

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

**APPLICATION OF COLGATE OPERATING, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21076

PRE-HEARING STATEMENT

Colgate Operating, LLC ("Colgate") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Colgate Operating, LLC

ATTORNEY

Earl E. DeBrine, Jr.
Lance D. Hough
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800
edebrine@modrall.com
ldh@modrall.com

OPPONENT

None Anticipated

ATTORNEY

STATEMENT OF CASE

In Case No. 21076, Colgate seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 S/2 of Section 35, and the N/2 S/2 of Section 36, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Silver Bar 35 Fed State Com 133H** wells, to be horizontally drilled. The producing area for these wells will be

orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the wells, and a 200% charge for risk involved in drilling said wells.

PROPOSED EVIDENCE

APPLICANT:

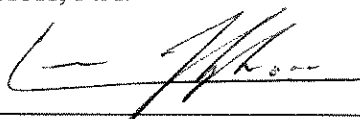
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Mark Hajdik – Landman	Approx. 2 Minutes	Approx. 6
TBD – Geologist	Approx. 2 Minutes	Approx. 5

PROCEDURAL ISSUES

Colgate is not aware of an entry of appearance or request for continuance from any party in this matter. Accordingly, Colgate does not anticipate any opposition to these cases and intends to present its evidence by affidavit.

Respectfully submitted,

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

By: 

Earl E. DeBrine, Jr.
Lance D. Hough
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
ldh@modrall.com
Attorney for Applicant

W3677408.DOCX