# APPLICATION OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24535

# EXHIBIT INDEX

Compulsory Pooling Checklist

Exhibit A	Self-Affirmed Statement of Ryan Curry
A-1	Application & Proposed Notice of Hearing
A-2	C-102
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Unit Recapitulation, Pooled Parties
A-4	Sample Well Proposal Letter & AFEs
A-5	Chronology of Contact
Exhibit B	Self-Affirmed Statement of Christopher Cantin
B-1	Regional Locator Map
B-2	Cross Section Location Map
B-3	Third Bone Spring Subsea Structure Map
B-4	Stratigraphic Cross-Section
B-5	Gun Barrel Diagram
Exhibit C	Self-Affirmed Statement of Dana S. Hardy
C-1	Notice Letters to All Interested Parties
C-2	Chart of Notice to All Interested Parties
C-3	Copies of Certified Mail Receipts and Returns
C-4	Affidavit of Publication for June 7, 2024

# **COMPULSORY POOLING APPLICATION CHECKLIST**

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

Case: 24535	APPLICANT'S RESPONSE
	APPLICANT 3 RESPUNSE
Date: June 27, 2024	Colgoto Production LLC
Applicant	Colgate Production, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165) Hinkle Shanor LLP
Applicant's Counsel: Case Title:	
Case Title:	Application of Colgate Production, LLC for Compulsory
	Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	N/A Folge
Well Family	Esky
Formation/Pool	Dana Carina
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	
Pooling this vertical extent:	Third Bone Spring Interval
Pool Name and Pool Code:	Old Millman Ranch, BS (Assoc) Pool (Code 48035)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	322.44 acres
Building Blocks:	quarter-quarter
Orientation:	East to West
Description: TRS/County	N/2 S/2 of Sections 17 and 18, Township 20 South, Range 28 East, Eddy County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes.
and is approval of non-standard unit requested in this	
application?	
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	No.
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
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	Esky 17 Fed Com 133H (API # pending)
	SHL: 1946' FSL & 230' FWL (Unit L), Section 16, T20S-R28E
	BHL: 1653' FSL & 10' FWL (Lot 3), Section 18, T20S-R28E
	Completion Target: Third Bone Spring (Approx. 8,517' TVD)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit A-4
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
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract	
List (including lease numbers and owners) of Tracts subject to	
notice requirements.	N/A
	Exhibit A-3
	N/A

Ownership Depth Severance (including percentage above &		
below)	N/A	
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-5	
Well Orientation (with rationale)	Exhibit B	
Target Formation	Exhibit B	
HSU Cross Section	Exhibit B-2	
Depth Severance Discussion	N/A	
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	Exhibits B-3	
Cross Section Location Map (including wells)	Exhibit B-2	
Cross Section (including Landing Zone)	Exhibit B-4	
Additional Information		
Special Provisions/Stipulations	N/A	
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:	6/20/2024	

# APPLICATION OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24535

# **APPLICATION**

Pursuant to NMSA § 70-2-17, Colgate Production, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 17 and 18, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). In support of its application, Applicant states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.

2. The Unit will be dedicated to the **Esky 17 Fed Com 133H** well ("Well"), which will be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18.

3. The completed interval of the Well will be orthodox.

4. Applicant seeks to pool interests in the Third Bone Spring interval of the Bone Spring formation, from approximately 7,492' TVD to 8,754' TVD as shown on the State CV Com #1 well log (API No. 30-015-21927).

5. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

Colgate Production, LLC Case No. 24535 Exhibit A-1 6. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Permian Resources Operating, LLC (OGRID No. 372165) should be designated the operator of the Well and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Permian Resources Operating, LLC as operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Permian Resources Operating, LLC to recover its costs of drilling, equipping, and completing the Well;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Permian Resources Operating, LLC in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

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 *Counsel for Colgate Production, LLC and Permian Resources Operating, LLC*  Application of Colgate Production, LLC for Compulsory Pooling, Eddy County, New Mexico. Colgate Production, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 17 and 18, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Esky 17 Fed Com 133H well ("Well"), which will be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 16 the Bone Spring formation, from approximately 7,492' TVD to 8,754' TVD as shown on the State CV Com #1 well log (API No. 30-015-21927). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 20 miles north of Carlsbad, New Mexico.

# APPLICATION OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24535

# SELF-AFFIRMED STATEMENT OF RYAN CURRY

1. I am a landman for Permian Resources Operating, LLC ("Permian Resources"). Colgate Production, LLC ("Colgate") is a wholly owned subsidiary of Permian Resources. 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 New Mexico Oil Conservation Division ("Division") and my credentials as an expert in petroleum land matters were accepted and made a matter of record.

2. I am familiar with the land matters involved in the above-referenced cases. Copies of the application and proposed hearing notice are attached as **Exhibit A-1**.

3. Applicant seeks an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 17 and 18, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit").

4. Colgate is a working interest owner in the Unit.

5. The Unit will be dedicated to the Esky 17 Fed Com 133H well ("Well"), which will be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 16 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18.

6. The Well will be completed in the Old Millman Ranch, BS (Assoc) pool (Code 48035).

Colgate Production, LLC Case No. 24535 Exhibit A Released to Imaging: 6/21/2024 4:02:14 PM

7. Applicant seeks to pool interest in the Third Bone Spring interval of the Bone Spring formation, from approximately 7,492' TVD to 8,754' TVD as shown on the State CV Com #1 well log (API No. 30-015-21927).

8. The completed interval of the Well will be orthodox.

9. Exhibit A-2 contains the C-102 for the Well.

10. **Exhibit A-3** contains a plat identifying ownership by tract in the Unit. This exhibit also includes any applicable lease numbers, a unit recapitulation, and the interests Applicant seeks to pool highlighted in yellow.

11. Applicant has conducted a diligent search of all county public records, including phone directories and computer databases, as well as internet searches, to locate the interest owners it seeks to pool.

12. **Exhibit A-4** contains a sample well proposal letter that was sent to working interest owners in the Well. The estimated costs reflected on the AFEs are fair and reasonable and comparable to the cost of other wells of similar depth and length drilled in the subject formation in the area.

13. In my opinion, Applicant made a good-faith effort to reach voluntary joinder of uncommitted interests in the Well as indicated by the chronology of contact described in **Exhibit A-5**.

14. In order to allow applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Permian Resources (OGRID No. 372165) should be designated as operator of the Well and the Unit.

Released to Imaging: 6/21/2024 4:02:14 PM

15. Applicant requests overhead and administrative rates of \$10,000 per month while the Well is being drilled, and \$1,000 per month while the Well is producing. These rates are fair and are comparable to the rates charged by Permian Resources and other operators in the vicinity.

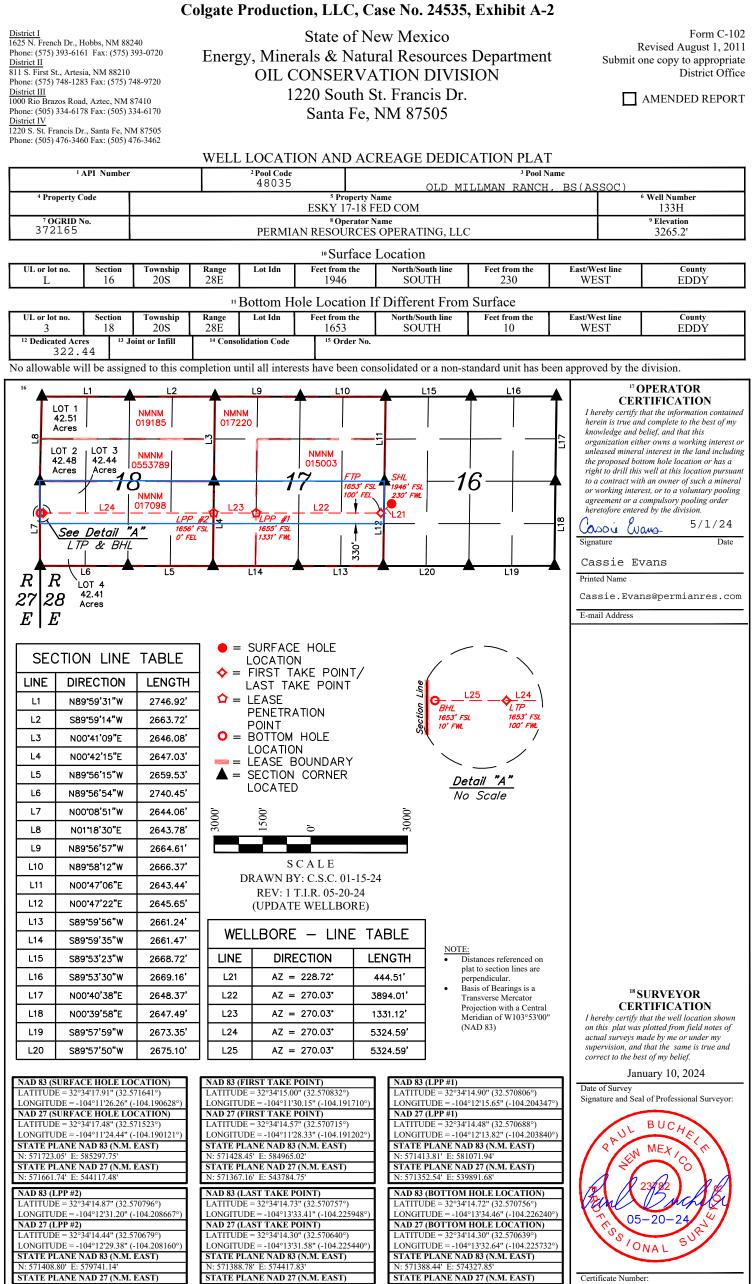
16. The attached exhibits were either prepared by me or under my supervision or were compiled from company business records.

In my opinion, the granting of Applicant's application would serve the interests of 17. conservation, the protection of correlative rights, and the prevention of waste.

18. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony 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 next to my electronic signature below.

Rujan Coung yan Curry

6/18/24	
Date	



Z

age 11 of 52

Certificate Number:

# Colgate Production, LLC Esky 17 Fed Com 133H

<u>Township 20 South – Range 28 East, N.M.P.M.</u> Section 17: N/2S/2 Section 18: N/2S/2 Eddy County, New Mexico Limited in Depth to the 3rd Bone Spring Interval 322.44 Acres, more or less

Section 18, T20S-R28E

Section 17, T20S-R28E

Tract 1: BLM NMNM-15003Tract 2: BLM NMNM-17220Tract 3: BLM NMNM-17098Tract 4: BLM NMNM-17098

# Tract 1: Section 17: N/2SE/4, NE/4SW/4 (120.00 Acres more or less)

Colgate Production, LLC	100.00000%
Total	100.00000%

## Tract 2: Section 17: NW/4SW/4 (40.00 Acres more or less)

Colgate Production, LLC	100.00000%
Total	100.000000%

Colgate Production, LLC Case No. 24535 Exhibit A-3

<b>Tract 3: Section</b>	18: N/2SE/4	(80.00 Acres	more or less)
	_		

EOG Resources Inc.	71.884958%
North Central Casing Pullers Inc.	4.835127%
Red River Energy Partners, LLC	4.685475%
Javelina Partners	4.163467%
Ard Energy Group, Ltd.	4.163467%
Zorro Partners, Ltd.	4.163467%
Oxy Y-1 Company	3.123893%
RNE, LLC	1.561825%
Alba Production, Inc.	1.418323%
Total	100.000000%

# Tract 4: Section 18: N/2SW/4 (82.44 Acres more or less)

EOG Resources Inc.	96.876108%
OXY Y-1 Company	3.123892%
Total	100.00000%

# **Unit Working Interest**

Colgate Production, LLC	49.621635%
EOG Resources Inc.	42.604090%
North Central Casing Pullers Inc.	1.199635%
Red River Energy Partners, LLC	1.162505%
Javelina Partners	1.032990%
Ard Energy Group, Ltd.	1.032990%
Zorro Partners, Ltd.	1.032990%
Oxy Y-1 Company	1.573766%
RNE, LLC	0.387502%
Alba Production, Inc.	0.351898%
Total	100.000000%
Total Committed to Unit	51.687615%
Total Seeking to Pool	48.312385%
Parties Seeking to Pool	



300 N. MARIENFELD STREET, SUITE 1000 MIDLAND, TX 79701

**OFFICE** 432.695.4222 **FAX** 432.695.4063

February 7, 2024

Via Certified Mail

EOG Resources, Inc. 5509 Champions Dr. Midland, TX 79706

#### RE: Well Proposals – Esky 17 Fed Com

All of Section 17 and 18, T20S-R28E Eddy County, New Mexico

To Whom It May Concern:

Permian Resources Operating, LLC ("Permian"), as operator for Colgate Production, LLC, hereby proposes the drilling and completion of the following twelve (12) wells, the Esky 17 Fed Com at the following approximate locations within Township 20 South, Range 28 East, Eddy Co., NM. The purpose of this letter is to give notice of some corrections to the footage calls on the below captioned wells:

#### 1. Esky 17 Fed Com 121H

SHL: 1119' FNL & 447' FEL (or at a legal location within Unit A) of Section 17
BHL: 990' FNL & 10' FWL of Section 18
FTP: 990' FNL & 100' FWL of Section 17
LTP: 990' FNL & 100' FWL of Section 18
TVD: Approximately 7,335
TMD: Approximately 17,890'
Proration Unit: N/2N/2 of Section 17 & N/2N/2 of Section 18
Targeted Interval: 2<sup>nd</sup> Bone Spring
Total Cost: See attached AFE

#### 2. Esky 17 Fed Com 122H

SHL: 1242' FNL & 524' FEL (or at a legal location within Unit A) of Section 17 BHL: 2,310' FNL & 10' FWL of Section 18 FTP: 2,310' FNL & 100' FEL of Section 17 LTP: 2,310' FNL & 100' FWL of Section 18 TVD: Approximately 7,335' TMD: Approximately 17,890' Proration Unit: S/2N/2 of Section 17 & S/2N/2 of Section 18 Targeted Interval: 2<sup>nd</sup> Bone Spring Total Cost: See attached AFE

#### 3. Esky 17 Fed Com 123H

SHL: 1979' FSL & 230' FWL (or at a legal location within Unit L) of Section 16
BHL: 1,650' FSL & 10' FWL of Section 18
FTP: 1,650' FSL & 100' FEL of Section 17
LTP: 1,650' FSL & 100' FWL of Section 18
TVD: Approximately 7,367'
TMD: Approximately 17,922'
Proration Unit: N/2S/2 of Section 17 & N/2S/2 of Section 18
Targeted Interval: 2<sup>nd</sup> Bone Spring
Total Cost: See attached AFE

Colgate Production, LLC Case No. 24535 Exhibit A-4

#### 4. Esky 17 Fed Com 124H

SHL: 934' FSL & 225' FWL (or at a legal location within Unit M) of Section 16
BHL: 330' FSL & 10' FWL of Section 18
FTP: 330' FSL & 100' FEL of Section 17
LTP: 330' FSL & 100' FWL of Section 18
TVD: Approximately 7,353'
TMD: Approximately 17, 908'
Proration Unit: S/2S/2 of Section 17 & S/2S/2 of Section 18
Targeted Interval: 2<sup>nd</sup> Bone Spring
Total Cost: See attached AFE

#### 5. Esky 17 Fed Com 131H

SHL: 1123' FNL & 414' FEL (or at a legal location within Unit A) of Section 17 BHL: 990' FNL & 10' FWL of Section 18 FTP: 990' FNL & 100' FEL of Section 17 LTP: 990' FNL & 100' FWL of Section 18 TVD: Approximately 8,525' TMD: Approximately 19,080' Proration Unit: N/2N/2 of Section 17 & N/2N/2 of Section 18 Targeted Interval: 3<sup>rd</sup> Bone Spring Total Cost: See attached AFE

#### 6. Esky 17 Fed Com 132H

SHL: 1245' FNL & 492' FEL (or at a legal location within Unit A) of Section 17
BHL: 2,310' FNL & 10' FWL of Section 18
FTP: 2,310' FNL & 100' FEL of Section 17
LTP: 2,310' FNL & 100' FWL of Section 18
TVD: Approximately 8,525'
TMD: Approximately 19,080'
Proration Unit: S/2N/2 of Section 17 & S/2N/2 of Section 18
Targeted Interval: 3<sup>rd</sup> Bone Spring
Total Cost: See attached AFE

#### 7. Esky 17 Fed Com 133H

SHL: 1946' FSL & 230' FWL (or at a legal location within Unit L) of Section 16 BHL: 1,650' FSL & 10' FWL of Section 18 FTP: 1,650' FSL & 100' FEL of Section 17 LTP: 1,650' FSL & 100' FWL of Section 18 TVD: Approximately 8,517' TMD: Approximately 19,072' Proration Unit: N/2S/2 of Section 17 & N/2S/2 of Section 18 Targeted Interval: 3<sup>rd</sup> Bone Spring Total Cost: See attached AFE

#### 8. Esky 17 Fed Com 134H

SHL: 901' FSL & 225' FWL (or at a legal location within Unit M) of Section 16 BHL: 330' FSL & 10' FWL of Section 18 FTP: 330' FSL & 100' FEL of Section 17 LTP: 330' FSL & 100' FWL of Section 18 TVD: Approximately 8,503' TMD: Approximately 19,058' Proration Unit: S/2S/2 of Section 17 & S/2S/2 of Section 18 Targeted Interval: 3<sup>rd</sup> Bone Spring Total Cost: See attached AFE

## 9. Esky 17 Fed Com 201H

SHL: 1112' FNL & 512' FEL (or at a legal location within Unit A) of Section 17
BHL: 330' FNL & 10' FWL of Section 18
FTP: 330' FNL & 100' FEL of Section 17
LTP: 330' FNL & 100' FWL of Section 18
TVD: Approximately 8,875'
TMD: Approximately 19, 430'
Proration Unit: N/2N/2 of Section 17 & N/2N/2 of Section 18
Targeted Interval: XY
Total Cost: See attached AFE

#### 10. Esky 17 Fed Com 202H

SHL: 1252' FNL & 426' FEL (or at a legal location within Unit A) of Section 17
BHL: 1,650' FNL & 10' FWL of Section 18
FTP: 1,650' FNL & 100' FEL of Section 17
LTP: 1,650' FNL & 100' FWL of Section 18
TVD: Approximately 8,875'
TMD: Approximately 19,430'
Proration Unit: S/2N/2 of Section 17 & S/2N/2 of Section 18
Targeted Interval: XY
Total Cost: See attached AFE

#### 11. Esky 17 Fed Com 203H

SHL: 2012' FSL & 230' FWL (or at a legal location within Unit L) of Section 16 BHL: 2,310' FSL & 10' FWL of Section 18 FTP: 2,310' FSL & 100' FEL of Section 17 LTP: 2,310' FSL & 100' FWL of Section 18 TVD: Approximately 8,867' TMD: Approximately 19,422' Proration Unit: N/2S/2 of Section 17 & N/2S/2 of Section 18 Targeted Interval: XY Total Cost: See attached AFE

#### 12. Esky 17 Fed Com 204H

SHL: 967' FSL & 225' FWL (or at a legal location within Unit M) of Section 16 BHL: 990' FSL & 10' FWL of Section 18 FTP: 990' FSL & 100' FEL of Section 17 LTP: 990' FSL & 100' FWL of Section 18 TVD: Approximately 8,853' TMD: Approximately 19,408' Proration Unit: S/2S/2 of Section 17 & S/2S/2 of Section 18 Targeted Interval: XY Total Cost: See attached AFE The locations, TVDs, and targets are approximate and subject to change dependent on surface or subsurface issues encountered. Permian is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement is available upon request. The Operating Agreement has the following general provisions:

- 100%/300%/300% non-consent provisions
- \$10,000/\$1,000 drilling and producing rates
- Permian Resources Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells on the enclosed ballot. Please sign and return one copy of this letter, signed copies of the proposed AFEs, a signed copy of the enclosed insurance declaration, and your geologic well requirements.

In the interest of time, should we not reach an agreement within thirty (30) days of the date of your receipt of this letter, Permian will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into spacing units for the proposed wells. If you do not wish to participate, Permian would be interested in acquiring your interest in the subject lands which is subject to further mutually agreeable negotiation.

Please further note that it is the intention of Colgate Production, LLC to relinquish all interest in this unit unto its parent company, Permian Resources Operating, LLC in the near future.

Thank you for your time and consideration, if you have any questions at all, please don't hesitate to contact me at 432.400.0209 or by email at <u>ryan.curry@permianres.com</u>.

Respectfully,

Ryan B Curry

Ryan Curry Senior Landman

Enclosures

ELECTIONS ON PAGE TO FOLLOW

Esky 17 Fed Com Elections:

<i>Well Elections:</i> (Please indicate your responses in the spaces below)				
Well(s)	Elect to Participate	Elect to <u>NOT</u> Participate		
Esky 17 Fed Com 121H				
Esky 17 Fed Com 122H				
Esky 17 Fed Com 123H				
Esky 17 Fed Com 124H				
Esky 17 Fed Com 131H				
Esky 17 Fed Com 132H				
Esky 17 Fed Com 133H				
Esky 17 Fed Com 134H				
Esky 17 Fed Com 201H				
Esky 17 Fed Com 202H				
Esky 17 Fed Com 203H				
Esky 17 Fed Com 204H				

Company Name (If Applicable):

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

 Please return this page to Permian Resources Operating, LLC ("Permian") by the date specified in the letter, signed indicating your election to either participate in or reject this insurance program. If you reject the insurance coverage arranged by Permian, then, to the extent that Permian has an obligation to secure any such insurance on your behalf under any applicable agreements or otherwise, Permian will be relieved of such obligation, and Permian will assume that you maintain appropriate levels of insurance and will provide a current Certificate of Insurance upon request. If you fail to make an election within 30 days from receipt of this notice, you will be deemed a participant in the program as detailed on the attached and billed for your percentage participation as such.

- I hereby elect to participate in the insurance coverage arranged by Permian Resources
   Operating, LLC and understand that I will be charged for such participation.
- I hereby elect to reject the insurance coverage arranged by Permian Resources Operating, LLC.

Company Name (If Applicable):

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date:\_\_\_\_\_

#### Permian Resources Operating, LLC

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701

Phone (432) 695-4222 • Fax (432) 695-4063 ECOSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	1.20.2024	AFE NO.:	1
WELL NAME:	Esky 17 Federal Com 133H		
LOCATION:	Section 17, T20S-R28E		19072 TMD / 8517 TVD
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	
,	Eddy County, New Mexico		-,
Permian WI:	TROC	DRILLING DAYS:	
GEOLOGIC TARGET:	TBSG	COMPLETION DAYS:	
	Drill a horizontal TBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL		

REMARKS:

	DRIELING DATS.	19.0
TBSG	COMPLETION DAYS:	18.6
Drill a horizontal TBSG well and complete	with 44 stages. AFE includes drilling, completions, f	flowback and Initial A
install cost		

	DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS
1 Land / Legal / Regulatory \$	48,916	-	- 1	48,916
2 Location, Surveys & Damages	258,431	16,208	-	274,639
4 Freight / Transportation	42,726	39,273	19,498	101,497
5 Rental - Surface Equipment	111,531	193,247	92,616	397,395
6 Rental - Downhole Equipment	184,283	53,650	-	237,933
7 Rental - Living Quarters	43,134	48,873	-	92,007
10 Directional Drilling, Surveys	385,336	-	-	385,336
11 Drilling	676,240	-		676,240
12 Drill Bits	89,866	-		89,866
13 Fuel & Power	169,490	650,441	-	819,931
14 Cementing & Float Equip	218,257	-	-	218,257
15 Completion Unit, Swab, CTU	-	-	14,624	14,624
16 Perforating, Wireline, Slickline	-	352,676	-	352,676
17 High Pressure Pump Truck	-	110,587	-	110,587
18 Completion Unit, Swab, CTU	-	131,408	-	131,408
20 Mud Circulation System	94,381	-	-	94,381
21 Mud Logging	15,725	-	-	15,725
22 Logging / Formation Evaluation	6,522	7,481	-	14,002
23 Mud & Chemicals	324,596	393,089	9,749	727,434
24 Water	38,986	593,533	243,727	876,245
25 Stimulation	-	730,256	-	730,256
26 Stimulation Flowback & Disp		109,091	146,236	255,327
28 Mud / Wastewater Disposal	173,230	54,857	-	228,088
30 Rig Supervision / Engineering	108,723	119,689	14,624	243,035
32 Drlg & Completion Overhead	9,351	-	-	9,351
35 Labor	137,575	62,338	14,624	214,536
54 Proppant	-	1,126,044	-	1,126,044
95 Insurance	13,151	-	-	13,151
97 Contingency	-	21,908	-	21,908
99 Plugging & Abandonment	-	-	-	-
TOTAL INTANCIDI FOR			EEE COC	8,520,799
TOTAL INTANGIBLES >	3,150,452	4,814,650	555,696	0,320,755
101AL IN IANGIBLES >	3,150,452 DRILLING	4,814,650 COMPLETION	PRODUCTION	TOTAL
TANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	TOTAL COSTS
TANGIBLE COSTS 60 Surface Casing \$	DRILLING COSTS 109,655	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 109,655
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	TOTAL COSTS
TANGIBLE COSTS 60 Surface Casing \$ 61 Intermediate Casing 62 Drilling Liner	DRILLING COSTS 109,655 326,823	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 109,655 326,823
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63 Production Casing	DRILLING COSTS 109,655	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 109,655
TANGIBLE COSTS         60 Surface Casing         61 Intermediate Casing         62 Drilling Liner         63 Production Casing         64 Production Liner	DRILLING COSTS 109,655 326,823	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 - 616,332
TANGIBLE COSTS         60 Surface Casing         61 Intermediate Casing         62 Drilling Liner         63 Production Casing         64 Production Liner         65 Tubing	DRILLING COSTS 109,655 326,823 - 616,332 - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 - - - - - - - - - - - - - - - - - - -
TANGIBLE COSTS         60 Surface Casing         61 Intermediate Casing         62 Drilling Liner         63 Production Casing         64 Production Liner         65 Tubing         66 Wellhead	DRILLING COSTS 109,655 326,823 - - 616,332 - - 58,149	COMPLETION COSTS 	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing         61 Intermediate Casing         62 Drilling Liner         63 Production Casing         64 Production Liner         65 Tubing	DRILLING COSTS 109,655 326,823 - 616,332 - -	COMPLETION COSTS 	PRODUCTION COSTS	TOTAL COSTS 326,823 - - - - - - - - - - - - - - - - - - -
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$	DRILLING COSTS 109,655 326,823 - - 616,332 - - 58,149	COMPLETION COSTS 	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       64         64 Production Liner       65         65 Tubing       66         66 Wellhead       67         67 Packers, Liner Hangers       \$	DRILLING COSTS 109,655 326,823 616,332 58,149 13,216	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing         61 Intermediate Casing         62 Drilling Liner         63 Production Casing         64 Production Liner         65 Tubing         66 Wellhead         67 Packers, Liner Hangers         68 Tanks         69 Production Vessels	DRILLING COSTS 109,655 326,823 616,332 58,149 13,216	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       70         70 Flow Lines       \$         71 Rod string       \$	DRILLING COSTS 109,655 326,823 616,332 58,149 13,216	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       64         64 Production Liner       65         65 Tubing       66         66 Wellhead       67         67 Packers, Liner Hangers       68         68 Tanks       69         69 Production Vessels       70         70 Flow Lines       71 Rod string         71 Rod string       72 Artificial Lift Equipment	DRILLING COSTS 109,655 326,823 616,332 58,149 13,216	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       70         70 Flow Lines       \$         71 Rod string       \$	DRILLING COSTS 109,655 326,823 616,332 58,149 13,216	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 616,332 - - - - - - - - - - - - - - - - - -
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 616,332 - - - - - - - - - - - - - - - - - -
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 616,332 - - - - - - - - - - - - - - - - - -
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       7         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       64         64 Production Liner       65         65 Tubing       66         66 Wellhead       67         67 Packers, Liner Hangers       68         68 Tanks       69         69 Production Vessels       70         70 Flow Lines       71         71 Rod string       72         72 Artificial Lift Equipment       73         73 Compressor       74         74 Installation Costs       75         75 Surface Pumps       76         76 Downhole Pumps       77         77 Measurement & Meter Installation	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         77 Measurement & Meter Installation       \$         78 Gas Conditioning / Dehydration       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         77 Measurement & Meter Installation       \$         78 Gas Conditioning / Dehydration       \$         79 Interconnecting Facility Piping       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       70         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         77 Measurement & Meter Installation       \$         78 Gas Conditioning / Dehydration       \$         79 Interconnecting Facility Piping       \$         80 Gathering / Bulk Lines       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       7         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         77 Measurement & Meter Installation       \$         78 Gas Conditioning / Dehydration       \$         79 Interconnecting Facility Piping       \$         80 Gathering / Bulk Lines       \$         81 Valves, Dumps, Controllers       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         77 Measurement & Meter Installation       \$         78 Gas Conditioning / Dehydration       \$         79 Interconnecting Facility Piping       \$         80 Gathering / Bulk Lines       \$         81 Valves, Dumps, Controllers       \$         82 Tank / Facility Containment       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 109,655 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       \$         63 Production Casing       \$         64 Production Liner       \$         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       \$         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         77 Measurement & Meter Installation       \$         78 Gas Conditioning / Dehydration       \$         79 Interconnecting Facility Piping       \$         80 Gathering / Bulk Lines       \$         81 Valves, Dumps, Controllers       \$         82 Tank / Facility Containment       \$         83 Flare Stack       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       70         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         79 Interconnecting Facility Piping       \$         80 Gathering / Bulk Lines       \$         81 Valves, Dumps, Controllers       \$         82 Tank / Facility Containment       \$         84 Electrical/ Grounding       \$         85 Communications / SCADA       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63 Production Casing         64 Production Liner       65         65 Tubing       66         66 Wellhead       67         67 Packers, Liner Hangers       68         68 Tanks       69         69 Production Vessels       70         70 Flow Lines       71         71 Rod string       72         72 Artificial Lift Equipment       73         73 Compressor       74         74 Installation Costs       75         75 Surface Pumps       76         76 Downhole Pumps       77         77 Measurement & Meter Installation       78         78 Gas Conditioning / Dehydration       79         79 Interconnecting Facility Piping       80         80 Gathering / Bulk Lines       81         81 Valves, Dumps, Controllers       82         82 Tank / Facility Containment       83         83 Flare Stack       84         84 Electrical / Grounding       85         85 Communications / SCADA       86         86 Instrumentation / Safety       91	DRILLING COSTS 109,655 326,823 	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 109,655 326,823 - - - - - - - - - - - - -
TANGIBLE COSTS         60 Surface Casing       \$         61 Intermediate Casing       \$         62 Drilling Liner       63         63 Production Casing       \$         64 Production Liner       65         65 Tubing       \$         66 Wellhead       \$         67 Packers, Liner Hangers       \$         68 Tanks       \$         69 Production Vessels       70         70 Flow Lines       \$         71 Rod string       \$         72 Artificial Lift Equipment       \$         73 Compressor       \$         74 Installation Costs       \$         75 Surface Pumps       \$         76 Downhole Pumps       \$         79 Interconnecting Facility Piping       \$         80 Gathering / Bulk Lines       \$         81 Valves, Dumps, Controllers       \$         82 Tank / Facility Containment       \$         84 Electrical/ Grounding       \$         85 Communications / SCADA       \$	DRILLING COSTS 109,655 326,823 616,332 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS 326,823 

#### PREPARED BY Permian Resources Operating, LLC:

Drilling Engineer: Completions Engineer: Production Engineer:	PS ML DC				
Permian Resources Operating, LI	.C APPROVAL:				
Co-CEO VP - Land & Legal	WH BG	Co-CEO	JW SO	VP - Operations	CRM
NON OPERATING PARTNER A	PPROVAL:				
Company Name:		Worl	king Interest (%):	Tax ID:	
Signed by:			Date:		
Title:			Approval: Yes	No	(mark one)

cific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its age and well costs under the terms of the applicable joint operating agreement, negulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operate videncing its own instrumer in an anomal acceptable to the Operator by the date of spud. on any spo ory, broker proportionate share of actual costs in control and general liability insurance ling, legal, curative ipant provides Op



300 N. MARIENFELD STREET, SUITE 1000 MIDLAND, TX 79701

#### **Esky – Chronology of Communication**

February 7, 2024 – Proposal to all parties sent.

February 12, 2024 – Email received from Javelina Partners and Zorro Partners Ltd. requesting information on their interest.

February 29, 2024 - Email received from Ard Energy Group, Ltd. requesting information on their interest.

March 8, 2024 - Email response to Ard Energy Group, Ltd. regarding requested information.

March 14, 2024 - Correction proposal letters sent out.

March 18, 2024 – Email received from Javelina Partners and Zorro Partners Ltd. requesting information on their interest.

March 18, 2024 - Email response to Javelina Partners & Zorro Partners, Ltd. regarding their interest.

March 19, 2024 - Email correspondence with Ard Energy Group, Ltd regarding interest.

April 15, 2024 – R&E, LLC called regarding questions on their interest.

May 30, 2024 - Emailed Javelina Partners & Zorro Partners, Ltd. a draft JOA for their review.

June 4, 2024 – Received Javelina Partners & Zorro Partners, Ltd. signature pages for the JOA.

# APPLICATIONS OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

# CASE NOS. 24533, 24534, 24535, 24536

#### SELF-AFFIRMED STATEMENT OF CHRIS CANTIN

1. I am a geologist with Permian Resources Operating, LLC ("Permian Resources"). 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 New Mexico Oil Conservation Division ("Division") and my credentials as an expert in geology were accepted and made a matter of record.

2. I am familiar with the geological matters that pertain to the above-referenced cases.

3. **Exhibit B-1** is a regional locator map that identifies the Esky project area, in proximity to the Capitan Reef within the Delaware Basin, for the Third Bone Spring horizontal spacing units that are the subject of these applications.

4. **Exhibit B-2** is a cross section location map for the proposed horizontal spacing units ("Units") within the Third Bone Spring interval of the Bone Spring formation. The approximate wellbore paths for the proposed **Esky 17 Fed Com 134H**, **Esky 17 Fed Com 133H**, **Esky 17 Fed Com 132H**, and **Esky 17 Fed Com 131H** wells ("Wells") are represented by dashed redlines. Existing producing wells in the targeted interval are represented by solid lines. This map identifies the cross-section running from A-A' with the cross-section wells name and a black line in proximity to the proposed Wells. The pooling units area is defined by blue boxes and are labeled with their respective case numbers.

Colgate Production, LLC Case No. 24535 Exhibit B 5. Exhibit B-3 is a Subsea Structure map on the Base of the Third Bone Spring formation in TVD subsea with a contour interval of 100 ft. The map identifies the approximate wellbore paths for the proposed Wells with a red dashed line. It also identifies the location of the cross-section running from A-A' in proximity to the proposed Wells. The data points are indicated by pink stars. The map demonstrates the formation is gently dipping to the east-southeast in this area. I do not observe any faulting, pinch-outs, or geologic impediments to developing the targeted

intervals with horizontal wells.

6. **Exhibit B-4** is a stratigraphic cross-section from A to A' using the representative wells identified on Exhibit B-3. It contains at least a gamma ray and porosity logs. The cross section is oriented from west to east and is hung on at the base of the Third Bone Spring. The proposed landing zones for the Wells are labeled on the exhibit. The approximate well-paths for the proposed Wells are indicated by red dashed lines to be drilled from east to west across the units. This cross-section demonstrates the target intervals are continuous across the Unit.

7. **Exhibit B-5** is a gun barrel diagram that shows the proposed Wells in the Third Bone Spring formation. The spacing units are defined by blue dashed boxes and are labeled with their respective case numbers.

8. In my opinion, a laydown orientation for the Wells is appropriate to properly develop the subject acreage because of consistent rock properties throughout the Unit and is the preferred fracture orientation in this portion of the trend.

9. Based on my geologic study of the area, the targeted interval underlying the Unit is suitable for development by horizontal wells and the tracts comprising the Unit will contribute more or less equally to the production of the Wells.

Released to Imaging: 6/21/2024 4:02:14 PM

10. In my opinion, granting the application will serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

11. The exhibits attached hereto were either prepared by me or under my supervision or were compiled from company business records.

I understand this Self-Affirmed Statement will be used as written testimony in this 12. case. I affirm my testimony 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 identified next to my signature below.

Cantin

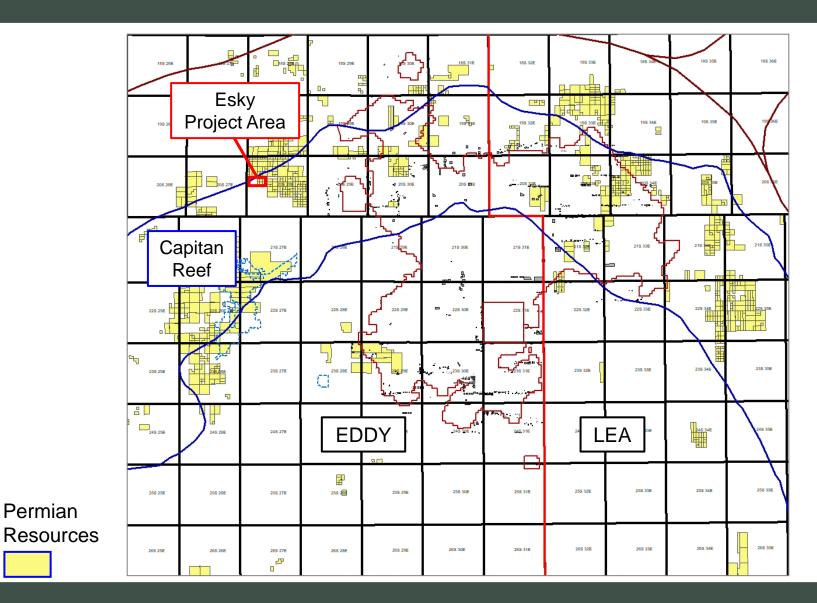
<u>C6/9/2024</u> Date

**Received by OCD: 6/21/2024 8:58:27 AM** 

# Regional Locator Map Esky 17 Fed Com

Colgate Production, LLC Case No. 24535 Exhibit B-1



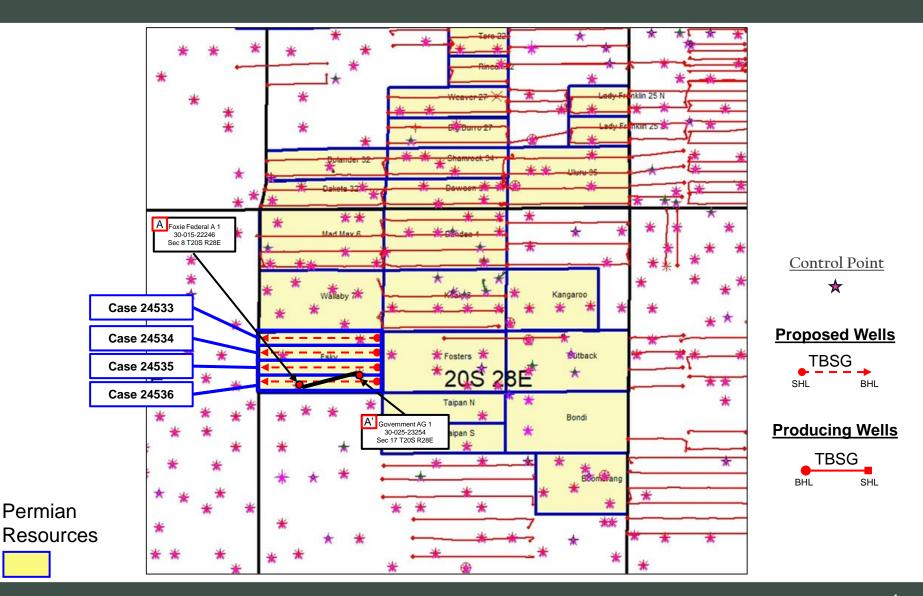


**Cross-Section Locator Map** 

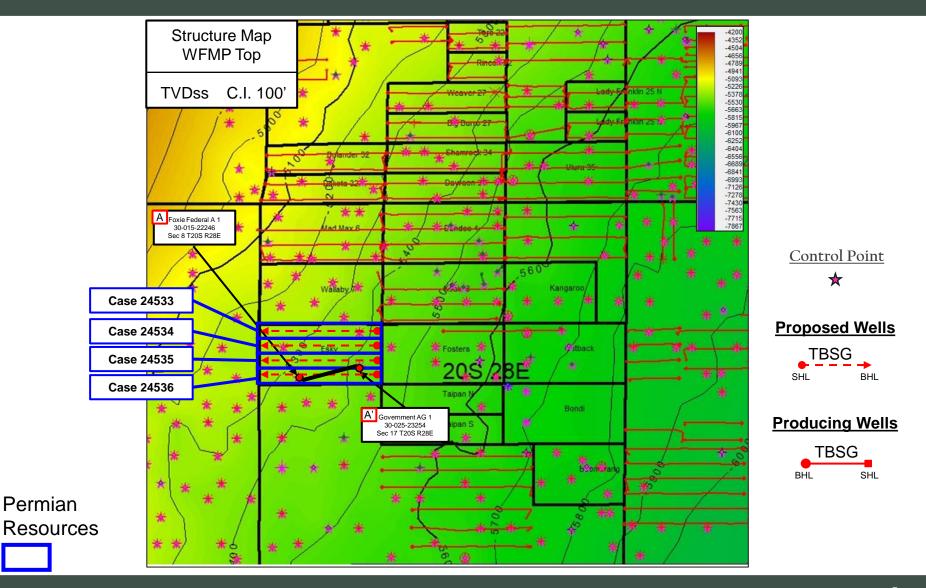
Esky 17 Fed Com Third Bone Spring

Colgate Production, LLC Case No. 24535 Exhibit B-2





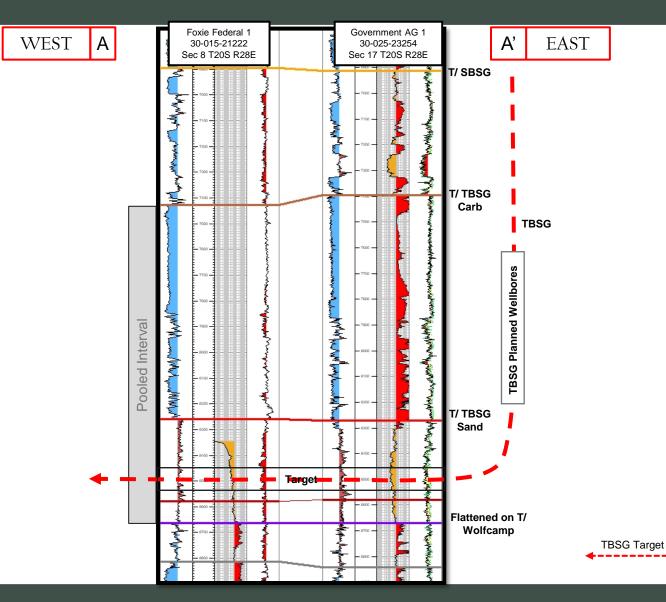
# Wolfcamp (Base of Third Bone Spring) – Structure Map Esky 17 Fed Com 131H, 132H, 133H & 134H



Page 27 of 52

Stratigraphic Cross-Section A-A' Esky 17 Fed Com Third Bone Spring Colgate Production, LLC Case No. 24535 Exhibit B-4

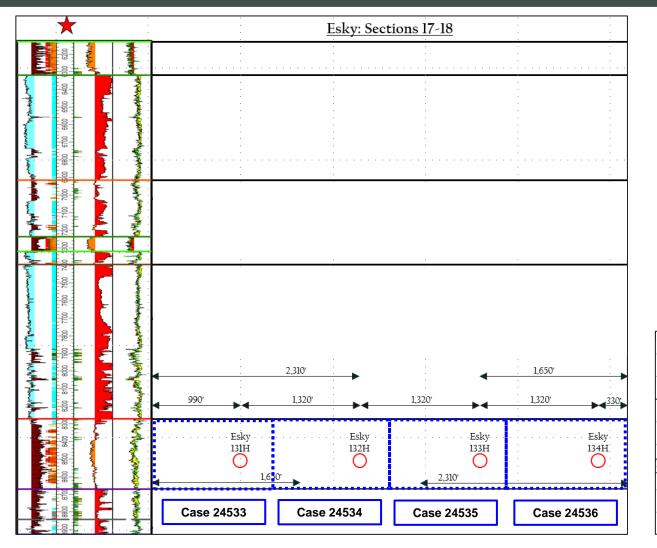




Received by OCD: 6/21/2024 8:58:27 AM

Gun Barrel Development Plan Esky 17 Fed Com Third Bone Spring Colgate Production, LLC Case No. 24535 Exhibit B-5









#### APPLICATIONS OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24529, 23530, 24531, 24532, 24533, 24534, 24535, 24536

#### SELF-AFFIRMED STATEMENT OF DANA S. HARDY

1. I am attorney in fact and authorized representative of Colgate Production, LLC, the Applicant herein and Permian Resources Operating, LLC.

2. I am familiar with the Notice Letter attached as **Exhibit C-1** and caused the Notice Letter, along with the Application in this case, to be sent to the parties set out in the chart attached as **Exhibit C-2**.

3. Exhibit C-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 C-3 as supporting documentation for proof of mailing and the information provided on Exhibit C-2.

5. On June 7, 2024, 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 C-4**.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony 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 <u>June 18, 2024</u> Date

> Colgate Production, LLC Case No. 24535 Exhibit C



# HINKLE SHANOR LLP

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

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

hinklelawfirm.com

June 3, 2024

#### VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

# TO ALL PARTIES ENTITLED TO NOTICE

# Re: Case Nos. 24529 - 24536 – Applications of Colgate Production, LLC for Compulsory Pooling, Eddy County, New Mexico.

To whom it may concern:

This letter is to advise you that the enclosed applications were filed with the New Mexico Oil Conservation Division. The hearing will be conducted on **June 27, 2024**, beginning at 8:15 a.m.

The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, instructions Hearings see the posted the OCD website: on https://www.emnrd.nm.gov/ocd/hearing-info/. 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 The statement must be submitted through the OCD E-Permitting date. system (https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/) or via e-mail 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.

If you have any questions about this application, please contact Ryan Curry, Senior Landman at Permian Resources – (432) 400-0209, ryan.curry@permianres.com.

Sincerely,

Enclosure	<u>/s/ Dana S. Hardy</u> Dana S. Hardy	Colgate Production, LLC Case No. 24535 Exhibit C-1
PO BOX 10	7601 JEFFERSON ST NE · SUITE 180	PO BOX 2068
ROSWELL, NEW MEXICO 88202	ALBUQUERQUE, NEW MEXICO 87109	SANTA FE, NEW MEXICO 87504
(575) 622-6510	505-858-8320	(505) 982-4554
FAX (575) 623-9332	(FAX) 505-858-8321	FAX (505) 982-8623

## APPLICATIONS OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24529 – 24536

#### NOTICE LETTER CHART

NOTICE LETTER SENT	<b>RETURN RECEIVED</b>
06/03/24	Per USPS Tracking
	(Last Checked 06/18/24):
	06/17/24 – Item available
	for pickup at post office.
06/03/24	06/13/24
06/03/24	06/13/24
06/03/24	06/10/24
06/03/24	Per USPS Tracking
	(Last Checked 06/18/24):
	06/17/24 – Item in transit
06/02/24	to next facility.
00/03/24	Per USPS Tracking (Last Checked 06/18/24):
	(Last Checked 00/18/24).
	06/15/24 – Individual
	picked up item at post
	office.
06/03/24	06/13/24
06/03/24	06/07/24
06/03/24	06/10/24
	06/03/24 06/03/24 06/03/24 06/03/24 06/03/24 06/03/24 06/03/24 06/03/24

Colgate Production, LLC Case No. 24535 Exhibit C-2

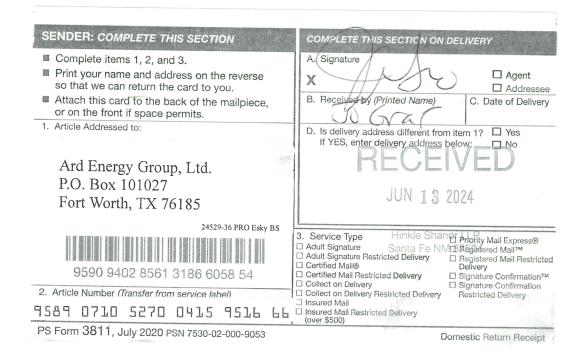
#### APPLICATIONS OF COLGATE PRODUCTION, LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24529 – 24536

#### NOTICE LETTER CHART

Zorro Partners, Ltd	06/03/24	06/10/24
616 Texas Street		
Fort Worth, TX 76102		





Colgate Production, LLC Case No. 24535 Exhibit C-3

#### Received by OCD: 6/21/2024 8:58:27 AM





Domestic Return Receipt

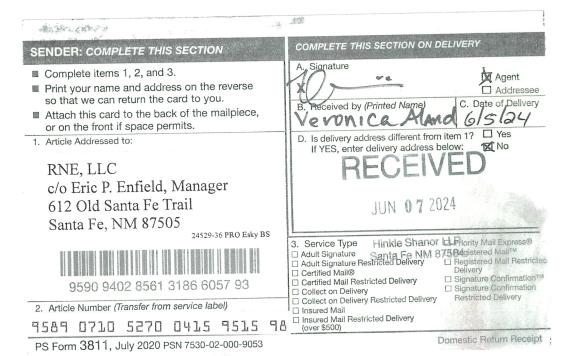




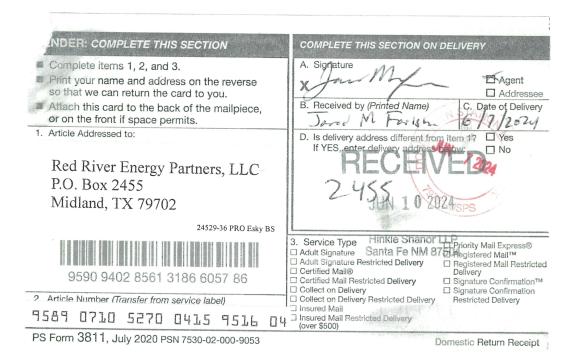
, , , , , , , , , , , , , , , , , , , ,	U.S. Postal Service <sup>™</sup>
97	CERTIFIED MAIL® RECEIPT
	Domestic Mail Only
- -	End diversities whether whether the website of using upper com
27	For delivery information, visit our website at www.usps.com <sup>3</sup> .
œ	OPPICIAL LAL
S	Certified Mail Fee
11	\$
	Extra Services & Fees (check box, add fee as appropriate)
L	Return Receipt (hardcopy) \$
n	Adult Signature Required \$
5270	Adult Signature Restricted Delivery \$
LN,	Return Receipt (electronic)     Certified Mail Restricted Delivery     Adult Signature Required     S     Adult Signature Restricted Delivery     S     O
-	
0770	S Total Postage and Fees
n-	Iotal Postage and Toos
	5
	Sent To
5 -0	Street and Apt. No., or PO Box No. OXY Y-1 Company
S	6 Greenway Plaza Houston, TX 77046
0	City, State, ZIP+4® 24529-36 PRO Esky BS
	PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions
	PS Porm 3800, January 2023 Part 733002-000-904 See neverse for manuactions















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

Domestic Return Receipt :



\*

ALERT: FLOODING AND SEVERE WEATHER IN THE SOUTH, SOUTHEAST, AND CENTRAL U.S. ...

## **USPS Tracking**<sup>®</sup>

FAQs >

Remove X

Feedback

# Tracking Number: 9589071052700415951659

Copy Schedule a Redelivery (https://tools.usps.com/redelivery.htm)

## **Latest Update**

Your item arrived at the SANTA FE, NM 87501 post office at 10:55 am on June 17, 2024 and is ready for pickup. Your item may be picked up at SANTA FE, 120 S FEDERAL PL STE 101, SANTA FE, NM 875019902, M-F 0800-1730; SAT 0900-1530.

## Get More Out of USPS Tracking:

USPS Tracking Plus®

## Available for Pickup Available for Pickup

SANTA FE 120 S FEDERAL PL STE 101 SANTA FE NM 87501-9902 M-F 0800-1730; SAT 0900-1530 June 17, 2024, 10:55 am

## Available for Pickup

SANTA FE 120 S FEDERAL PL STE 101 SANTA FE NM 87501-9902 M-F 0800-1730; SAT 0900-1530 June 17, 2024, 9:38 am

See All Tracking History

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

Text & Email Updates	$\checkmark$
Schedule Redelivery	$\checkmark$
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

.



ALERT: FLOODING AND SEVERE WEATHER IN THE SOUTH, SOUTHEAST, AND CENTRAL U.S. ...

## **USPS Tracking**<sup>®</sup>

FAQs >

Remove X

Feedback

# Tracking Number: 9589071052700415951567

Copy 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>

Moving Through Network In Transit to Next Facility June 17, 2024

Arrived at USPS Regional Facility OKLAHOMA CITY OK DISTRIBUTION CENTER June 16, 2024, 8:33 am

## Addressee Unknown GRAHAM, TX 76450

June 12, 2024, 8:47 am

Reminder to Schedule Redelivery of your item June 11, 2024

Notice Left (No Authorized Recipient Available)

GRAHAM, TX 76450 June 6, 2024, 3:26 pm

## **Out for Delivery**

GRAHAM, TX 76450 June 6, 2024, 8:21 am

June 6, 2024, 8:21 am

Arrived at Post Office GRAHAM, TX 76450 June 6, 2024, 8:10 am

**Departed USPS Regional Facility** FORT WORTH TX DISTRIBUTION CENTER June 5, 2024, 10:24 pm

Arrived at USPS Regional Facility FORT WORTH TX DISTRIBUTION CENTER June 5, 2024, 3:04 pm

## Departed USPS Facility ALBUQUERQUE, NM 87101

June 4, 2024, 8:29 am

## Arrived at USPS Facility

ALBUQUERQUE, NM 87101 June 3, 2024, 11:18 pm

Hide Tracking History

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

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

## **Need More Help?**

Contact USPS Tracking support for further assistance.

FAQs

.

5 74	U.S. Postal Service <sup>™</sup> CERTIFIED MAIL <sup>®</sup> RECEIPT Domestic Mail Only
151	For delivery information, visit our website at www.usps.com <sup>®</sup> .
5270 0415	Certified Mail Fee
9589 0710	S Total Postage and Fees S Sent To Street and Apt. No., or PO Box No. City, State, 2/P+4® PO Esky BS PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

•

ALERT: FLOODING AND SEVERE WEATHER IN THE SOUTH, SOUTHEAST, AND CENTRAL U.S. ...

## **USPS Tracking**<sup>®</sup>

FAQs >

Remove X

# Tracking Number: 9589071052700415951574

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

## Latest Update

Your item was picked up at the post office at 11:10 am on June 15, 2024 in GRAHAM, TX 76450.

## Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

Delivered Delivered, Individual Picked Up at Post Office GRAHAM, TX 76450 June 15, 2024, 11:10 am

Reminder to Schedule Redelivery of your item

June 11, 2024

## Available for Pickup

GRAHAM 100 TENNESSEE ST GRAHAM TX 76450-2243 M-F 0700-1645 June 6, 2024, 8:34 am

## Out for Delivery

GRAHAM, TX 76450 June 6, 2024, 8:21 am

Arrived at Post Office GRAHAM, TX 76450 Feedback

June 6, 2024, 8:10 am

**Departed USPS Regional Facility** FORT WORTH TX DISTRIBUTION CENTER June 5, 2024, 10:24 pm

Arrived at USPS Regional Facility FORT WORTH TX DISTRIBUTION CENTER June 5, 2024, 3:04 pm

Departed USPS Facility ALBUQUERQUE, NM 87101 June 4, 2024, 8:29 am

Arrived at USPS Facility ALBUQUERQUE, NM 87101 June 3, 2024, 11:18 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

.



GANNETT

#### **AFFIDAVIT OF PUBLICATION**

**Everett Holmes** Hinkle Shanor, Llp Pobox 2068 Santa Fe NM 87504

#### STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

#### 06/07/2024

and that the fees charged are legal. Sworn to and subscribed before on 06/07/2024

	forth a	
Legal Clerk		
	Mahleullen	

Notary, State of WI, County of Brown

My commission expires

Publication Cost:	\$123.90	
Tax Amount:	\$9.16	
Payment Cost:	\$133.06	
Order No:	10254117	# of Copies:
Customer No:	1366506	1
PO #:	Case No. 24535	

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

KATHLEEN ALLEN Notary Public State of Wisconsin This is to notify all inter-ested parties, including Alba Production, Inc.; Ard Energy Group, Ltd.; EOG Resources, Inc.; Javelina Partners; North Central Casing Pullers, Inc; OXY Y-1 Company; RNE, LLC; Red River Energy Part-ners, LLC; Jave Jina Utd.; and their successory and the the Bone Spring fr on, from approxin 492' TVD to 8,754' T' own on the State CV well log (API No. 3 Also will be to be the ed will be the cost o illing and completing the ell and the allocation the allocation the designation nian Resource LLC (OGR Permian of Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approxi-mates and approxi-mates and the Well of Well is located approxi-mates and the Well of Well is located approxi-mates and the Well of the Well is located approxi-mates and the Well of the Well is located approxi-mates and the Well of the Well is located approxi-mates and the Well of the Well is located approxi-mates and the Well is located to the Well is located approxi-mates and the Well is located approxi-ter and the Well is located approxi-mates and the Well is located approxi-ter and the Well is located appro

PO Box 631667 Cincinnati, OH 45263-1667

-7-25

**Colgate Production, LLC** Case No. 24535 Exhibit C-4

-