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

APPLICATIONS OF COLGATE OPERATING, LLC FOR COMPULSORY POOLING IN EDDY COUNTY, NEW MEXICO.

CASE NOS. 22397-22398

CONSOLIDATED PRE-HEARING STATEMENT

Colgate Operating, LLC ("Applicant") submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT ATTORNEYS

Colgate Operating, LLC Dana S. Hardy

> Michael Rodriguez P.O. Box 2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com mrodriguez@hinklelawfirm.com

ATTORNEYS INTERESTED PARTIES

Apache Corporation Dalva L. Moellenberg

Scott Woody

1239 Paseo de Peralta Santa Fe, NM 87501 Phone: (505) 982-9523 Facsimile: (505) 983-8160

dlm@gknet.com

Scott.Woody@gknet.com

Jobediah Rittenhouse EOG Resources, Inc.

> 216 16th St., Suite 1100 Denver, CO 80202

(303) 407-4499

jrittenhouse@bwenergylaw.com

James Bruce MRC Permian Company

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

jamesbruc@aol.com

STATEMENT OF THE CASE

In Case No. 22397, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2N/2 of Sections 16 and 17, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Black Cat 16 State Com 122H and Black Cat 16 State Com 132H wells ("Wells") to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 16 to a bottom hole location in the SW/4NW/4 (Unit E) of Section 17. The completed intervals of the Wells will be orthodox.

In Case No. 22398, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2N/2 of Sections 16 and 17, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Black Cat 16 State Com 121H and Black Cat 16 State Com 131H wells ("Wells") to be horizontally drilled from a surface hole location in the NE/4NE/4 (Unit A) of Section 16 to a bottom hole location in the NW/4NW/4 (Unit D) of Section 17. The completed intervals of the Wells will be orthodox.

Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 18 miles northeast of Carlsbad.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Mark Hajdik	Landman	Affidavit	Approx. 7
David DaGian	Geologist	Affidavit	Approx. 4

PROCEDURAL MATTERS

Applicant requests Case Nos. 22397 and 22398 be consolidated for hearing. Applicant will present its cases by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy Michael Rodriguez P.O. Box 2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com mrodriguez@hinklelawfirm.com Counsel for Colgate Operating, LLC

Certificate of Service

I hereby certify that on February 10, 2022, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Dalva L. Moellenberg Scott Woody 1239 Paseo de Peralta Santa Fe, NM 87501 Phone: (505) 982-9523

Facsimile: (505) 983-8160

dlm@gknet.com

Scott.Woody@gknet.com

Counsel for Apache Corporation

Jobediah Rittenhouse 216 16th St., Suite 1100 Denver, CO 80202 (303) 407-4499 irittenhouse@bwenergylaw.com Counsel for EOG Resources, Inc.

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043 jamesbruc@aol.com Counsel for MRC Permian Company

> /s/ Dana S. Hardy Dana S. Hardy

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 80736

QUESTIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	80736
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	