1 STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT 2 OIL CONSERVATION DIVISION 3 IN THE MATTER OF THE HEARING CALLED 4 BY THE OIL CONSERVATION DIVISION FOR 5 THE PURPOSE OF CONSIDERING: 6 7 CASE NOS: 22824, 222825, 22826 8 9 APPLICATION COLGATE OPERATING, LLC FOR COMPULSORY POOLING, 10 LEA COUNTY, NEW MEXICO. 11 12 13 REPORTER'S TRANSCRIPT OF VIRTUAL PROCEEDINGS July 21, 2022 14 SANTA FE, NEW MEXICO 15 16 This matter came on for virtual hearing before the New Mexico Oil Conservation Division, 17 HEARING OFFICER WILLIAM BRANCARD and TECHNICAL HEARING OFFICER LEONARD LOWE on Thursday, July 21, 18 2022, through the Webex Platform. 19 20 21 2.2 Reported by: PAUL BACA COURT REPORTERS 500 4th Street, NW, Suite 105 23 Albuquerque, New Mexico 87102 505-843-9241 2.4 25 Page 1

| 1  | APPEARANCES  |                                  |  |
|----|--|----------------------------------|--|
| 2  | FOR COLGATE OPERATING:                                       |                                  |  |
| 3  | DANA HARDY   |                                  |  |
|    | HINKLE SHANOR LLP  |                                  |  |
| 4  | 3 P.O. Box 0268  |                                  |  |
|    | Santa Fe, NM 87504   |                                  |  |
| 5  | 505-982-4554   |                                  |  |
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1 HEARING OFFICER BRANCARD: We're back on 2 the record on cases 31 through 33, 22824, 22825, 22826. 3 4 The cases remain taken under advisement, 5 but the record is left open for supplemental 6 exhibits concerning the correct pool code. 7 MS. HARDY: Thank you. 8 TECHNICAL EXAMINER LOWE: Ms. Hardy, this 9 is Leonard Lowe. 10 MS. HARDY: Yes. 11 TECHNICAL EXAMINER LOWE: Do you have the 12 pool code numbers with you on that? 13 MS. HARDY: I do. It is 55540 Scanlan Draw; Wolfcamp, West. 14 15 TECHNICAL EXAMINER LOWE: The only thing I 16 see about that is 40-acre spacing, but we can look 17 into that more. Thank you. 18 MS. HARDY: Okay. Thank you. 19 HEARING OFFICER BRANCARD: All right. So if you could submit that and obviously if any issues 20 21 come up, we can always reopen the case. 2.2 MS. HARDY: Thank you, very much. 23 HEARING OFFICER BRANCARD: Thank you. 24 (Proceedings concluded.) 25 Page 3

| 1  | REPORTER'S CERTIFICATE                               |  |  |  |
|----|--|--|--|--|
| 2  |  |  |  |  |
| 3  | I, EDWINA CASTILLO, DO HEREBY CERTIFY that I         |  |  |  |
| 4  | did, in stenographic shorthand, transcribe the Zoom  |  |  |  |
| 5  | Hearing set forth herein, and the foregoing pages    |  |  |  |
| 6  | are a true and correct transcription to the best of  |  |  |  |
| 7  | my ability. The Zoom Hearing was of poor quality     |  |  |  |
| 8  | due to internet interference.                        |  |  |  |
| 9  | I FURTHER CERTIFY that I am neither employed by      |  |  |  |
| 10 | nor related to nor contracted with any of the        |  |  |  |
| 11 | parties or attorneys in this matter, and that I have |  |  |  |
| 12 | no interest whatsoever in the final disposition of   |  |  |  |
| 13 | this matter.   |  |  |  |
| 14 |  |  |  |  |
| 15 |  |  |  |  |
| 16 |  |  |  |  |
| 17 | Edurna Castillo                                      |  |  |  |
| 18 | EDWINA CASTILLO, RPR, CCR                            |  |  |  |
|    | Certified Court Reporter #407                        |  |  |  |
| 19 | License Expires: 12-31-2022                          |  |  |  |
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