

**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-21447,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22567
ORDER NO. R-21447 (Re-
Open)**

PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Colgate Operating, LLC

ATTORNEYS

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INTERESTED PARTIES

Elliott Industries, L.P.

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STATEMENT OF THE CASE

On September 9, 2020, the Division entered Order No. R-21447 (“Order”) in Case No. 21318, 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 N/2NW/4 equivalent of irregular Section 18, Township 19 South, Range 29 East and the N/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 131H well (“Well”) and designated Applicant as operator of the Unit and Well. 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. Additionally, since the entry of the Order, the record title owners have failed or refused to sign a communitization agreement. Applicant requests that the record title owners of the additional uncommitted interests be pooled under the terms of Order No. R-21447. The Wells are located approximately 16.5 miles northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

| Witness | Occupation | Estimated Time | Exhibits |
|----------------|-------------------|-----------------------|-----------------|
| Mark Hadjik | Landman | Affidavit | Approx. 7 |

PROCEDURAL MATTERS

Applicant will present its case by affidavit if there is no opposition to its application.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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CERTIFICATE OF SERVICE

I hereby certify that on February 24, 2022, a true and correct copy of this *Pre-Hearing Statement* was served on the following counsel of record via electronic mail:

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

QUESTIONS

Action 84044

QUESTIONS

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| Operator: V-F PETROLEUM INC P.O. Box 1889 Midland, TX 79702 | OGRID: 24010 |
| | Action Number: 84044 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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