

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

**APPLICATION OF COLGATE OPERATING,
LLC TO POOL THE UNCOMMITTED INTERESTS
OF RECORD TITLE OWNERS UNDER THE
TERMS OF ORDER NO. R-21446,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. _____
ORDER NO. R-21446 (Re-Open)**

APPLICATION

Pursuant to NMSA § 70-2-17, Colgate Operating, LLC (“Applicant”) (OGRID No. 371449) files this application with the Oil Conservation Division (“Division”) for the limited purpose of pooling the uncommitted interests of record title owners under the terms of Division Order No. R-21446. Applicant states the following in support of its application.

1. On September 9, 2020, the Division entered Order No. R-21446 (“Order”) in Case No. 21317, which pooled all uncommitted interests in the Scanlon Draw; Bone Spring Pool (Pool Code 55510) within the Bone Spring formation in a 233-acre, more or less, standard horizontal spacing unit comprised of the S/2NW/4 equivalent of irregular Section 18, Township 19 South, Range 29 East and the S/2N/2 of Section 13, Township 19 South, Range 28 East, Eddy County, New Mexico (“Unit”). The Order further dedicated the Unit to the Atlas 18 State Fed Com 122H and Atlas 18 State Fed Com 132H wells (“Wells”) and designated Applicant as operator of the Unit and Wells.

2. The interests of certain record title owners were not pooled under the terms of the Order nor have the record title owners agreed to pool their interests into the unit.

3. Additionally, since the entry of the Order, the record title owners have failed or refused to sign a communitization agreement.

4. Pooling the uncommitted interest of the record title owners under the terms of the Order will prevent waste, protect correlative rights, and promote administrative efficiency.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the uncommitted interests of the record title owners should be pooled into the Unit pursuant to terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on March 3, 2022, and after notice and hearing, the Division pool the uncommitted interests of the record title owner into the Unit pursuant to the terms of Division Order No. R-21446.

Respectfully submitted,

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