

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

**APPLICATION OF COLGATE PRODUCTION, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS AND POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-23078,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25120  
ORDER NO. R-23078**

**EXHIBIT INDEX**

<b>Exhibit A</b>	<b>Self-Affirmed Statement of Travis Macha</b>
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-23078
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
<b>Exhibit B</b>	<b>Self-Affirmed Statement of Dana S. Hardy</b>
B-1	Sample of Notice Letter Sent January 10, 2025
B-2	Chart of Notice to All Interested Parties
B-3	Copies of Certified Mail Receipts and Returns
B-4	Affidavit of Publication for January 18, 2025

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

**APPLICATION OF COLGATE PRODUCTION, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS AND POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-23078,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25120  
ORDER NO. R-23078**

**SELF-AFFIRMED STATEMENT  
OF TRAVIS MACHA**

1. I am employed by Permian Resources Operating, LLC (“Permian Resources”) as the New Mexico Land Manager. 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 case. Copies of Colgate Production, LLC’s (“Colgate”) application and proposed hearing notice are attached as **Exhibit A-1**.

3. None of the parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit; therefore I do not expect any opposition at hearing.

4. On February 28, 2024, the Division entered Order No. R-23078 (“Order”) in Case No. 24080.

5. The Order pooled uncommitted interests in the Bone Spring formation underlying a 318.59 acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 25, Township 19 South, Range 30 East, and the N/2 N/2 of irregular Section 30, Township 19 South, Range 31 East, Eddy County, New Mexico (“Unit”) and dedicated the Unit to the Mojo 30-

**Colgate Production, LLC  
Case No. 25120  
Exhibit A**

25 Fed Com 111H, Mojo 30-25 Fed Com 121H, and Mojo 30-25 Fed Com 131H wells (“Wells”).

A copy of the Order is attached as **Exhibit A-2**.

6. The Order designated Permian Resources as operator of the Unit and Wells.
7. The Order requires Permian Resources to commence drilling the Wells within one (1) year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown.
8. The spud date for the Wells has been delayed until May 2025 to allow Permian Resources to obtain production results from offset acreage and ensure optimal well spacing.
9. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until February 28, 2026.
10. Good cause exists for the requested extension.
11. Additionally, since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.
12. **Exhibit A-3** provides a plat of the tracts included in the Unit, identifies the interests in each tract, and identifies the additional uncommitted interests to be pooled under the terms of Order No. R-23078, which are highlighted in yellow.
13. **Exhibit A-4** is a sample well proposal letter and AFE that I sent to the additional parties to be pooled under the terms of Order No. R-23078.
14. Applicant has conducted a diligent search of county public records, including phone directories, computer databases, and internet searches, to identify addresses and contact information for each interest owner it seeks to pool.
15. In my opinion, Applicant has made a good-faith effort to reach voluntary joinder as indicated by the chronology of contacts described in **Exhibit A-5**.

16. Applicant requests that the additional uncommitted interests be pooled into the Unit pursuant to the terms of Order No. R-23078.

17. In my opinion, the granting of Colgate's application would protect correlative rights, serve the interests of conservation, and prevent waste.

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

19. 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.



Travis Macha

2.2.2025  
Date

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

**APPLICATION OF COLGATE PRODUCTION, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS AND POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-23078,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25120  
ORDER NO. R-23078**

**APPLICATION**

Colgate Operating, LLC (“Applicant”) files this application with the Oil Conservation Division (“Division”) requesting a one-year extension of time to commence drilling operations and to pool additional interests under Order No. R-23078 (“Order”). In support of this application, Applicant states the following.

1. The Division entered the Order in Case No. 24080 on February 28, 2024.
2. The Order pooled uncommitted interests in the Bone Spring formation underlying a 318.59 acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 25, Township 19 South, Range 30 East, and the N/2 N/2 of irregular Section 30, Township 19 South, Range 31 East, Eddy County, New Mexico (“Unit”) and dedicated the Unit to the Mojo 30-25 Fed Com 111H, Mojo 30-25 Fed Com 121H, and Mojo 30-25 Fed Com 131H wells (“Wells”).
3. The Order designated Permian Resources Operating, LLC (OGRID No. 372165) (“Permian Resources”) as operator of the Unit and Wells.
4. The Order requires Permian Resources to commence drilling the Wells within one (1) year of the date of the Order unless an extension of time is obtained from the Division Director for good cause shown.
5. The spud date for the Wells has been delayed until May 2025 to allow Permian Resources to obtain production results from offset acreage and ensure optimal well spacing.

**Colgate Production, LLC  
Case No. 25120  
Exhibit A-1**

6. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until February 28, 2026.

7. Good cause exists for the requested extension.

8. Additionally, since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.

9. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.

10. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on February 13, 2025, and, after notice and hearing, the Division: (1) extend the deadline to commence drilling the Wells under the Order until February 28, 2026; and (2) pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-23078.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

Dylan M. Villescascas

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

dvillescascas@hinklelawfirm.com

*Attorneys for Colgate Production, LLC and  
Permian Resources Operating, LLC*

**Application of Colgate Production, LLC to Extend Time to Commence Drilling Operations and Pool Additional Interests Under Order No. R-23078, Eddy County, New Mexico.** Colgate Production, LLC (“Applicant”) requests a one-year extension of time to commence drilling operations and to pool additional interests under Order No. R-23078 (“Order”). The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a 318.59 acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 25, Township 19 South, Range 30 East, and the N/2 N/2 of irregular Section 30, Township 19 South, Range 31 East, Eddy County, New Mexico (“Unit”); dedicated the Unit to the Mojo 30-25 Fed Com 111H, Mojo 30-25 Fed Com 121H, and Mojo 30-25 Fed Com 131H wells (“Wells”); and designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Wells. Applicant requests the Division extend the deadline to commence drilling the Wells until February 28, 2026. Additionally, since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 21 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 PRODUCTION, LLC**

**CASE NO. 24080  
ORDER NO. R-23078**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on January 4, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Colgate Production, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. 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 depth(s) and location(s) in the Unit described in Exhibit A.

**Colgate Production, LLC  
Case No. 25120  
Exhibit A-2**

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.

**ORDER**

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. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. 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.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. 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").
24. 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 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."

25. 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.
26. 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 its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
27. 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."
28. 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.
29. 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.

- 30. 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 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.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 30 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. 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.
- 33. 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.
- 34. 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.*
- 35. 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.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
 \_\_\_\_\_  
**DYLAN M. FUGE**  
**DIRECTOR (ACTING)**  
 DMF/hat

**Date:** 2/28/2024

CASE NO. 24080  
 ORDER NO. R-23078

Exhibit A

Received by OCD: 1/2/2024 11:15:40 AM

Page 2 of 58

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 24080</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	January 4, 2024
Applicant	Colgate Production, LLC
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 372165 (Permian Resources Operating, LLC)
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Colgate Production, LLC for Compulsory Pooling, Eddy County, New Mexico.
Entries of Appearance/Intervenors:	EOG Resources, Inc.
Well Family	Mojo
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Hackberry; Bone Spring Pool (Code 29345)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	318.59-acres
Building Blocks:	quarter-quarter
Orientation:	East to West
Description: TRS/County	N/2 N/2 of Section 25, Township 19 South, Range 30 East, and the N/2 N/2 of irregular Section 30, Township 19 South, Range 31 East, Eddy County.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Mojo 30-25 Fed Com 111H (API # ---) 1349' FNL & 981' FEL (Unit H), Section 30, T19S, R31E 660' FNL & 100' FWL (Unit D), Section 25, T19S, R30E Completion Target: Bone Spring (Approx. 7,906' TVD)

Released to Imaging: 1/2/2024 2:24:37 PM

CASE NO. 24080  
ORDER NO. R-23078

Received by OCD: 1/2/2024 11:15:40 AM

Page 3 of 58

Well #2	Mojo 30-25 Fed Com 121H (API # ---) 1350' FNL & 915' FEL (Unit H), Section 30, T19S, R31E 660' FNL & 100' FWL (Unit D), Section 25, T19S, R30E Completion Target: Bone Spring (Approx. 8,905' TVD)
Well #3	Mojo 30-25 Fed Com 131H (API # ---) 1350' FNL & 849' FEL (Unit H), Section 30, T19S, R31E 660' FNL & 100' FWL (Unit D), Section 25, T19S, R30E Completion Target: Bone Spring (Approx. 9,832' TVD)
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000.00
Production Supervision/Month \$	\$1,000.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1, Exhibit C-2, Exhibit C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
<b>Ownership Determination</b>	
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
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
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
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-7
Well Orientation (with rationale)	Exhibit B

Released to Imaging: 1/2/2024 2:24:37 PM

CASE NO. 24080  
ORDER NO. R-23078

Page 6 of 7

Received by OCD: 1/2/2024 11:15:40 AM

Page 4 of 58

Target Formation	Exhibit B
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
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, B-4, B-5
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-6
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Dana S. Hardy
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Dana S. Hardy
<b>Date:</b>	1/1/2024

Released to Imaging: 1/2/2024 2:24:37 PM

CASE NO. 24080  
ORDER NO. R-23078



# Mojo General Information

## Mojo N2N2 Pooling Info

\*Pooled parties highlighted in Yellow – Neither Tandem or Chevron pooled parties own a leasehold interest, their interest is contractual thus only reflected in the capitulation table.

Unit Capitulation	
Owner	WI
Colgate Operating/Production, LLC	57.701120%
Occidental Permian Limited Partnership	7.082306%
Ard Oil	6.293195%
Ellipsis Inc	1.818565%
PBEX LLC	2.283000%
Javelina Partners	2.138354%
Zorro Partners, LTD.	1.151421%
Jusephine T Hudson Trust	0.287857%
Lindys Living Trust	1.727132%
Delmar Hudson Trust	1.727132%
EOG Resources Inc	5.077735%
Tandem Oil Company	0.213707%
Chevron USA Inc	12.498476%
<b>TOTAL</b>	<b>100.000000%</b>

Leasehold Ownership	
Owner	Section 25: NW/4NW/4
Colgate Operating, LLC	100.000000%
Leasehold Ownership	
Owner	Section 25: NE/4NW/4
Colgate Production, LLC	71.315300%
Occidental Permian Limited Partnership	10.758600%
Estate of F. Howard Walsh, Jr.	3.683400%
Lindys Living Trust	3.498200%
Delmar Hudson Lewis Living Trust	3.498200%
Estate of Edward R. Hudson, Jr.	3.748100%
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard	0.583000%
Javelina Partners	0.583000%
Zorro Partners, LTD.	2.332100%

N/2N/2

VC-0758-0000 Section 25	NMNM-06767	NMNM-06814 Section 30
----------------------------	------------	--------------------------

N/2N/2

Section 25	Mojo 30-25 #111H, #121H & #131H	Section 30
------------	---------------------------------	------------

Leasehold Ownership	
Owner	Section 30: N/2N/2
Colgate Production, LLC	47.729103%
EOG Resources, Inc.	20.000000%
Occidental Permian Limited Partnership	14.344800%
Estate of F. Howard Walsh, Jr.	3.683400%
Lindys Living Trust	3.498206%
Delmar Hudson Lewis Living Trust	3.498206%
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard	0.583034%
Javelina Partners	4.331113%
Zorro Partners, LTD.	2.332138%

Leasehold Ownership	
Owner	Section 25: N/2NE/4
Colgate Production, LLC	52.198300%
Occidental Permian Limited Partnership	17.932800%
Estate of F. Howard Walsh, Jr.	6.128000%
Lindys Living Trust	5.831000%
Delmar Hudson Lewis Living Trust	5.831000%
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard	0.971800%
Javelina Partners	7.218800%
Zorro Partners, LTD.	3.887300%

Record Title Owners for Pooling	
Owner	Lease
Estate of Julian Ard	NMNM-06767
Kash Operating LLC	NMNM-06814

**Colgate Production, LLC  
Case No. 25120  
Exhibit A-3**

Please note:

Working Interest: 2/5/2025 1:30:30 PM  
 Released to Imaging: 2/5/2025 1:30:30 PM  
 no longer vested in his estate and Ard Oil is participating, record title remains an issue and must be pooled





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

OFFICE 432.695.4222  
FAX 432.695.4063

January 23, 2024

**Via Certified Mail**

Chevron U.S.A. Inc.  
6301 Deauville Blvd.  
Midland, Texas 79706

**RE: Well Proposals – Mojo 30-25 Fed Com 111H, 121H & 131H Proposal**  
N2N2 of Section 25, T19S-R30E and Section 30, T19S-R31E  
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 three (3) wells, the Mojo 30-25 Federal Com wells at the following approximate locations within Township 19 South, Range 31 East, Eddy Co., NM:

*Please note that the three wells here cover the N2N2 of the aforementioned sections and will be co-developed with the S2N2. Rationale for not proposing the S2N2 wells at this time is due to the fact that they fall under that certain existing joint operating agreement dated August 1, 1973 between Julian Ard, as Operator and Gulf Oil Company, et al as Non-Operators (the North Hackberry Working Interest Unit). If you need more information on this existing Joint Operating Agreement, please do not hesitate to reach out.*

**1. Mojo 30-25 Federal Com 111H**

SHL: 1,349’ FNL & 981’ FEL of Section 30 (or at a legal location within Unit H)  
BHL: 100’ FWL & 660’ FNL of Section 25  
FTP: 100’ FEL & 660’ FNL of Section 30  
LTP: 100’ FWL & 660’ FNL of Section 30  
TVD: Approximately 7,906’  
TMD: Approximately 18,191’  
Target Interval: 1<sup>st</sup> Bone Spring  
Proration Unit: N2N2 of Sections 25 & 30  
Total Cost: See attached AFE

**2. Mojo 30-25 Federal Com 121H**

SHL: 1,350’ FNL & 915’ FEL of Section 30 (or at a legal location within Unit H)  
BHL: 100’ FWL & 660’ FNL of Section 25  
FTP: 100’ FEL & 660’ FNL of Section 30  
LTP: 100’ FWL & 660’ FNL of Section 30  
TVD: Approximately 8,905’  
TMD: Approximately 19,190’  
Target Interval: 2<sup>nd</sup> Bone Spring  
Proration Unit: N2N2 of Sections 25 & 30  
Total Cost: See attached AFE

**Colgate Production, LLC**  
**Case No. 25120**  
**Exhibit A-4**



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

OFFICE 432.695.4222  
FAX 432.695.4063

**3. Mojo 30-25 Federal Com 131H**

SHL: 1,350' FNL & 915' FEL of Section 30 (or at a legal location within Unit H)  
BHL: 100' FWL & 660' FNL of Section 25  
FTP: 100' FEL & 660' FNL of Section 30  
LTP: 100' FWL & 660' FNL of Section 30  
TVD: Approximately 9,832'  
TMD: Approximately 20,117'  
Target Interval: 3<sup>rd</sup> Bone Spring  
Proration Unit: N2N2 of Sections 25 & 30  
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 enclosed. 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 432.400.0188 or by email at mason.maxwell@permianres.com

Respectfully,

Mason Maxwell  
Landman

Enclosures

*ELECTIONS ON PAGE TO FOLLOW.*



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

OFFICE 432.695.4222  
FAX 432.695.4063

**Mojo 30-25 Fed Com Elections:**

<i>Well Elections: (Please indicate your responses in the spaces below)</i>		
<b>Well(s)</b>	<b>Elect to Participate</b>	<b>Elect to <u>NOT</u> Participate</b>
<b>Mojo 30-25 Fed Com 111H</b>		
<b>Mojo 30-25 Fed Com 121H</b>		
<b>Mojo 30-25 Fed Com 131H</b>		

Company Name (If Applicable):

-----

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

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

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



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

OFFICE 432.695.4222  
FAX 432.695.4063

**Participate / Rejection Declaration**

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

**ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE**

DATE:	9.1.23	AFE NO.:	1
WELL NAME:	Mojo 30-25 Federal Com 111H	FIELD:	Hackberry; Bone Spring, NW
LOCATION:	Section 30, T19S-R31E	MD/TVD:	18,191' / 7,906'
COUNTY/STATE:	Eddy Co., NM	LATERAL LENGTH:	10,000'
Permian WI:		DRILLING DAYS:	19.0
GEOLOGIC TARGET:	FBSG	COMPLETION DAYS:	19
REMARKS:	Drill a horizontal FBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	\$ 51,266	-	-	\$ 51,266
2 Location, Surveys & Damages	250,035	15,681	12,063	277,779
4 Freight / Transportation	38,998	36,489	-	75,487
5 Rental - Surface Equipment	102,238	185,401	7,382	295,021
6 Rental - Downhole Equipment	165,326	42,958	-	208,284
7 Rental - Living Quarters	39,992	52,412	-	92,403
10 Directional Drilling, Surveys	338,122	-	-	338,122
11 Drilling	657,836	-	-	657,836
12 Drill Bits	99,733	-	-	99,733
13 Fuel & Power	163,984	649,262	-	813,245
14 Cementing & Float Equip	227,007	-	-	227,007
15 Completion Unit, Swab, CTU	-	-	14,475	14,475
16 Perforating, Wireline, Slickline	-	363,715	21,713	385,427
17 High Pressure Pump Truck	-	106,994	-	106,994
18 Completion Unit, Swab, CTU	-	111,246	-	111,246
20 Mud Circulation System	90,820	-	-	90,820
21 Mud Logging	16,109	-	-	16,109
22 Logging / Formation Evaluation	6,261	7,238	-	13,498
23 Mud & Chemicals	300,667	365,016	-	665,683
24 Water	51,145	591,995	-	643,140
25 Stimulation	-	709,949	-	709,949
26 Stimulation Flowback & Disp	-	123,188	-	123,188
28 Mud / Wastewater Disposal	189,364	53,075	-	242,439
30 Rig Supervision / Engineering	104,534	123,128	5,790	233,451
32 Drlg & Completion Overhead	9,047	-	-	9,047
35 Labor	142,055	60,313	24,125	226,493
54 Proppant	-	1,072,242	-	1,072,242
95 Insurance	10,818	-	-	10,818
97 Contingency	-	21,298	8,555	29,853
99 Plugging & Abandonment	-	-	-	-
<b>TOTAL INTANGIBLES &gt;</b>	<b>3,055,355</b>	<b>4,691,598</b>	<b>94,102</b>	<b>7,841,056</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	\$ 41,498	-	-	\$ 41,498
61 Intermediate Casing	78,891	-	-	78,891
62 Drilling Liner	140,411	-	-	140,411
63 Production Casing	537,994	-	-	537,994
64 Production Liner	-	-	-	-
65 Tubing	-	-	66,344	66,344
66 Wellhead	83,111	-	61,760	144,871
67 Packers, Liner Hangers	12,786	-	9,047	21,833
68 Tanks	-	-	19,903	19,903
69 Production Vessels	-	-	-	-
70 Flow Lines	-	-	15,078	15,078
71 Rod string	-	-	-	-
72 Artificial Lift Equipment	-	-	48,250	48,250
73 Compressor	-	-	51,266	51,266
74 Installation Costs	-	-	-	-
75 Surface Pumps	-	-	6,031	6,031
76 Downhole Pumps	-	-	-	-
77 Measurement & Meter Installation	-	-	25,331	25,331
78 Gas Conditioning / Dehydration	-	-	-	-
79 Interconnecting Facility Piping	-	-	-	-
80 Gathering / Bulk Lines	-	-	-	-
81 Valves, Dumps, Controllers	-	-	-	-
82 Tank / Facility Containment	-	-	-	-
83 Flare Stack	-	-	-	-
84 Electrical / Grounding	-	-	66,344	66,344
85 Communications / SCADA	-	-	-	-
86 Instrumentation / Safety	-	-	-	-
<b>TOTAL TANGIBLES &gt;</b>	<b>894,692</b>	<b>0</b>	<b>369,354</b>	<b>1,264,045</b>
<b>TOTAL COSTS &gt;</b>	<b>3,950,047</b>	<b>4,691,598</b>	<b>463,456</b>	<b>9,105,101</b>

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

Drilling Engineer:	PS
Completions Engineer:	ML
Production Engineer:	TD

**Permian Resources Operating, LLC APPROVAL:**

Co-CEO	_____	Co-CEO	_____	VP - Operations	_____
	WH		JW		CRM
VP - Land & Legal	_____	VP - Geosciences	_____		
	BG		SO		

**NON OPERATING PARTNER APPROVAL:**

Company Name:	_____	Working Interest (%):	_____	Tax ID:	_____
Signed by:	_____	Date:	_____		
Title:	_____	Approval:	<input type="checkbox"/> Yes <input type="checkbox"/> No (mark one)		

The costs on this AFE are estimates only and may not be construed as ceilings on any specific 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 proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.

**Permian Resources Operating, LLC**

300 N. Marienfeld St., Ste. 1000 Midland, TX 79701  
 Phone (432) 695-4222 • Fax (432) 695-4063

**ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE**

DATE:	9.1.23	AFE NO.:	1
WELL NAME:	Mojo 30-25 Federal Com 121H	FIELD:	Hackberry; Bone Spring, NW
LOCATION:	Section 30, T19S-R31E	MD/TVD:	19,190' / 8,905'
COUNTY/STATE:	Eddy Co., NM	LATERAL LENGTH:	10,000'
Permian WI:		DRILLING DAYS:	19.0
GEOLOGIC TARGET:	SBSG	COMPLETION DAYS:	19
REMARKS:	Drill a horizontal SBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	\$ 53,125	-	-	\$ 53,125
2 Location, Surveys & Damages	259,104	16,250	12,500	287,854
4 Freight / Transportation	40,413	37,813	-	78,225
5 Rental - Surface Equipment	105,946	192,125	7,650	305,721
6 Rental - Downhole Equipment	171,323	44,516	-	215,838
7 Rental - Living Quarters	41,442	54,313	-	95,755
10 Directional Drilling, Surveys	350,385	-	-	350,385
11 Drilling	681,696	-	-	681,696
12 Drill Bits	103,350	-	-	103,350
13 Fuel & Power	169,931	672,810	-	842,741
14 Cementing & Float Equip	235,241	-	-	235,241
15 Completion Unit, Swab, CTU	-	-	15,000	15,000
16 Perforating, Wireline, Slickline	-	376,906	22,500	399,406
17 High Pressure Pump Truck	-	110,875	-	110,875
18 Completion Unit, Swab, CTU	-	115,281	-	115,281
20 Mud Circulation System	94,114	-	-	94,114
21 Mud Logging	16,693	-	-	16,693
22 Logging / Formation Evaluation	6,488	7,500	-	13,988
23 Mud & Chemicals	311,572	378,255	-	689,827
24 Water	53,000	613,467	-	666,467
25 Stimulation	-	735,698	-	735,698
26 Stimulation Flowback & Disp	-	127,656	-	127,656
28 Mud / Wastewater Disposal	196,233	55,000	-	251,233
30 Rig Supervision / Engineering	108,325	127,594	6,000	241,919
32 Drlg & Completion Overhead	9,375	-	-	9,375
35 Labor	147,208	62,500	25,000	234,708
54 Proppant	-	1,111,131	-	1,111,131
95 Insurance	11,210	-	-	11,210
97 Contingency	-	22,071	8,865	30,936
99 Plugging & Abandonment	-	-	-	-
<b>TOTAL INTANGIBLES &gt;</b>	<b>3,166,171</b>	<b>4,861,760</b>	<b>97,515</b>	<b>8,125,446</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	\$ 43,003	-	-	\$ 43,003
61 Intermediate Casing	81,753	-	-	81,753
62 Drilling Liner	145,504	-	-	145,504
63 Production Casing	557,507	-	-	557,507
64 Production Liner	-	-	-	-
65 Tubing	-	-	68,750	68,750
66 Wellhead	86,125	-	64,000	150,125
67 Packers, Liner Hangers	13,250	-	9,375	22,625
68 Tanks	-	-	20,625	20,625
69 Production Vessels	-	-	-	-
70 Flow Lines	-	-	15,625	15,625
71 Rod string	-	-	-	-
72 Artificial Lift Equipment	-	-	50,000	50,000
73 Compressor	-	-	53,125	53,125
74 Installation Costs	-	-	-	-
75 Surface Pumps	-	-	6,250	6,250
76 Downhole Pumps	-	-	-	-
77 Measurement & Meter Installation	-	-	26,250	26,250
78 Gas Conditioning / Dehydration	-	-	-	-
79 Interconnecting Facility Piping	-	-	-	-
80 Gathering / Bulk Lines	-	-	-	-
81 Valves, Dumps, Controllers	-	-	-	-
82 Tank / Facility Containment	-	-	-	-
83 Flare Stack	-	-	-	-
84 Electrical / Grounding	-	-	68,750	68,750
85 Communications / SCADA	-	-	-	-
86 Instrumentation / Safety	-	-	-	-
<b>TOTAL TANGIBLES &gt;</b>	<b>927,142</b>	<b>0</b>	<b>382,750</b>	<b>1,309,892</b>
<b>TOTAL COSTS &gt;</b>	<b>3,274,650</b>	<b>3,889,408</b>	<b>384,212</b>	<b>9,435,338</b>

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

Drilling Engineer:	PS
Completions Engineer:	ML
Production Engineer:	TD

**Permian Resources Operating, LLC APPROVAL:**

Co-CEO	_____	Co-CEO	_____	VP - Operations	_____
	WH		JW		CRM
VP - Land & Legal	_____	VP - Geosciences	_____		
	BG		SO		

**NON OPERATING PARTNER APPROVAL:**

Company Name:	_____	Working Interest (%):	_____	Tax ID:	_____
Signed by:	_____	Date:	_____		
Title:	_____	Approval:	<input type="checkbox"/> Yes <input type="checkbox"/> No (mark one)		

The costs on this AFE are estimates only and may not be construed as ceilings on any specific 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 proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.

**Permian Resources Operating, LLC**

300 N. Mariefeld St., Ste. 1000 Midland, TX 79701  
 Phone (432) 695-4222 • Fax (432) 695-4063

**ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE**

DATE:	9.1.23	AFE NO.:	1
WELL NAME:	Mojo 30-25 Federal Com 131H	FIELD:	Hackberry; Bone Spring, NW
LOCATION:	Section 30, T19S-R31E	MD/TVD:	20,117' / 9,832'
COUNTY/STATE:	Eddy Co., NM	LATERAL LENGTH:	10,000'
Permian WI:		DRILLING DAYS:	19.0
GEOLOGIC TARGET:	TBSG	COMPLETION DAYS:	19
REMARKS:	Drill a horizontal TBSG well and complete with 44 stages. AFE includes drilling, completions, flowback and Initial AL install cost		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	\$ 54,854	-	-	\$ 54,854
2 Location, Surveys & Damages	267,538	16,779	12,907	297,223
4 Freight / Transportation	41,728	39,043	-	80,771
5 Rental - Surface Equipment	109,395	198,379	7,899	315,673
6 Rental - Downhole Equipment	176,899	45,965	-	222,864
7 Rental - Living Quarters	42,791	56,080	-	98,871
10 Directional Drilling, Surveys	361,790	-	-	361,790
11 Drilling	703,885	-	-	703,885
12 Drill Bits	106,714	-	-	106,714
13 Fuel & Power	175,463	694,710	-	870,172
14 Cementing & Float Equip	242,898	-	-	242,898
15 Completion Unit, Swab, CTU	-	-	15,488	15,488
16 Perforating, Wireline, Slickline	-	389,175	23,232	412,407
17 High Pressure Pump Truck	-	114,484	-	114,484
18 Completion Unit, Swab, CTU	-	119,034	-	119,034
20 Mud Circulation System	97,177	-	-	97,177
21 Mud Logging	17,236	-	-	17,236
22 Logging / Formation Evaluation	6,699	7,744	-	14,443
23 Mud & Chemicals	321,713	390,567	-	712,280
24 Water	54,725	633,435	-	688,160
25 Stimulation	-	759,645	-	759,645
26 Stimulation Flowback & Disp	-	131,811	-	131,811
28 Mud / Wastewater Disposal	202,620	56,790	-	259,410
30 Rig Supervision / Engineering	111,851	131,747	6,195	249,793
32 Drlg & Completion Overhead	9,680	-	-	9,680
35 Labor	151,999	64,534	25,814	242,347
54 Proppant	-	1,147,298	-	1,147,298
95 Insurance	11,575	-	-	11,575
97 Contingency	-	22,789	9,154	31,943
99 Plugging & Abandonment	-	-	-	-
<b>TOTAL INTANGIBLES &gt;</b>	<b>3,269,230</b>	<b>5,020,010</b>	<b>100,689</b>	<b>8,389,930</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	\$ 44,403	-	-	\$ 44,403
61 Intermediate Casing	84,414	-	-	84,414
62 Drilling Liner	150,240	-	-	150,240
63 Production Casing	575,654	-	-	575,654
64 Production Liner	-	-	-	-
65 Tubing	-	-	70,988	70,988
66 Wellhead	88,928	-	66,083	155,012
67 Packers, Liner Hangers	13,681	-	9,680	23,361
68 Tanks	-	-	21,296	21,296
69 Production Vessels	-	-	-	-
70 Flow Lines	-	-	16,134	16,134
71 Rod string	-	-	-	-
72 Artificial Lift Equipment	-	-	51,628	51,628
73 Compressor	-	-	54,854	54,854
74 Installation Costs	-	-	-	-
75 Surface Pumps	-	-	6,453	6,453
76 Downhole Pumps	-	-	-	-
77 Measurement & Meter Installation	-	-	27,104	27,104
78 Gas Conditioning / Dehydration	-	-	-	-
79 Interconnecting Facility Piping	-	-	-	-
80 Gathering / Bulk Lines	-	-	-	-
81 Valves, Dumps, Controllers	-	-	-	-
82 Tank / Facility Containment	-	-	-	-
83 Flare Stack	-	-	-	-
84 Electrical / Grounding	-	-	70,988	70,988
85 Communications / SCADA	-	-	-	-
86 Instrumentation / Safety	-	-	-	-
<b>TOTAL TANGIBLES &gt;</b>	<b>957,320</b>	<b>0</b>	<b>395,209</b>	<b>1,352,528</b>
<b>TOTAL COSTS &gt;</b>	<b>4,226,550</b>	<b>5,020,010</b>	<b>495,898</b>	<b>9,742,458</b>

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

Drilling Engineer:	PS
Completions Engineer:	ML
Production Engineer:	TD

**Permian Resources Operating, LLC APPROVAL:**

Co-CEO	_____	Co-CEO	_____	VP - Operations	_____
	WH		JW		CRM
VP - Land & Legal	_____	VP - Geosciences	_____		
	BG		SO		

**NON OPERATING PARTNER APPROVAL:**

Company Name:	_____	Working Interest (%):	_____	Tax ID:	_____
Signed by:	_____	Date:	_____		
Title:	_____	Approval:	<input type="checkbox"/> Yes <input type="checkbox"/> No (mark one)		

The costs on this AFE are estimates only and may not be construed as ceilings on any specific 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 proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.



# Mojo Record Title - Contact Chronology

---

December 2024: Communitization Agreements sent to all RT owners  
January 2024: Updated title received – Tandem & Chevron found to own contractual interests  
Proposals mailed to them on 1.23.2024  
February 2024: Mojo Pooling Order issued (R-23078)  
February-July 2024: Spacing Test conversations push Mojo Project back from 2024 spud to May 2025  
August 2024: Correspondence with Kash Operating  
November 2024: Proposal re-sent to Tandem out of abundance of caution, no response received

\*Chevron has yet to engage on these proposals

**Colgate Production, LLC**  
**Case No. 25120**  
**Exhibit A-5**



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

**APPLICATION OF COLGATE PRODUCTION, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS AND POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-23078,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25120  
ORDER NO. R-23078**

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

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

2. I am familiar with the Notice Letter attached as **Exhibit B-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 B-2**.

3. 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 January 18, 2025, 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 this Self-Affirmed Statement will be used as written testimony in the subject 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 handwritten next to my signature below.

/s/ Dana S. Hardy  
Dana S. Hardy

February 5, 2025  
Date

**Colgate Production, LLC  
Case No. 25120  
Exhibit B**



hinklelawfirm.com

# 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

January 10, 2025

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO ALL PARTIES ENTITLED TO NOTICE**

**Re: Case No. 25120 – Application of Colgate Production, LLC to Extend Time to Commence Drilling Operations and Pool Additional Interests Under Order No. R-23078, 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 **February 13, 2025**, beginning at 9:00 a.m.

The hearing will be conducted in a hybrid fashion, both virtually and 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. To participate virtually, see the instructions posted on the OCD Hearings website: <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 date. The statement must be submitted through the OCD E-Permitting system (<https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/>) or via e-mail to [ocd.hearings@emnrd.nm.gov](mailto: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 Travis Macha, Land Manager at Permian Resources Operating, LLC, via e-mail at [Travis.Macha@permianres.com](mailto:Travis.Macha@permianres.com)

Sincerely,

/s/ Dana S. Hardy

Dana S. Hardy

**Colgate Production, LLC**

**Case No. 25120**

**Exhibit B-1**

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

APPLICATION OF COLGATE PRODUCTION, LLC  
TO EXTEND TIME TO COMMENCE DRILLING  
OPERATIONS AND POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-23078,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 25120  
ORDER NO. R-23078

NOTICE LETTER CHART

PARTY	NOTICE LETTER SENT	RETURN RECEIVED
Kash Operating, LLC PO Box 1223 Artesia, NM 88211	1-10-2025 9589071052701502391648	1-16-2025
Estate of Julian Ard 4808 Westridge Ave. Fort Worth, TX 76116	1-10-2025 9589071052701502391655	Forward Expired, Return to Sender
Tandem Oil Company 1543 Corinth Ave., Los Angeles, CA 90025	1-10-2025 9589071052701502391679	In transit to next facility
Chevron 1400 Smith St. Houston, TX 77002	1-10-2025 9589071052701502391662	Delivered 1-17-2025

Colgate Production, LLC  
Case No. 25120  
Exhibit B-2

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)

OFFICIAL USE


JAN 16 2025  
NYC  
Postmark Here

USPS SANTA FE NM

9589 0710 5270 1502 3916 48

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	
\$	
Total Postage and Fees	
\$	
Sent To	
Street or PO Box	Kash Operating LLC PO Box 1223
City, State	Artesia, NM 88211
25120 Colgate - Mojo	

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY												
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature  <input checked="" type="checkbox"/> <i>Robert Rodriguez</i> <span style="float: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</span></p> <p>B. Received by (Printed Name)  <i>Robert Rodriguez</i> <span style="float: right;">C. Date of Delivery</span></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes          If YES, enter delivery address below. <input type="checkbox"/> No</p>												
<p>1. Article Addressed to:</p> <p style="text-align: center;">Kash Operating LLC PO Box 1223 Artesia, NM 88211</p> <p style="text-align: right; font-size: 0.8em;">25120 Colgate - Mojo</p> <div style="text-align: center;">             9590 9402 9022 4122 7760 37         </div>	<div style="border: 2px solid black; padding: 10px; font-size: 2em; font-weight: bold; margin: 0 auto;">RECEIVED</div> <p style="margin: 5px 0 0 0;">JAN 16 2025</p> <p style="font-size: 0.8em; margin: 5px 0 0 0;">HINKLE SHAPIRO LLP Santa Fe NM 87505</p>												
<p>2. Article Number (Transfer from service label)  <b>9589 0710 5270 1502 3916 48</b></p>	<p>3. Service Type <b>Santa Fe NM 87505</b></p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td></td> </tr> </table> <p style="font-size: 0.7em; margin-top: 5px;">Mail Restricted Delivery (0)</p>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Collect on Delivery Restricted Delivery	
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®												
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™												
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery												
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™												
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery												
<input type="checkbox"/> Collect on Delivery Restricted Delivery													
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053 <span style="float: right;">Domestic Return Receipt</span></p>													

**Colgate Production, LLC**  
**Case No. 25120**  
**Exhibit B-3**

9589 0710 5270 1502 3916 55

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee		
\$		
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$	
<input type="checkbox"/> Return Receipt (electronic)	\$	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$	
<input type="checkbox"/> Adult Signature Required	\$	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$	
Postage		
\$		
<b>Total Postage and Fees</b>		
\$		



Sent To	
Street	Estate of Julian Ard 4808 Westridge Ave
City, &	Fort Worth, TX 76116
	25120 Colgate - Mojo

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

ALERT: WINTER STORMS IN THE MIDWEST THROUGH THE NORTHEAST AND WILDFIRES AN...

# USPS Tracking®

FAQs >

Tracking Number:

Remove X

## 9589071052701502391655

Copy

Add to Informed Delivery (<https://informedelivery.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®**

Feedback

### Moving Through Network

**In Transit to Next Facility**

February 4, 2025

### Arrived at USPS Facility

FORT WORTH, TX 76116

February 3, 2025, 11:18 am

### Unclaimed/Being Returned to Sender

FORT WORTH, TX 76116

February 3, 2025, 10:36 am

### Reminder to Schedule Redelivery of your item

January 22, 2025

### Available for Pickup

RIDGLEA

3020 CHERRY LN

FORT WORTH TX 76116-3944

M-F 0830-1700; SAT 0830-1300

9589 0710 5270 1502 3916 79

**U.S. Postal Service™**  
**CERTIFIED MAIL® RECEIPT**  
*Domestic Mail Only*

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Certified Mail Fee \$ \_\_\_\_\_

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____	
<input type="checkbox"/> Return Receipt (electronic)	\$ _____	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____	
<input type="checkbox"/> Adult Signature Required	\$ _____	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____	

Postage \$ \_\_\_\_\_

**Total Postage and Fees** \$ \_\_\_\_\_

Sent To \_\_\_\_\_

Street Tandem Oil Company  
 1543 Corinth Ave.  
 City, S Los Angeles, CA 90025

25120 Colgate - Mojo

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions



ALERT: WINTER STORMS IN THE MIDWEST THROUGH THE NORTHEAST AND WILDFIRES AN...

# USPS Tracking®

FAQs >

Tracking Number:

Remove X

## 9589071052701502391679

Copy

Add to Informed Delivery (<https://informedelivery.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®**

Delivered

Out for Delivery

Preparing for Delivery

#### Moving Through Network

**In Transit to Next Facility**

January 16, 2025

**Arrived at USPS Regional Facility**

LOS ANGELES CA DISTRIBUTION CENTER

January 12, 2025, 9:43 am

**See All Tracking History**

Feedback

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

Text & Email Updates





9589 0710 5270 1502 3916 62

# U.S. Postal Service™ CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

## OFFICIAL USE

Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postage	\$
Total Postage and Fees	\$

Sent To	Chevron
Street or	1400 Smith St.
City, Sta	Houston, TX 77002
	25120 Colgate



ALERT: WINTER STORMS IN THE MIDWEST THROUGH THE NORTHEAST AND WILDFIRES AN...

# USPS Tracking<sup>®</sup>

FAQs >

Tracking Number:

Remove X

## 9589071052701502391662

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

### Latest Update

Your item was delivered to an individual at the address at 2:00 pm on January 17, 2025 in HOUSTON, TX 77002.

Get More Out of USPS Tracking:

USPS Tracking Plus<sup>®</sup>

Feedback

### Delivered

Delivered, Left with Individual

HOUSTON, TX 77002

January 17, 2025, 2:00 pm

[See All Tracking History](#)

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

Text & Email Updates



USPS Tracking Plus<sup>®</sup>



Product Information



See Less ^

Track Another Package



AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS  
PO BOX 507  
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS  
COUNTY OF EDDY }

Account Number: 143  
Ad Number: 30460  
Description: Permian Mojo 25120  
Ad Cost: \$97.73

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

January 18, 2025

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

*Sherry Groves*

\_\_\_\_\_  
Agent

Subscribed to and sworn to me this 18<sup>th</sup> day of January 2025.

*Leanne Kaufenberg*

\_\_\_\_\_  
Leanne Kaufenberg, Notary Public, Redwood County Minnesota

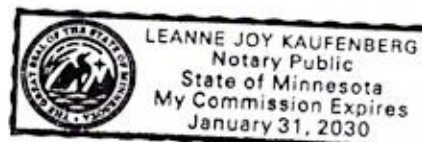
TAMARA CHAVEZ/CARA DOUGLAS  
HINKLE SHANOR LLP  
PO BOX 10  
ROSWELL, NM 88202  
tchavez@hinklelawfirm.com

PUBLIC NOTICE

This is to notify all interested parties, including; Kash Operating, LLC; Estate of Julian Ard; Tandem Oil Company; Chevron; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on the application submitted by Colgate Production, LLC ("Applicant") (Case No. 25120). The hearing will be conducted on February 13, 2025, in a hybrid fashion, both virtually and 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. To participate virtually, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/hearing-info/>. Applicant requests a one-year extension of time to commence drilling operations and to pool additional interests under Order No. R-23078 ("Order"). The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a 318.59 acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Section 25, Township 19 South, Range 30 East, and the N/2 N/2 of irregular Section 30, Township 19 South, Range 31 East, Eddy County, New Mexico ("Unit"); dedicated the Unit to the **Mojo 30-25 Fed Com 111H, Mojo 30-25 Fed Com 121H, and Mojo 30-25 Fed Com 131H** wells ("Wells"); and designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Wells. Applicant requests the Division extend the deadline to commence drilling the Wells until February 28, 2026. Additionally, since the Order was entered, Applicant has identified additional uncommitted interests in the Unit that should be pooled under the terms of the Order. The Wells are located approximately 21 miles northeast of Carlsbad, New Mexico.

Published in the Carlsbad Current-Argus January 18, 2025.

#



Colgate Production, LLC  
Case No. 25120  
Exhibit B-4