

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

**APPLICATION OF COLGATE PRODUCTION,  
LLC TO POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-22842,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25291  
ORDER NO. R-22842**

**EXHIBIT INDEX**

<b>Exhibit A</b>	<b>Self-Affirmed Statement of Ryan Curry</b>
A-1	Application & Proposed Notice of Hearing
A-2	Order No. R-22842
A-3	Plat of Tracts, Tract Ownership, Applicable Lease Numbers, Pooled Parties
A-4	Communitization Agreement
A-5	Chronology of Contact
<b>Exhibit B</b>	<b>Self-Affirmed Statement of Dana S. Hardy</b>
B-1	Notice Letter to Additional Party to be Pooled Sent April 17, 2025
B-2	Postal Delivery Report
B-3	Affidavit of Publication from April 22, 2025

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

APPLICATION OF COLGATE PRODUCTION,  
LLC TO POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-22842,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 25291  
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SELF-AFFIRMED STATEMENT  
OF RYAN CURRY

1. I am a Senior Landman with 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 case. Copies of Colgate’s 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 August 25, 2023, the Division entered Order No. R-22842 (“Order”) in Case No. 23645, which pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Order further dedicated the Unit to the Koala 9 Fed Com 203H and Koala 9 Fed Com 204H wells (“Wells”) and designated Permian Resources (OGRID No. 372165) as operator of the Unit and Wells.

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

Colgate Production, LLC  
Case No. 25291  
Exhibit A

6. Since the Order was entered, Colgate has identified additional uncommitted interests in the Unit that have not been pooled under the terms of the Order.

7. **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 the Order, which are highlighted in yellow.

8. The additional party to be pooled is a record title owner. **Exhibit A-4** is a copy of the communitization agreement that I sent to the additional party to be pooled.

9. Colgate 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.

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

11. Colgate requests the additional uncommitted interested be pooled under the terms of the Order.

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

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

14. 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.

SB Curry  
RYAN CURRY

4/29/25  
Date

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

**APPLICATION OF COLGATE PRODUCTION,  
LLC TO POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-22842,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25291  
ORDER NO. R-22842**

**APPLICATION**

Pursuant to NMSA § 70-2-17, Colgate Production, LLC (“Applicant”) files this application with the Oil Conservation Division (“Division”) for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-22842. Applicant states the following in support of its application.

1. On August 25, 2023, the Division entered Order No. R-22842 (“Order”) in Case No. 23645, which pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Order further dedicated the Unit to the Koala 9 Fed Com 203H and Koala 9 Fed Com 204H wells (“Wells”) and designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Wells.

2. 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.

3. 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.

4. 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.

**Colgate Production, LLC  
Case No. 25291  
Exhibit A-1**

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on May 8, 2025, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22842.

Respectfully submitted,

HARDY McLEAN LLC

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn M. McLean

125 Lincoln Ave., Ste. 223

Santa Fe, NM 87501

Phone: (505) 230-4410

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COUNSEL FOR COLGATE PRODUCTION, LLC AND  
PERMIAN RESOURCES OPERATING, LLC

**Application of Colgate Production, LLC to Pool Additional Interests Under Order No. R-22842, Eddy County, New Mexico.** Colgate Production, LLC (“Applicant”) seeks to pool additional uncommitted interests under the terms of Division Order No. R-22842 (“Order”). The Order: (1) pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico (“Unit”); (2) dedicated the Unit to the Koala 9 Fed Com 203H and Koala 9 Fed Com 204H wells (“Wells”); and (3) designated Permian Resources Operating, LLC (OGRID No. 372165) as operator of the Unit and Wells. 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 12 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. 23645  
ORDER NO. R-22842**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on July 20, 2023, 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. 25291  
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

CASE NO. 23645  
ORDER NO. R-22842

Page 2 of 7

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 29 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 MEUGE**  
**DIRECTOR**  
DMF/hat

**Date:** 8/25/2023

CASE NO. 23645  
ORDER NO. R-22842

Page 4 of 7

Exhibit A

Page 7 of 8

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23645</b>	<b>APPLICANT'S RESPONSE</b>
Date	July 20, 2023
Applicant	Colgate Production, LLC
Designated Operator & OGRID (affiliation if applicable)	Permian Resources Operating, LLC (OGRID No. 372165)
Applicant's Counsel:	Hinkle Shanor LLP
Case Title:	Application of Colgate Production, LLC for Compulsory Pooling, County, New Mexico
Entries of Appearance/Intervenors:	Avant Operating, LLC
Well Family	Koala
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code:	Burton Flat, Wolfcamp, North (Gas) (Code 73520)
Well Location Setback Rules:	Statewide
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640-acres
Building Blocks:	Half Section
Orientation:	West to East
Description: TRS/County	S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico
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	No
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	Koala 9 Fed Com 203H (API # ---) SHL: 1144' FSL & 315' FEL (Unit P), Section 8, T20S, R28E BHL: 2310' FSL & 10' FEL (Unit I), Section 10, T20S, R28E Completion Target: Wolfcamp (8,854' TVD)

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CASE NO. 23645  
ORDER NO. R-22842

Well #2	Koala 9 Fed Com 204H (API # ---) SHL: 1144' FSL & 285' FEL (Unit P), Section 8, T20S, R28E BHL: 990' FSL & 10' FEL (Unit P), Section 10, T20S, R28E Completion Target: Wolfcamp (8,854' 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-11
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-8
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-2

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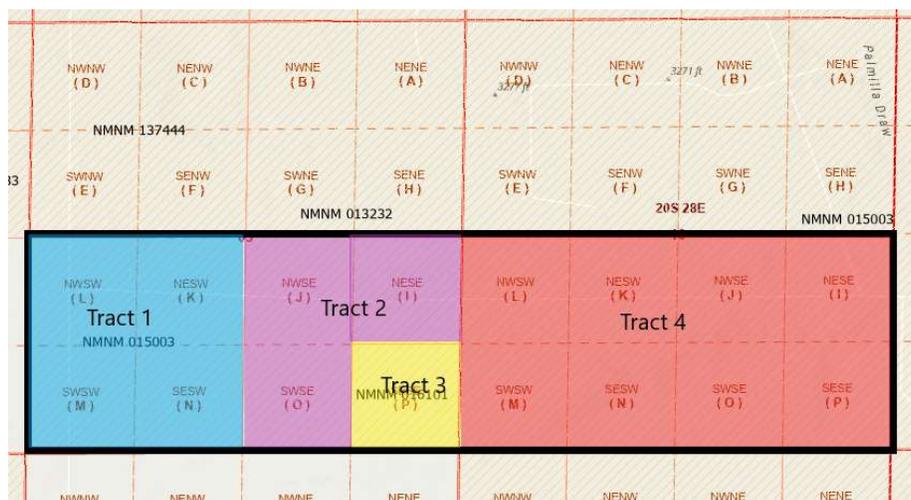
Page 7 of 7

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-8
Structure Contour Map - Subsea Depth	Exhibit B-9
Cross Section Location Map (including wells)	Exhibit B-10
Cross Section (including Landing Zone)	Exhibit B-10
<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>	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	7/21/2023

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CASE NO. 23645  
ORDER NO. R-22842

Koala 9 Fed Com 203H 204H S2 WFCMP				
WI OWNER	TRACT	NET	WI	FORCE POOL INTEREST
Colgate Production, LLC	1, 2, 3, 4	617.209	96.44%	Operator - Permian Resources Operating, LLC
James H. Barnett	2, 3	0.8	0.13%	Previously Pooled
Bonefish, LLC	2, 3	3.2	0.50%	Previously Pooled
Lepakast Properties, LP	2, 3	3.2	0.50%	Previously Pooled
Avant Operating, LLC	2, 3	0.64	0.10%	Previously Pooled
Legion Production Partners, LLC	2, 3	2.24	0.35%	Previously Pooled
Double Cabin Minerals, LLC	2, 3	0.32	0.05%	Previously Pooled
Daniel Energy, Inc.	2, 3	0.8	0.13%	Previously Pooled
Pocahontas Oil Co., Inc.	2, 3	3.2	0.50%	Previously Pooled
Rutter & Wilbanks Corporation	2, 3	3.2	0.50%	Subject to JOA
Shepherd Oil & Gas, LLC	2, 3	0.51	0.08%	Previously Pooled
Charles W. Seltzer Trust	2, 3	0.51	0.08%	Previously Pooled
Davoil, Inc.	2, 3	0.912	0.14%	Previously Pooled
Devon Energy Production Company, LP	2, 3	1.24929	0.20%	Previously Pooled
Energen Resources Corporation	2, 3	0.3549	0.06%	Previously Pooled
Great Western Drilling Ltd.	2, 3	1.6552	0.26%	Previously Pooled
		640.00	100.00%	



LESSEE OF RECORD	FORCE POOL	TRACT
Chi Energy, Inc.	Previously Pooled	2
Dexter Resources	Previously Pooled	2
NRM 84-D INCOME LTD	Previously Pooled	2
NRM Operating Co	Previously Pooled	3
Burton Flat Investors Ltd.	Yes	2

**OVERRIDING ROYALTY INTERESTS**

Elizabeth S. Shelton Living Trust

Prescott A. Sherman Grandchildren's Trust f/b/o  
Cristina Elizabeth Shelton

Prescott A. Sherman Grandchildren's Trust f/b/o  
Amy Shelton Murrell

**Colgate Production, LLC**  
**Case No. 25291**  
**Exhibit A-3**

Katherine A. Swaney

Chi Energy, Inc.

Elise A. Lambuth

Estate of Katherine E. Carlisle

Eloise R. Carlisle, Estate

Anna E. Alford

Frances K. Alford

Adam C. Swaney

Ann E. Lambuth

James B. Lambuth

John Warner Alford

John A. Lambuth

Emily A. Carlisle

Gene H. Davis

Chi Energy, Inc. f/b/o Chi Royalty Pool

The Wright NM Partners, LP

V. W. Adams and wife, Joan Adams

Estate of Benjamin I. Cooksey

Estate of Suzanne Mitchell

Russell C. Williams

Robert J. Behme

Fred A. Sullivan

Colburn Oil, LP

Anthracite Energy Partners, LLC

Tailwag Resources, LLC

Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of October, 2023, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantagesto the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as “communitized area”) are described as follows:

Township 20 South, Range 28 East:  
 Section 9: S2  
 Section 10: S2  
 Eddy County, New Mexico

Containing **640.00** acres, and this agreement shall include only the Wolfcamp formation underlying said lands and the associated gaseous hydrocarbons hereafter referred to as “communitized substances,” producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit “A”, a plat designating the communitized area and, Exhibit “B”, designating theoperator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, andthe authorization, if any, for communitizing or pooling any patented or fee landswithin the communitized area.

**Colgate Production, LLC**  
**Case No. 25291**  
**Exhibit A-4**

3. The Operator of the communitized area shall be Permian Resources Operating, LLC, whose address is 300 N. Marienfeld Street, Suite 1000, Midland, Texas 79701. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator maybe designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8<sup>th</sup> or 12 1/2 percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were released, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining 7/8<sup>th</sup> should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and

obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is October 1, 2023, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying

quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2- year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.



LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**COLGATE PRODUCTION, LLC**  
(Lessee of Record – NMNM-16101, NMNM-15003)  
(Operating Rights Owner – All Tracts)

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

By: \_\_\_\_\_  
Patrick Godwin, Vice President of Land

**ACKNOWLEDGEMENT**

STATE OF TEXAS )  
 ) ss.  
COUNTY OF MIDLAND )

On this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, before me, a Notary Public for the State of Texas, personally appeared Patrick Godwin, known to me to be the Vice President of Land of Colgate Production, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**BURTON FLAT INVESTORS, LTD.**  
(Lessee of Record NMNM-13232)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**CHI ENERGY INC.**  
(Lessee of Record NMNM-13232)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**NRM 84-D INCOME LTD.**  
(Lessee of Record NMNM-13232)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**John R. Seay**  
(Lessee of Record NMNM-13232)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**Dexter Resources Company**  
(Lessee of Record NMNM-16101)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**NRM Operating Company LP**  
(Lessee of Record NMNM-16101)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

LESSEES OF RECORD AND OPERATING RIGHTS OWNERS

**Stelaron Inc.**  
(Lessee of Record NMNM-16101)

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

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

Title: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
Notary Public

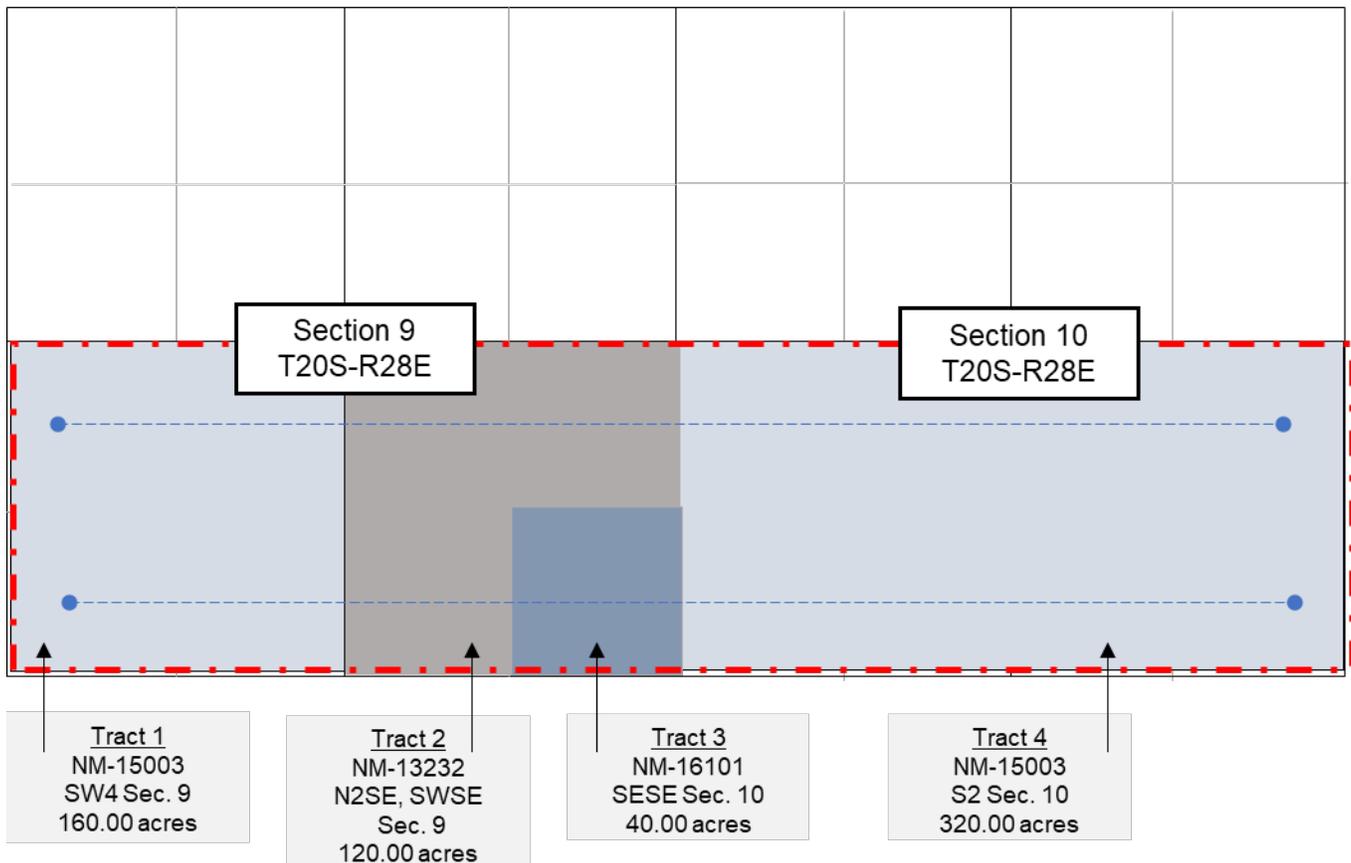
\_\_\_\_\_  
My commission expires

**EXHIBIT "A"**

Plat of communitized area covering **640.00** acres in S2 of Section 9 and 10, T20S-R28E, Eddy County, New Mexico, as written in Section 1 above.

Well Name/No.

**Koala 9 Fed Com  
S2 – Wolfcamp**



**EXHIBIT “B”**

To Communitization Agreement Dated October 1, 2023, embracing the following described land in S2 of Section 9 and 10, T20S-R28E, Eddy County, New Mexico, as written in Section 1 above.

Operator of Communitized Area: **PERMIAN RESOURCES OPERATING, LLC**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-15003

Description of Lands Committed: Township 20 South, Range 28 East, N.M.P.M., Section 9: SW/4

Number of Acres: 160.00

Current Lessee(s) of Record: Colgate Production, LLC

Name of Operating Rights Owners: Colgate Production, LLC

Tract No. 2

Lease Serial Number: NMNM-13232

Description of Lands Committed: Township 20 South, Range 28 East, N.M.P.M., Section 9: N/2SE, SW/4SE/4

Number of Acres: 120.00

Current Lessee(s) of Record: Burton Flat Investments  
Chi Energy Inc.  
NRM 84-D Income Ltd.  
John R. Seay

Name of Operating Rights Owners: Colgate Production, LLC

Tract No. 3

Lease Serial Number: NMNM-16101

Description of Lands Committed: Township 20 South, Range 28 East, N.M.P.M., Section 10: SE/4SE/4

Number of Acres: 40.00

Current Lessee(s) of Record: Dexter Resources Company  
NRM Operating Company, LP  
Stelaron, Inc.

Name of Operating Rights Owners: Colgate Production, LLC

Tract No. 4

Lease Serial Number: NMNM-15003

Description of Lands Committed: Township 20 South, Range 28 East, N.M.P.M.,  
Section 10: S/2

Number of Acres: 320.00

Current Lessee(s) of Record: Colgate Production, LLC

Name of Operating Rights Owners: Colgate Production, LLC

**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	160.00	25.0000%
2	120.00	18.7500%
3	40.00	6.2500%
4	320.00	50.0000%
<b>Total</b>	<b>640.00</b>	<b>100.00%</b>



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

OFFICE 432.695.4222  
FAX 432.695.4063

**Koala – Chronology of Communication**

Date	Summary
7/25/2023	Koala Comm Agmts sent via certified mail to Burton Flat Investors, Ltd.
11/14/2023	Mailed and resent comm agreements for execution
10/11/2024	Koala Comm Agmts sent via certified mail to Burton Flat Investors, Ltd.
10/16/2024	Submitted Comm Agmts to BLM with cover letter explaining we would make continued attempts to secure Burton Flat Investor’s signatures as RTO
2/12/2025	Mailed and resent comm agreements for execution

Colgate Production, LLC  
Case No. 25291  
Exhibit A-5

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

**APPLICATION OF COLGATE PRODUCTION,  
LLC TO POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-22838,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25290  
ORDER NO. R-22838**

**APPLICATION OF COLGATE PRODUCTION,  
LLC TO POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-22842,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25291  
ORDER NO. R-22842**

**APPLICATION OF COLGATE PRODUCTION,  
LLC TO POOL ADDITIONAL INTERESTS  
UNDER ORDER NO. R-22840,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25293  
ORDER NO. R-22840**

**SELF-AFFIRMED STATEMENT  
OF JACLYN M. MCLEAN**

1. I am attorney in fact and authorized representative of Colgate Production, LLC (“Colgate”) 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 party listed in the Postal Delivery Report attached as **Exhibit B-2**.
3. Exhibit B-2 also provides the date the Notice Letter was sent, along with the delivery status of the letter. While this letter was never received by the one additional party to be pooled, Colgate affected public notice in a timely manner.
4. On April 22, 2025, I caused a notice to be published 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-3**.
5. 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

**Colgate Production, LLC  
Case No. 25291  
Exhibit B**

handwritten next to my signature below.

/s/Jaclyn M. McLean  
Jaclyn M. McLean

April 30, 2025  
Date



April 17, 2025

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

**TO: ALL PARTIES ENTITLED TO NOTICE**

**Re: Case Nos. 25290 - 25295 – Applications of Colgate Production, LLC to Pool Additional Interests Under Order Nos. R-22838, R-22842, R-22841, R-22840, R-22839, and R-22837 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 **May 8, 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 Ryan Curry, Landman at Permian Resources Operating, LLC, via e-mail at [ryan.curry@permianres.com](mailto:ryan.curry@permianres.com).

---

125 Lincoln Avenue, Suite 223  
Santa Fe, NM 87501  
505-230-4410

HardyMcClean.com

**Writer:**  
Jaclyn M. McClean  
Managing Partner  
[jmcclean@hardymcclean.com](mailto:jmcclean@hardymcclean.com)

**Colgate Production, LLC**  
**Case No. 25291**  
**Exhibit B-1**

Hardy McLean LLC  
April 17, 2025

Page 2

Enclosure

Sincerely,

/s/ Jaclyn M. McLean  
Jaclyn M. McLean

## Postal Delivery Report

Permian Resources -Koala 9 Fed Com Case Numbers 25290,25291,25293

<b>Recipient</b>	<b>Mailed</b>	<b>USPS Tracking Number</b>	<b>Date Delivered</b>	<b>Delivery Status</b>
Burton Flat Investors	4/15/2025	94148362085512814	In Transit	Not Received

**Colgate Production, LLC**  
**Case No. 25291**  
**Exhibit B-2**

AFFIDAVIT OF PUBLICATION

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

STATE OF NEW MEXICO } SS  
COUNTY OF EDDY }

Account Number: 1491  
Ad Number: 44240  
Description: Permian Koala 25290-25295  
Ad Cost: \$156.37

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:

April 22, 2025

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

SIGNED:

*Sherry Groves*

Agent

Subscribed to and sworn to me this 22<sup>th</sup> day of April 2025.

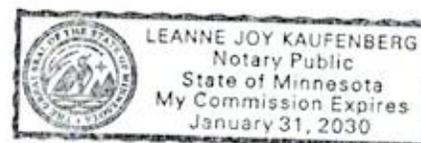
*Leanne Kaufenberg*

Leanne Kaufenberg, Notary Public, Redwood County Minnesota

This is to notify all interested parties, including: Burton Flat Investors Ltd.; and their successors and assigns; that the New Mexico Oil Conservation Division will conduct a hearing on the applications submitted by Colgate Production, LLC. (Case Nos. 25290, 25291, 25292, 25293, 25294, & 25295). The hearing will be conducted on May 8, 2025, in a hybrid fashion, both virtually and in person at the Energy, Minerals, Natural Resources Department, 1st Floor, Santa Fe, NM 87505. To participate virtually, see the instructions posted on the OCD website: <https://www.emnrd.nm.gov/oed/hearing-info/>. In Case No. 25290, Colgate Production, LLC ("Applicant") seeks to pool additional uncommitted interests under the terms of Division Order No. R-22838. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard horizontal spacing unit comprised of the N/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 113H, Koala 9 Fed Com 123H, and Koala 9 Fed Com 133H wells; and (3) designated Permian Resources Operating, LLC ("Permian Resources") (OGRM No. 372165) as operator of the Unit and Wells. In Case No. 25291, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22842. The Order: (1) pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 203H and Koala 9 Fed Com 204H wells; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25292, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22841. The Order: (1) pooled uncommitted interests in the Wolfcamp formation underlying a standard, horizontal spacing unit comprised of the N/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 201H and Koala 9 Fed Com 202H wells; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25293, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22840. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 S/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to Koala 9 Fed Com 114H, Koala 9 Fed Com 124H, and Koala 9 Fed Com 134H; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25294, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22839. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the S/2 N/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 112H, Koala 9 Fed Com 122H, and Koala 9 Fed Com 132H wells; and (3) designated Permian Resources as operator of the Unit and Wells. In Case No. 25295, Applicant seeks to pool additional uncommitted interests under the terms of Division Order No. R-22837. The Order: (1) pooled uncommitted interests in the Bone Spring formation underlying a standard, horizontal spacing unit comprised of the N/2 N/2 of Sections 9 and 10, Township 20 South, Range 28 East, Eddy County, New Mexico; (2) dedicated the Unit to the Koala 9 Fed Com 111H, Koala 9 Fed Com 121H, and Koala 9 Fed Com 131H wells; and (3) designated Permian Resources as operator of the Unit and Wells. Since the Orders were entered, Applicant has identified additional uncommitted interests in the Units that should be pooled under the terms of the Orders. The Wells are located approximately 12 miles northeast of Carlsbad, New Mexico.

Published in the Carlsbad Current-Argus April 22, 2025.  
#44240

CARA DOUGLAS  
HARDY MCLEAN LLC  
125 LINCOLN AVE. SUITE 223  
SANTA FE, NM 87501  
cdouglas@hardymclean.com



Colgate Production, LLC  
Case No. 25291  
Exhibit B-3