

**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. 21317

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

CASE NO. 21318

CONSOLIDATED PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Colgate Operating, LLC

ATTORNEY

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INTERESTED PARTY

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Cimarex Energy Company
On Behalf of Magnum Hunter

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STATEMENT OF CASES

In Case No. 21317, Colgate seeks an order from the Division: (1) to the extent necessary, approving the creation of a 233-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 S/2 NW/4 equivalent of irregular Section 18, Township 19 South, Range 29 East and the S/2 N/2 of Section 13, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Atlas 18 State Fed Com 122H** and **132H** wells, to be horizontally drilled. The producing intervals 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. Said area is located approximately 16.5 miles north northeast of Carlsbad, New Mexico.

In Case No. 21318, Colgate seeks an order from the Division: (1) to the extent necessary, approving the creation of a 233-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 NW/4 equivalent of irregular Section 18, Township 19 South, Range 29 East and the N/2 N/2 of Section 13, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Atlas 18 State Fed Com 131H** well, to be horizontally drilled. The producing interval for this well will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16.5 miles north northeast of Carlsbad, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Mark Hajdik – Landman	Approx. 1 Minute	Approx. 15
Sergio Ojeda – Geologist	Approx. 1 Minute	Approx. 7

PROCEDURAL ISSUES

Colgate is not aware of an entry of appearance or request for continuance from any party in these cases. 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: /s/ Lance D. Hough

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on August 13, 2020:

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