 West Bandera Rd, Ste 114-620 |          | (Last Checked 10/26/23):   |
| Boerne, TX 78006                 |          |                            |
|                                  |          | 10/18/23 – Item in transit |
|                                  |          | to the next facility.      |
| Thunderbolt Petroleum            | 10/12/23 | Per USPS Tracking          |
| PO Box 10523                     |          | (Last Checked 10/26/23):   |
| Midland, TX 79711                |          |                            |
|                                  |          | 10/23/23 – Delivered to    |
|                                  |          | front desk, reception      |
|                                  |          | area, or mail room.        |
| Zorro Partners, Ltd.             | 10/12/23 | 10/23/23                   |
| 616 Texas Street                 |          |                            |
| Fort Worth, TX 76102             |          |                            |



Colgate Operating, LLC Case No. 23879 Exhibit B-3







Page 19 of 37



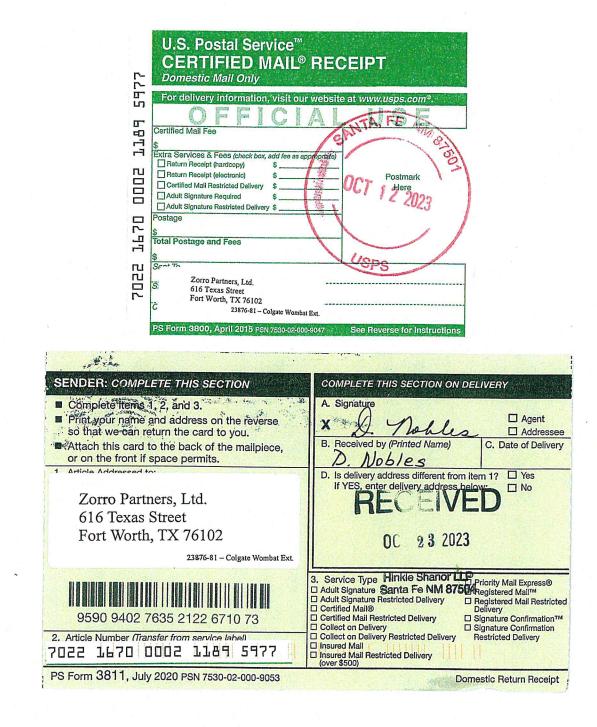
 Insured Mail
 Insured Mail Restricted Delivery (over \$500)

Domestic Return Receipt

7022 1670 0002 1188 7729

PS Form 3811, July 2020 PSN 7530-02-000-9053

Page 20 of 37



Page 21 of 37

| ы<br>Б           | U.S. Postal Service <sup>™</sup><br>CERTIFIED MAIL <sup>®</sup> RECEIPT<br>Domestic Mail Only   |  |   |        |
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| ·70 0002 1189 60 | For delivery information, visit our website at www.usps.com®.         O F       C SANTA         O F       C SANTA         Certified Mail Fee         Adult Signature Required       \$       Postmark         Adult Signature Required       \$       Postage         O F         O F         O F         O F         C SANTA         SANTA         C SANTA         SANTA         O F         C SANTA         SANTA         Postmark         Postmark         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F         O F |  | ş |        |
| 7022             | Sent To<br>Ard Energy Partners, Ltd.<br>PO Box 101027<br>Fort Worth, TX 76185<br>23876-81 - Colgate Wombat Ext.<br>S Form 3800, April 2015 PSN 7590-02-000-8047 See Reverse for Instructions  |  |   |        |
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**USPS Tracking**<sup>®</sup>

FAQs >

**Tracking Number:** 

Remove X

Feedback

## 70221670000211896035

Сору

Add to Informed Delivery (https://informeddelivery.usps.com/)

#### Latest Update

Your item was picked up at the post office at 11:47 am on October 25, 2023 in FORT WORTH, TX 76109.

#### Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

#### **Delivered**

**Delivered, Individual Picked Up at Post Office** FORT WORTH, TX 76109

October 25, 2023, 11:47 am

Reminder to pick up your item before October 30, 2023

FORT WORTH, TX 76185 October 21, 2023

#### **Available for Pickup**

TRINITY RIVER 4450 OAK PARK LN FORT WORTH TX 76109-9998 M-F 0630-1800; SAT 0730-1430 October 16, 2023, 11:55 am

In Transit to Next Facility October 15, 2023

#### **Departed USPS Regional Facility**

FORT WORTH TX DISTRIBUTION CENTER October 14, 2023, 11:25 pm

| 26/23, 11.3 TAM 10/30/2023 7.12.14 MM                             | USPS.com                                   | 1 uge 24 0      |
|---|--|-----------------|
| Arrived at USPS Regional Facility                                 |  |                 |
| FORT WORTH TX DISTRIBUTION CENTER<br>October 14, 2023, 8:29 am    |  |                 |
| Departed USPS Facility  |  |                 |
| ALBUQUERQUE, NM 87101<br>October 13, 2023, 7:43 am                |  |                 |
| Arrived at USPS Facility  |  |                 |
| ALBUQUERQUE, NM 87101<br>October 12, 2023, 10:53 pm               |  |                 |
| <ul> <li>Hide Tracking History</li> </ul>                         |  |                 |
| What Do USPS Tracking Statuses Mean? (htt<br>Text & Email Updates | ps://faq.usps.com/s/article/Where-is-my-pa | ickage)<br>──── |
| USPS Tracking Plus®   |  | $\checkmark$    |
| Product Information   |  | $\checkmark$    |
|   | See Less 🔨                                 |                 |
| Track Another Package   |  |                 |
| Enter tracking or barcode numbers                                 |  |                 |
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### **Need More Help?**

Contact USPS Tracking support for further assistance.



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| - RI     | Ser* To   |
| 702      | Siri Jennings Production Co. Ltd.<br>6114 Tulip Ln., Suite 250  |
| r-       | Dallas, TX 75230  |
|          | City 23876-81 - Colgate Wombat Ext.   |
|          | PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions  |

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Page 25 of 37

Received by OCD: 10/30/2023 9:12:14 AM

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FAQs >

## **USPS Tracking**<sup>®</sup>

Remove X

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#### Tracking Number:

## 70221670000211896028

Сору

Add to Informed Delivery (https://informeddelivery.usps.com/)

#### Latest Update

Your item departed our USPS facility in DALLAS TX DISTRIBUTION CENTER on October 25, 2023 at 5:03 am. The item is currently in transit to the destination.

#### Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

#### Moving Through Network Departed USPS Regional Facility

DALLAS TX DISTRIBUTION CENTER October 25, 2023, 5:03 am

#### Forward Expired

DALLAS, TX 75230 October 16, 2023, 4:24 pm

#### In Transit to Next Facility

October 15, 2023

#### Arrived at USPS Regional Facility

DALLAS TX DISTRIBUTION CENTER October 14, 2023, 4:43 pm

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 October 13, 2023, 7:43 am

Arrived at USPS Facility

ALBUQUERQUE, NM 87101 October 12, 2023, 10:53 pm

Hide Tracking History

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

| Text & Email Updates              | $\checkmark$ |
|-----------------------------------|--------------|
| USPS Tracking Plus®               | $\checkmark$ |
| Product Information               | $\checkmark$ |
| See Less 🔨                        |              |
| Track Another Package             |              |
| Enter tracking or barcode numbers |              |

## **Need More Help?**

Contact USPS Tracking support for further assistance.

FAQs

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|                  | U.S. Postal Service <sup>™</sup>  |
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Page 28 of 37

FAQs >

## **USPS Tracking**<sup>®</sup>

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#### Tracking Number:

## 70221670000211896004

Сору

Add to Informed Delivery (https://informeddelivery.usps.com/)

#### Latest Update

This is a reminder to pick up your item before October 30, 2023 or your item will be returned on October 31, 2023. Please pick up the item at the DALLAS, TX 75367 Post Office.

#### Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

#### **Delivery Attempt**

Reminder to pick up your item before October 30, 2023

DALLAS, TX 75367 October 21, 2023

#### Available for Pickup

PRESTON ROYAL 5959 ROYAL LN STE 539 DALLAS TX 75230-9997 M-F 0830-1700; SAT 0800-1330 October 17, 2023, 9:26 am

#### **Available for Pickup**

PRESTON ROYAL 5959 ROYAL LN STE 539 DALLAS TX 75230-9997 M-F 0830-1700; SAT 0800-1330 October 16, 2023, 10:57 am

#### In Transit to Next Facility

October 15, 2023

#### **Departed USPS Regional Facility**

Received by QCD; 10/30/2023 9:12:14 AM

DALLAS TX DISTRIBUTION CENTER October 14, 2023, 7:02 pm

Arrived at USPS Regional Facility DALLAS TX DISTRIBUTION CENTER October 14, 2023, 4:43 pm

Departed USPS Facility ALBUQUERQUE, NM 87101 October 13, 2023, 7:43 am

Arrived at USPS Facility ALBUQUERQUE, NM 87101

October 12, 2023, 10:53 pm

Hide Tracking History

#### What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

| Text & Email Updates | $\checkmark$ |
|----------------------|--------------|
| USPS Tracking Plus®  | $\checkmark$ |
| Product Information  | $\checkmark$ |
| See Less 🔨           |              |
|                      |              |

Track Another Package

Enter tracking or barcode numbers

## **Need More Help?**

Contact USPS Tracking support for further assistance.

FAQs

| ГL     | U.S. Postal Service <sup>™</sup><br>CERTIFIED MAIL <sup>®</sup> RECEIPT<br>Domestic Mail Only |
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| Б<br>Б | For delivery information, visit our website at www.usps.com®.                                 |
| 1149   | Certified Mail Fee  |
| Ē      | Extra Services & Fees (check box, add fee as appropriate)                                     |
| 2000   | Adult Signature Required  |
|        | Postage   |
| 1670   | S<br>Total Postage and Fees   |
| 7022   | Sont To<br>Lindy's Living Trust<br>5 215 West Bandera Rd, Ste 114-620                         |
|        | Boerne, TX 78006<br>Ž 23876-81 – Colgate Wombat Ext.  |
|        | PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions                    |

Page 31 of 37

Received by OCD: 10/30/2023 9:12:14 AM

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FAQs >

## **USPS Tracking**<sup>®</sup>

#### Remove X

Feedback

# Tracking Number: 70221670000211895991

Сору

Add to Informed Delivery (https://informeddelivery.usps.com/)

#### Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

#### Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

Delivered

Out for Delivery

Preparing for Delivery

#### **Moving Through Network**

#### In Transit to Next Facility

October 18, 2023

#### **Departed USPS Regional Facility**

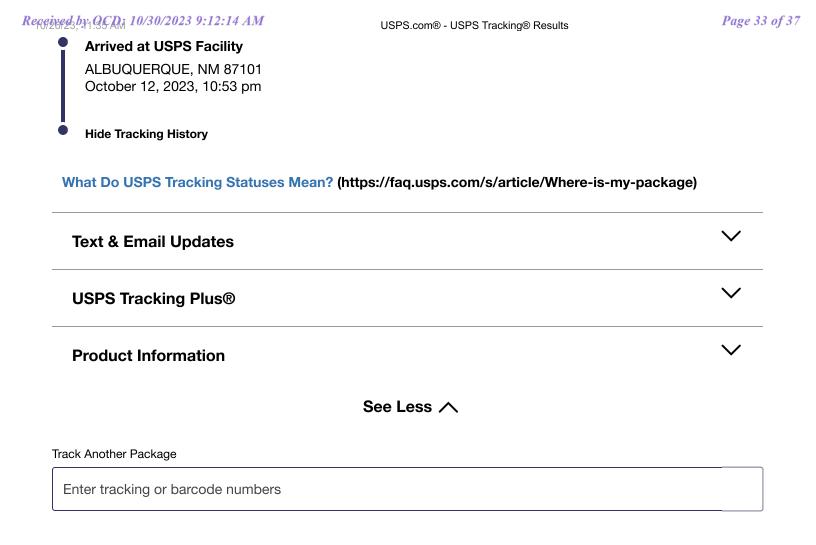
SAN ANTONIO TX DISTRIBUTION CENTER October 14, 2023, 7:20 pm

#### Arrived at USPS Regional Facility

SAN ANTONIO TX DISTRIBUTION CENTER October 14, 2023, 10:45 am

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 October 13, 2023, 7:43 am



## **Need More Help?**

Contact USPS Tracking support for further assistance.

FAQs

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| 194 | Domestic Mail Only   |  |
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| 5   | For delivery information, visit our website at www.usps.com®.  |  |
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|     | Sent To  |  |
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| R   | PO Box 10523<br>Midland TX 79711   |  |
| 1   | C 23876-81 – Colgate Wombat Ext.   |  |

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Received by OCD: 10/30/2023 9:12:14 AM

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## USPS Tracking<sup>®</sup>

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#### Tracking Number:

## 70221670000211895984

Сору

Add to Informed Delivery (https://informeddelivery.usps.com/)

#### Latest Update

Your item was delivered to the front desk, reception area, or mail room at 1:41 pm on October 23, 2023 in MIDLAND, TX 79701.

#### Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

**Delivered** Delivered, Front Desk/Reception/Mail Room

MIDLAND, TX 79701 October 23, 2023, 1:41 pm

Reminder to pick up your item before October 31, 2023

MIDLAND, TX 79702 October 22, 2023

#### **Available for Pickup**

DOWNTOWN MIDLAND 100 E WALL ST MIDLAND TX 79701-9998 M-F 0830-1700 October 17, 2023, 11:07 am

#### Arrived at Post Office

MIDLAND, TX 79701 October 17, 2023, 10:51 am

In Transit to Next Facility

October 16, 2023

#### Arrived at USPS Regional Facility MIDLAND TX DISTRIBUTION CENTER October 14, 2023, 8:27 pm

#### Departed USPS Facility ALBUQUERQUE, NM 87101 October 13, 2023, 7:43 am

#### Arrived at USPS Facility

ALBUQUERQUE, NM 87101 October 12, 2023, 10:53 pm

Hide Tracking History

#### What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

| Text & Email Updates  | $\checkmark$ |
|-----------------------|--------------|
| USPS Tracking Plus®   | $\checkmark$ |
| Product Information   | $\checkmark$ |
| See Less 🔨            |              |
| Track Another Package |              |

Enter tracking or barcode numbers

## **Need More Help?**

Contact USPS Tracking support for further assistance.

FAQs

### **Carlsbad Current Argus.**

#### Affidavit of Publication Ad # 0005843066 This is not an invoice

HINKLE SHANOR, LLP POBOX 2068

SANTA FE, NM 87504

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:

10/13/2023

Legal Clerk

Subscribed and sworn before me this October 13, 2023:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005843066 PO #: # of Affidavits1

This is not an invoice

Colgate Operating, LLC Case No. 23879 Exhibit B-4

This is to notify all interested parties, including Javelina Partners; Josephine T. Hudson Testamentary Trust, FBO J. Terrell Ard; Jennings Production Co. Ltd.; Lindy's Living Trust; Delmar Hudson Lewis Living Trust; Ard Energy Partners, Ltd.; Zorro Partners, Ltd.; LLJ Ventures; Thunderbolt Petroleum; 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. 23879). The hearing will be conducted remotely on November 2, 2023, 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/. Colgate Operating, LLC ("Applicant") seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22432 ("Order") until December 5, 2024. The Division entered the Order in Case No. 22941 on December 5, 2022. The Order: pooled all uncommitted interests in the First Bone Spring and Second Bone Spring formations underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the Wombat 13 Fed Com 123H well ("Well"); and designated Applicant as operator of the Unit and Well. The Order requires Applicant to commence drilling the Well within one year of the date of the Order. Applicant requests the Division extend the deadline to commence drilling the Well until December 5, 2024. The Well is located approximately 10.2 miles northeast of Carlsbad, New Mexico. #5843066, Current Argus, October 13, 2023