

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

**APPLICATION OF COLGATE OPERATING, LLC
FOR COMPULSORY POOLING, AND NON-
STANDARD SPACING AND PRORATION UNIT IN
EDDY COUNTY, NEW MEXICO**

Case No. 21239

PREHEARING STATEMENT

EOG Resources, Inc., (“EOG”), made a prior Entry of Appearance in the above-referenced case and submits the following Prehearing Statement pursuant to the rules of the Oil Conservation Division (“Division”).

APPEARANCES

AFFECTED PERSON/PARTY

EOG Resources, Inc.

ATTORNEY

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EOG’S STATEMENT OF CASE

In Case No. 21239, Colgate Operating, LLC, (“Colgate”) has applied for an order pooling all mineral interests within the Bone Spring Formation, underlying the N/2 of Sections 27 and 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico, and seeks to dedicate the Weaver 27 State Com 121H Well; the Weaver State Com 122H Well; the Weaver 27 State Com 131H; and the Weaver 27 State Com 132H Well to the proposed horizontal spacing unit underlying said lands.

EOG requests that the special payment provision provided in Exhibit 1, attached, be included in any order issued in this case. A copy of this provision has been provided to Colgate for their review and consideration.

EOG’S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Laci Stretcher - Landman	Approx. 5	Approx. 1

PROCEDURAL MATTERS

EOG does not oppose Colgate’s application, providing that Applicant and EOG are agreeable to the terms of the provision in Exhibit 1. Furthermore, EOG does not anticipate the need for witness testimony, providing that the terms of said provision are agreed to. Since hearings are conducted virtually by computer under current public health emergency conditions,

we request from Applicant when available prior to the hearing a copy of the hearing packet that will be submitted to the Division.

Respectfully Submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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EOG'S EXHIBIT 1:

Special payment provision provided by EOG Resources, Inc. ("EOG") requested to be included in any order issued in Case No. 21239:

Applicant grants EOG Resources the ability to sequentially elect to pay its share of costs for each proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of each well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each well.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

EOG Exhibit No. 1

Submitted by: EOG Resources, Inc.

Hearing Date: May 14, 2020

Case No. 21239

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on May 6, 2020:

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/s/ Darin C. Savage

Darin C. Savage