APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21438, EDDY COUNTY, NEW MEXICO

APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21439, EDDY COUNTY, NEW MEXICO

CASE NO. 21947 ORDER NO. R-21438 (Re-Open)

CASE NO. 21948 ORDER NO. R-21439 (Re-Open)

Examiner Docket: June 3, 2021

#### **COLGATE EXHIBITS**

Big Burro 27 State Com 123H Big Burro 27 State Com 133H Big Burro 27 State Com 124H Big Burro 27 State Com 134H



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Big Burro 27 State Com 123H Big Burro 27 State Com 133H Big Burro 27 State Com 124H Big Burro 27 State Com 134H

Exhibit A Self-Affirmed Declaration of Mark Hajdik

> Application for Case No. 21947 A-1

> A-2 Application for Case No. 21948

A-3 Order No. R-21438 Order No. R-21439 A-4

Exhibit B Affidavit of Lance D. Hough

Hearing Notice B-1

B-2 Certified Mail Log / Notice May 12, 2021

Certified Mail Log / Report June 1, 2021

B-3 Affidavit of Publication

APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21438, EDDY COUNTY, NEW MEXICO

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#### SELF-AFFIRMED DECLARATION OF MARK HAJDIK

STATE OF TEXAS	)
	) ss
COUNTY OF MIDLAND	)

Mark Hajdik declares and affirms, under penalty of perjury, as follows:

- 1. I am a landman for Colgate Operating, LLC ("Colgate"), over the age of 18 and have personal knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division as an expert in petroleum land matters and my credentials were accepted and made part of the record in those proceedings.
- 2. I am familiar with the applications filed by Colgate in the above-referenced cases and the land matters involved. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced compulsory pooling applications filed by Colgate, which are attached hereto as **Exhibits A.1** through **A.2**.
- 3. In Case No. 21947, Colgate seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21438 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21438 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within two 320-acre Bone Spring horizontal spacing unit comprised of the N/2 S/2 of Section 27

and N/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New

Mexico (designated to the Big Burro 27 State Com 123H and Big Burro 27 State Com 133H

wells). The Order requires commencement of drilling the wells within one year of the date of the

Order unless Colgate obtains an extension by an amendment of this Order for good cause shown.

Order No. R-21438 is attached hereto as Exhibit A.3.

4. In Case No. 21948, Colgate seeks an order from the Oil Conservation Division for

the limited purposes of amending Order No. R-21439 to allow for a one-year extension of time to

commence drilling the wells under the Order. The Division issued Order No. R-21439 on August

24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners

within a 320-acre Bone Spring horizontal spacing unit comprised of the S/2 S/2 of Section 27 and

S/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico

(designated to the Big Burro 27 State Com 124H and Big Burro 27 State Com 134H wells).

The Order requires commencement of drilling the wells within one year of the date of the Order

unless Colgate obtains an extension by an amendment of this Order for good cause shown. Order

No. R-21439 is attached hereto as Exhibit A.4.

5. Good cause exists for Colgate's requests for extensions of time because, due to

recent market conditions and limitations from the COVID-19 pandemic, Colgate has had to adjust

its drilling schedule for this development.

Colgate requests that the deadline to commence drilling the wells under the Orders 6.

be extended for a year as follows:

Order R-21438: from August 24, 2021 to August 24, 2022

Order R-21439: from August 24, 2021 to August 24, 2022

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- 7. No opposition is expected. Colgate, through its counsel, provided all working interest owners, any unleased mineral owners, and overriding royalty owners with notice of these applications. No parties have entered an appearance in opposition to these cases.
  - 8. Colgate is in good standing under the statewide rules and regulations.
- 9. Based upon my knowledge of the land matters involved in these cases, education and training, it is my expert opinion that the granting of Colgate's application in these cases is in the interests of conservation and the prevention of waste.
- 10. The attachments to my declaration were prepared by me or compiled from company business records.
- Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

Date: 5 25 7

Mark Hajdik

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

APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21438, EDDY COUNTY, NEW MEXICO CASE NO. 21947 ORDER NO. R-21438 (Re-Open)

#### **APPLICATION**

Colgate Operating LLC ("Colgate"), OGRID Number 371449, through its undersigned attorney, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-21438 ("the Order") to allow for an extension of time for drilling the well under the Order. In support of this application, Colgate states as follows:

- 1. The Division heard Case No. 21078 on August 14, 2020 and entered the Order on August 24, 2020.
- 2. The Order designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 S/2 of Section 27 and N/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Big Burro 27 State Com 123H** and **Big Burro 27 State Com 133H** wells).
- 3. Paragraph 19 of the Order states: "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." Paragraph 20 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown."
- 4. Under the Order, Colgate would be required to commence drilling the well August 24, 2021.

- 5. Colgate requests that the Order be re-opened and amended to allow Colgate an additional year to commence drilling the well under the Order.
- 6. Colgate requests this extension because there have been changes in Colgate's drilling schedule due to the COVID-19 pandemic and recent market conditions.
  - 7. Good cause exists for Colgate's request for an extension of time.
- 8. Colgate asks that the deadline to commence drilling the well be extended for a year from August 24, 2021 to August 24, 2022.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21438 to extend the time for Colgate to commence drilling the well under the Order for a year, through August 24, 2022.

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:

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Attorneys for Applicant

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21438, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21438 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21438 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within two 320-acre Bone Spring horizontal spacing unit comprised of the N/2 S/2 of Section 27 and N/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the Big Burro 27 State Com 123H and Big Burro 27 State Com 133H wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

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

APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21439, EDDY COUNTY, NEW MEXICO CASE NO. 21948 ORDER NO. R-21439 (Re-Open)

#### **APPLICATION**

Colgate Operating LLC ("Colgate"), OGRID Number 371449, through its undersigned attorney, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-21439 ("the Order") to allow for an extension of time for drilling the well under the Order. In support of this application, Colgate states as follows:

- 1. The Division heard Case No. 21079 on August 14, 2020 and entered the Order on August 24, 2020.
- 2. The Order designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 S/2 of Section 27 and S/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Big Burro 27 State Com 124H** and **Big Burro 27 State Com 134H** wells).
- 3. Paragraph 19 of the Order states: "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." Paragraph 20 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown."
- 4. Under the Order, Colgate would be required to commence drilling the well August 24, 2021.



- 5. Colgate requests that the Order be re-opened and amended to allow Colgate an additional year to commence drilling the well under the Order.
- 6. Colgate requests this extension because there have been changes in Colgate's drilling schedule due to the COVID-19 pandemic and recent market conditions.
  - 7. Good cause exists for Colgate's request for an extension of time.
- 8. Colgate asks that the deadline to commence drilling the well be extended for a year from August 24, 2021 to August 24, 2022.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21439 to extend the time for Colgate to commence drilling the well under the Order for a year, through August 24, 2022.

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

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Attorneys for Applicant

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21439, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21439 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21439 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre Bone Spring horizontal spacing unit comprised of the S/2 S/2 of Section 27 and S/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the Big Burro 27 State Com 124H and Big Burro 27 State Com 134H wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

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

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

CASE NO. 21078 ORDER NO. R-21438

#### ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on August 14, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### FINDINGS OF FACT

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

#### **CONCLUSIONS OF LAW**

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.



- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

#### **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. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").

- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/kms Date: 8/24/2020

#### Exhibit "A"

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGN	NED AFFIDAVITS
Case: 21078-21079	Applicant's Response
Date: August 12, 2020	
Applicant	Colgate Operating LLC
Designated Operator & DGRID (affiliation if applicable)	371449
Applicant's Counsel	Ernest L. Padilla
Cade Title:	Application of Colgate Operating, LLC for compulsory pooling, Eddy County, New Mexico OCD Cases 21078-21079
Entries of Appearance/Intervenors	Candace Callahan/Apache Corporation Darin Savage/EOG Resources, Inc.
Well Family	Big Burro 27 State Com
Formation/Pool	
Formation Name (s) or Verticle Extent	Winchester-Bone Spring
Primary Product (Oil or Gas)	oil
Pooling this verticle extent	Bone Spring Formation
Pool Name and Pool Code	Winchester-Bone Spring, Pool Code 65010
Well Location Setback Rules	Standard
Spacing Unit Size	320
Specing Unit	man ment and the Array of the least term to be a real part of the
ype (Horizontal/Verticle)	Horizontal
Size (acres)	320
Building Blocks	quarter-quarter sections
Orientation	East to West
Description: TRS/County	N/2 S/2 of Section 27 & N/2 S/2 of Section 28, Eddy County, NM
Description: TRS/County	S/2 S/2 of Section 27 & S/2 S/2 of Section 28, Eddy County, NM
Standard Horizontal Well Spacing Unit	Yes
Other Situations	
De pth Severance: No	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: If yes, description	No
Applicant's Ownership in Each Tract	Ex. A Ex. 9 pg: 128-129
Well(s)  Name & API (IF assigned), surface and bottom hole location	
	Well is horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 27, Township 19 South, Range 28 East, MMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,500° to the Bone Spring formation.
	Big Burro 27 State Com 133H  Well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an Intended bottom hole location in the NW/4 SW/4 (Unit I) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600' to the Bone Spring formation.  Big Burro 27 State Com 124H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and intended bottom hole location in the SW/4 SW/4 (Unit N) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole supproximately 7,500' to the Bone Spring formation.  Big Burro 27 State Com 134H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East,
ompletion Target (Formation, TVD and MD) FE Capes and Operating Costs	Big Burro 27 State Com 133H  Well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600' to the Bone Spring formation.  Big Burro 27 State Com 124H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and intended bottom hole location in the SW/4 SW/4 (Unit IV) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,500' to the Bone Spring formation.  Big Burro 27 State Com 134H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600' to the Bone Spring formation.  Exhibit A AFE's PBS, 147-150  Identify the Exhibit and Page for Information below this line
ompletion Target (Formation, TVD and MID) FE Capes and Operating Costs rilling Supervision/Month \$	Big Burro 27 State Com 133H  Well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600' to the Bone Spring formation.  Big Burro 27 State Com 124H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and intended bottom hole location in the SW/4 SW/4 (Unit N) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,500' to the Bone Spring formation.  Big Burro 27 State Com 134H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600' to the Bone Spring formation.  Exhibit A AFE's pp., 147-150  Identify the Exhibit and Page for Information below this line
ompletion Tar (et (Formation, TVD and MD)  FE Capes and Operating Costs  rilling Supervision/Month \$  roduction Supervision/Month \$	Big Burro 27 State Com 133H  Well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit L) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600° to the Bone Spring formation.  Big Burro 27 State Com 124H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County.  Big Burro 27 State Com 134H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600° to the Bone Spring formation.  Exhibit A AFE's pp. 147-150  Exhibit A AFE's pp. 147-150
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Land Ownership Schematic of the Specing Unit	Exhibit A Ex. 10 pgs. 130-131
Tract List (including lease numbers and owners)	Exhibit A Ex. 10 pgs. 130-131
Pooled Parties (including ownership type)	Exhibit A Ex. 10 pes. 130-131
Unlocatable Parties to be Pooled	Exhibit C Ex. 1 pgs. 9-11
Ownership Depth Severance (including percentage above & below)	None
Johnder	
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List of interest Owners (ie Exhibit A of JOA)	Exhlbit A Ex. 10 pm. 130-131
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Geology	
Summary (Including special considerations)	Exhibit B Pas. 1-5
Spacing Unit Schematic	None
Gunbarrei/Lateral Trajectory Schematic	Exhibit 8 pg. 7
Well Orientation (with rationale)	none
Target Formation	Exhibit B pg. 14
HSU Cross Section	Exhibit B pg. 15
Depth Severance Discussion	none
Forms, Figures and Tables	none
C-102	see above
Tracts	Exhibit B pgs. 9, 10, 11, 12, 13
Summary of Interests, Unit Recopitulation (Tracts)	none
General Location Map (including basin)	Exhibit B pg. 8
Well Orlantation (with rationals)	Exhibit B pa. 6. 7 and C-102's
Structure Contour Map - Subsea Depth	Exhibit 8 pg. 10
Cross Section Location Map (including wells)	Exhibit 8 pes. 14, 15, 16
Cross Section (Including Landing Zone)	Exhibit 8 pgs. 14, 15, 16
Additional information CERTIFICATION: I heraby certify that the information provided in this ch	
Printed Name: (Attorney or Party Representative):	Ernest L. Padilla - Colonte Operative, LLC
Signed Name: (Attorney or Party Representative):	that be allow
Date	Wetnesday, August 12, 2020

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

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

CASE NO. 21079 ORDER NO. R-21439

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on August 14, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### **FINDINGS OF FACT**

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

#### **CONCLUSIONS OF LAW**

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.



- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

#### **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. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").

- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/kms Date: 8/24/2020

#### Exhibit "A"

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIG	
Case: 21078-21079	Applicant's Response
Date: August 12, 2020	
Applicant	Coleate Operating LLC
Designated Operator & OGRID (affiliation if applicable)	371449
Applicant's Counsel	Ernest L. Padilla
Case Titig:	Application of Colgate Operating, LLC for compulsory pooling
	Eddy County, New Mexica OCD Cases 21078-21079
Entries of Appearance/intervenors	Candace Callahan/Apache Corporation Darin Savage/EOG Resources, Inc.
Well Family	Big Burro 27 State Com
Formation/Pool	
Formation Name(s) or Verticle Extent	Winchester-Bone Spring
Primary Product (Oil or Gas)	pil
Pooling this verticle extent	Bone Spring Formation
Pool Name and Pool Code	Winchester-Bone Spring, Pool Code 65010
Well Location Setback Rules	Standard
Spacing Unit Stre	320
Specing Unit	
Type (Horizontal/Verticle)	Horizontal
Size (acres)	320
Building Blocks	quarter-quarter sections
Orientation	East to West
Description: TRS/County	N/2 S/2 of Section 27 & N/2 S/2 of Section 28, Eddy County, NM
Description: TRS/County	S/2 S/2 of Section 27 & S/2 S/2 of Section 28, Eddy County, NM
Standard Horizontal Well Spacing Unit	Yes
Other Situations	
De µth Severance: No	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: If yes, description	No
Applicant's Ownership in Each Tract	Ex. A Ex. 9 pg 128-129
well(s)	Ln. O LA. 3 PD 110-113
Name & API (if assigned), surface and bottom hole location	
footages, completion target, orientation, completion status standard or non-standard	
	location in the NW/4 SW/4 (Unit I) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,500' to the Bone Spring formation.  Big Burro 27 State Corn 133H  Well is a horizontal well with a surface location in the NE/4 SE/4 (Unit I) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the NW/4 SW/4 (Unit I) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 8,600' to the Bone Spring formation.  Big Burro 27 State Corn 124H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,500' to the Bone Spring formation.  Big Burro 27 State Corn 134H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County. This well is proposed to be drilled vertically to a depth of approximately 7,500' to the Bone Spring formation.  Big Burro 27 State Corn 134H  Well is a horizontal well with a surface location in the SE/4 SE/4 (Unit P) of Section 27, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, and an intended bottom hole location in the SW/4 SW/4 (Unit M) of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, and an in
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equest Risk Charge	Exhibit A AFE's pgs. 147-150
	200% plus a portion of well costs Exhibit A AFE's pgs. 147-150
lotice of Hearing	Citible Com 2.2
roposed Notice of Hearing roof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C pp. 2-3
	Exhibit C pgs 9-11

Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C pg. 12
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Unfocatable Parties to be Pooled	Exhibit C Ex. 1 per. 9-11
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposed Letter	Exhibit A Ex. 13 pgs. 134-140
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Spacing Unit Schematic	None
Gunbarrel/Lateral Trajectory Schematic	Exhibit 8 pg. 7
Well Orientation (with rationale)	none
Target Formation	Exhibit 8 pg. 14
HSU Cross Section	Exhibit B pg. 15
Depth Severance Discussion	none
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C-102	see above
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Well Orientation (with rationals)	Exhibit B pg. 6, 7 and C-102's
Structure Contour Map - Subsea Depth	Exhibit B ps. 10
Cross Section Location Map (including wells)	Exhibit 8 pes. 14, 15, 16
Cross Section (including Landing Zone)	Exhibir B pgs. 14, 15, 16
Additional information CERTIFICATION: I hereby cartly that the information provided in this ch	
Printed Name: (Attorney or Party Representative):	Ernest L. Padille - Collage Operating, LLC
Signed Name: (Attorney or Party Representative):	that tadilla
Date	Wednesday, Sugust 12, 2020

APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21438, **EDDY COUNTY, NEW MEXICO** 

**CASE NO. 21947 ORDER NO. R-21438** 

(Re-Open)

APPLICATION OF COLGATE OPERATING LLC TO AMEND ORDER NO. R-21439, **EDDY COUNTY, NEW MEXICO** 

**CASE NO. 21948 ORDER NO. R-21439** (Re-Open)

#### AFFIDAVIT OF LANCE D. HOUGH

STATE OF NEW MEXICO )ss. COUNTY OF BERNALILLO

Lance D. Hough, attorney in fact and authorized representative of Colgate Operating LLC ("Colgate"), the Applicant herein, being first duly sworn, upon oath, states that the abovereferenced Applications were provided under notices of hearing to parties entitled to notice; and that the following are attached hereto: a sample of said notice of hearing as Exhibit B.1, proof of mailed notice of hearing as Exhibit B.2, and proof of published notice of hearing as Exhibit B.3.

Lance D. Hough

SUBSCRIBED AND SWORN to before me this \( \sigma^{3} \) day of June 2021 by Lance D. Hough.

Notary Public

My commission expires: 12-07-2023

OFFICIAL SEAL Zina Crum NOTARY PUBLIC STATE OF NEW MEXICO My Commission Expires: 12-07-2022





May 12, 2021

Lance D. Hough Tel: 505.848.1826 Fax: 505.848.9710 Lance.Hough@modrall.com

#### VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Colgate Operating LLC has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 21947: (Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21438, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21438 to allow for a oneyear extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21438 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within two 320-acre Bone Spring horizontal spacing unit comprised of the N/2 S/2 of Section 27 and N/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the Big Burro 27 State Com 123H and Big Burro 27 State Com 133H wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

Case No. 21948: (Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21439, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21439 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21439 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre Bone Spring horizontal spacing unit comprised of the S/2 S/2 of Section 27 and S/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM,

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

#### AFFECTED PARTIES

Colgate / Order Amendments / Big Burro 27 State Com 123H-124H, 133H-134H May 12, 2021 Page 2

Eddy County, New Mexico (designated to the **Big Burro 27 State Com 124H** and **Big Burro 27 State Com 134H** wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

These applications are expected to be set for hearing before a Division Examiner at 8:15 a.m. on June 3, 2021. During the COVID-19 Public Health Emergency, the hearings will be conducted remotely. Instructions to appear can also be found by accessing http://www.emnrd.state.nm.us/OCD/hearings.html and scrolling down to "Hearing Notices" under "OCD Hearings." As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearings may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Lance D. Hough
Attorney for Applicant

EED/ldh/w4065918.DOCX Enclosures: as stated

tabbies\*

Kathleen Allen Modrall Sperling 500 Fourth St. NW, Suite 1000 Albuquerque NM 87102

# PS Form 3877

# Type of Mailing: CERTIFIED MAIL 05/12/2021

Firm Mailing Book ID: 208689

							Reference
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee RR Fee	RR Fee	Rest.Del.Fee	Contents
-	9314 8699 0430 0082 4290 90	Fasken Acquisitions 02, Ltd. 6101 Holiday Hill Road Midland TX 79701	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
7	9314 8699 0430 0082 4291 06	Glenrock Capital, LLC 3444 Milton Ave Dallas TX 75205	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
က	9314 8699 0430 0082 4291 13	EOG Resources, Inc. 5509 Champions Drive Midland TX 79704	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Від Вито Notice
4	9314 8699 0430 0082 4291 20	RSC Resources, LP P.O. Box 8329 Horseshoe Bay TX 78657	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
87	9314 8699 0430 0082 4291 37	Nightengale Petroleum Properties, Inc 2624 Guilford Lane Oklahoma City OK 73120	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
9	9314 8699 0430 0082 4291 44	ODS-ACS Properties, Ltd 3602 S. Washington Amarillo TX 79110	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
7	9314 8699 0430 0082 4291 51	Textivania, Ltd. 3602 S. Washington Amarillo TX 79110	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
00	9314 8699 0430 0082 4291 68	Currie Smith I, Ltd. 3602 S. Washington Amarillo TX 79110	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
6	9314 8699 0430 0082 4291 75	Dale A. Smith. 418 South Polk Amarillo TX 79101	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
10	9314 8699 0430 0082 4291 82	Ellen Smith Bivins 3602 S. Washington Amarillo TX 79110	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Вито Notice
11	9314 8699 0430 0082 4291 99	F/Z Association 13223 Copenhill Rd Dallas TX 75240	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
12	9314 8699 0430 0082 4292 05	Winchester Energy, LLC P.O. Box 13540 Oklahoma City OK 73113	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
13	9314 8699 0430 0082 4292 12	1 Timothy 6, LLC P.O. Box 30598 Edmond OK 73025	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
14	9314 8699 0430 0082 4292 29	Vladin, LLC PO Box 100 Artesia NM 88211	\$1.20	\$3.60	\$1.75	\$0.00	10091.0003 Big Burro Notice
15	9314 8699 0430 0082 4292 36	Lonsdale Resources, LLC 3102 Maple Avenue, Suite 400 Dallas TX 75201	\$1.20	\$3.60 EXHIBIT	\$1.75	\$0.00	10091.0003 Big Burro Notice

**PS Form 3877** 

Type of Mailing: CERTIFIED MAIL 05/12/2021

Kathleen Allen Modrall Sperling 500 Fourth St. NW, Suite 1000 Albuquerque NM 87102

Firm Mailing Book ID: 208689

State   Stat
\$1.20
\$1.20
\$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$3.60 \$1.75 \$0.00  \$1.20 \$1.20 \$1.20 \$1.75 \$0.00  \$1.20 \$1.20 \$1.20 \$1.75 \$0.00
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\$1.20 \$3.60 \$1.75 \$0.00 \$33.60 \$100.80 \$49.00 \$0.00 Grand Total: \$183.40
\$33.60 \$100.80 \$49.00 Grand Total: \$1

# Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 208689 Generated: 5/27/2021 2:20:01 PM

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USPS Article Number	Date Created Refere	Reference Number	Name 1	Address1	City	State Zip Mailing Status	ng Status	Service Options	Mail Delivery Date
9314869904300082429366	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Warwick-Artemis	6608 N. Western Ave, Box 417	Oklahoma City	OK 73116 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 8:52 AM
9314869904300082429359	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Greg Golladay & Julie Golladay	3505 Edgewood Drive	Amarillo	TX 79110 Delivered	_	Return Receipt - Electronic, Certified Mail	
9314869904300082429342	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Michael J. & Debra J. Bennett	3518 Plum Lane	Amarillo	TX 79109 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 3:19 PM
9314869904300082429335	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Rjventures, LLC	P. O. Box 4848	Wichita Falls	TX 76308 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-19 9:27 AM
9314869904300082429328	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Redcliff Resources LLC	P. O. Box 4848	Wichita Falls	TX 76308 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-19 9:27 AM
9314869904300082429311	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Santo Royalty Company LLC	P. O. Box 1020	Artesia	NM 88221 Undel	Undelivered Re	Return Receipt - Electronic, Certifled Mail	
9314869904300082429304	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Clayton Todd Reynolds	1230 West Alabama St.	Hobbs	NM 88242 Delivered		Return Receipt - Electronic, Certified Mail	
9314869904300082429298	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Nancy Gail Stall	1607 West Sears Ave.	Artesia	NM 88210 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 10:48 AM
9314869904300082429281	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Donna Kim Overbey	4617 Conlvey Ave.	Odessa	TX 79762 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-15 2:06 PM
9314869904300082429274	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Patrick Joe Reynolds	806 Lake Valley Drive	Stockdale	TX 78160 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-15 12:04 PM
9314869904300082429267	2021-05-12 9:31 AM 10091.0003 Big Burro	3003 Big Burro	Yates Brothers	P. O. Box 1394	Artesia	NM 88211 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-18 10:25 AM
9314869904300082429250	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Paul Slayton	3507 63rd Dr.	Lubbock	TX 79413 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-15 11:26 AM
9314869904300082429243	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Maduro O&G LLC	3102 Maple Avenue, Suite 400	Dallas	TX 75201 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-17 5:57 PM
9314869904300082429236	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Lonsdale Resources, LLC	3102 Maple Avenue, Suite 400	Dallas	TX 75201 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-17 5:57 PM
9314869904300082429229	2021-05-12 9:31 AM 10091.0003 Big Burro	3003 Big Burro	Vladin, LLC	PO Box 100	Artesia	NM 88211 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-17 11:44 AM
9314869904300082429212	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	1 Timothy 6, LLC	P.O. Box 30598	Edmond	OK 73025 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-21 10:41 AM
9314869904300082429205	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Winchester Energy, LLC	P.O. Box 13540	Oklahoma City	OK 73113 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 9:54 AM
9314869904300082429199	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	F/Z Association	13223 Copenhill Rd	Dallas	TX 75240 Undel	Undelivered Re	Return Receipt - Electronic, Certified Mail	
9314869904300082429182	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Ellen Smith Bivins	3602 S. Washington	Amarillo	TX 79110 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-17 10:28 AM
9314869904300082429175	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Dale A. Smith	418 South Polk	Amarillo	TX 79101 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 11:04 AM
9314869904300082429168	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Currie Smith I, Ltd.	3602 S. Washington	Amarillo	TX 79110 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-15 10:24 AM
9314869904300082429151	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Texilvania, Ltd.	3602 S. Washington	Amarillo	TX 79110 Delivered		Return Receipt - Electronic, Certifled Mail	2021-05-15 10:24 AM
9314869904300082429144	2021-05-12 9:31 AM 10091.0003 Big Burro	3003 Big Burro	ODS-ACS Properties, Ltd	3602 S. Washington	Amarillo	TX 79110 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 10:24 AM
9314869904300082429137	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Nightengale Petroleum Properties, Inc	2624 Guilford Lane	Oklahoma City	OK 73120 Undel	Undelivered Re	Return Recelpt - Electronic, Certified Mail	
9314869904300082429120	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	RSC Resources, LP	P.O. Box 8329	Horseshoe Bay	TX 78657 Delivered	_	Return Receipt - Electronic, Certified Mail	2021-05-18 8:33 AM
9314869904300082429113	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	EOG Resources, Inc.	5509 Champions Drive	Midland	TX 79704 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-17 7:48 AM
9314869904300082429106	2021-05-12 9:31 AM 10091.0003 Big Burro	0003 Big Burro	Glenrock Capital, LLC	3444 Milton Ave	Dallas	TX 75205 Undel	Undelivered Re	Return Receipt - Electronic, Certified Mail	
9314869904300082429090	2021-05-12 9:31 AM 10091.0003 Big Burro Fasken Acquisitions 02, Ltd.	0003 Big Burro	Fasken Acquisitions 02, Ltd.	6101 Holiday Hill Road	Midland	TX 79701 Delivered		Return Receipt - Electronic, Certified Mail	2021-05-15 1;09 PM

#### Carlsbad Current Argus.

CASE NO. 21948: Notice to all affected parties, as well as their heirs and devisees, of Fasken Acquisitions 02, Ltd.; Glenrock Capital, LLC; EOG Resources, Inc.; RSC Resources, LP; Nightengale Petroleum Properties, Inc; ODS-ACS Proper-

LP; Nightengale Petroleum Properties, Inc; ODS-ACS Properties, Ltd; Texilvania, Ltd.; Currie Smith I, Ltd.; Dale A. Smith; Ellen Smith Bivins; F/Z Association; Winchester Energy, LLC; 1 Timothy 6, LLC; Vladin, LLC; Lonsdale Resources, LLC; Maduro O&G LLC; Paul Slayton; Yates Brothers; Patrick Joe Reynolds; Donna Kim Overbey; Nancy Gail Stall; Clayton Todd Reynolds; Santo Royalty Company LLC; Redcliff Resources LLC; Riventures, LLC; Michael J. & Debra J. Bennett; Greg Golladay & Julie Golladay; and Warwick-Artemis of Colgate Operating, LLC's Application to Amend Order No. R-1439. Eddy County, New Mexico. The State of New Mexico.

Colgate Operating, LLC's Application to Amend Order No. R-21439, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on June 3, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear at http://www.emnrd.state.nm.us/OCD/hearings.html. Colgate seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21439 to allow for a one-year extension of time to commence drilling the wells under the Or-

amending Order No. R-21439 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21439 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre Bone Spring horizontal spacing unit comprised of the S/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the Big Burro 27 State Com 124H and Big Burro 27 State Com 134H wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

May 20, 2021

from the pandemic and recent market conditions.

#### Affidavit of Publication Ad # 0004740034 This is not an invoice

**MODRALL SPERLING ROE HL HARRIS & SIS** 500 4 TH ST NW STE 1000

ALBUQUERQUE, NM 87102

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

05/20/2021

Legal Clerk

Subscribed and sworn before me this May 20, 2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

NANCY HEYRMAN Notary Public State of Wisconsin

Ad # 0004740034 PO #: 21948 # of Affidavits1

This is not an invoice

#### **Carlsbad Current Argus.**

#### **Affidavit of Publication** Ad # 0004740030 This is not an invoice

**MODRALL SPERLING ROE HL HARRIS & SIS** 500 4 TH ST NW STE 1000

**ALBUQUERQUE, NM 87102** 

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

05/20/2021

Legal Clerk

Subscribed and sworn before me this May 20, 2021:

State of WI, Combined Brown NOTARY PUBLIC

My commission expires

CASE NO. 21947: Notice to all affected parties, as well as their heirs and devisees, of Fasken Acquisitions 02, Ltd.; Glenrock Capital, LLC; EOG Resources, Inc.; RSC Resources, LP; Nightengale Petroleum Properties, Inc; ODS-ACS Properties, Ltd; Texilvania, Ltd.; Currie Smith I, Ltd.; Dale A. Smith; Ellen Smith Bivins; F/Z Association; Winchester Energy, LLC; 1 Timothy 6, LLC; Vladin, LLC; Lonsdale Resources, LLC; Maduro O&G LLC; Paul Slayton; Yates Brothers; Patrick Joe Revondes: Donna Kim, Overhey: Nancy Gail Stall: Clayton Maduro O&G LLC; Paul Slayton; Yates Brothers; Patrick Joe Reynolds; Donna Kim Overbey; Nancy Gail Stall; Clayton Todd Reynolds; Santo Royalty Company LLC; Redcliff Resources LLC; Riventures, LLC; Michael J. & Debra J. Bennett; Greg Golladay & Julie Golladay; and Warwick-Artemis of Colgate Operating, LLC's Application to Amend Order No. R-21438, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on June 3, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear at http://www.emnrd.state.nm.us/OCD/hearings.html. Colgate seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21438 to allow for a one-year extension of time to commence drilling the wells under the Oramending Order No. R-21438 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21438 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within two 320-acre Bone Spring horizontal spacing unit comprised of the N/2 S/2 of Section 27 and N/2 S/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the Big Burro 27 State Com 123H and Big Burro 27 State Com 133H wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market

May 20, 2021

NANCY HEYRMAN Notary Public State of Wisconsin

Ad # 0004740030 PO#: 21947 # of Affidavits1

This is not an invoice