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

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

#### CASE NOS. 22693-22694

#### **NOTICE OF SUPPLEMENTAL EXHIBIT AND AMENDED CHECKLISTS**

As discussed at the May 19, 2022 hearing in this matter, Colgate Operating, LLC ("Colgate") is submitting the attached Supplemental Self-Affirmed Statement of Mark Hajdik to amend the depth severance footages in Mr. Hajdik's original self-affirmed statement to conform with Colgate's Applications. Colgate is also submitting amended compulsory pooling checklists.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy Dana S. Hardy Jaclyn McLean P.O. Box 2068 Santa Fe, NM 87504-2068 Phone: (505) 982-4554 Facsimile: (505) 982-8623 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com *Counsel for Colgate Operating, LLC* 

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

CASE NOS. 22693-22694

#### SUPPLEMENTAL SELF-AFFIRMED STATEMENT OF MARK HAJDIK

1. I am a landman at Colgate Operating, LLC ("Colgate") and am over 18 years of age. I have personal knowledge of the matters addressed herein and am competent to provide this Self-Affirmed Statement.

2. I previously submitted a self-affirmed statement in these matters, which was marked as Colgate Exhibit A.

3. Paragraph four of the statement states that in Case No. 22693, Colgate is seeking to pool interests in the Bone Spring formation from a depth of approximately 7,673' to the base of the formation at a depth of approximately 8,822' underlying the N/2 N/2 of Sections 35 and 36, Township 19 South, Range 28 East in Eddy County.

4. Paragraph five of the statement states that in Case No. 22694, Colgate is seeking to pool interests in the Bone Spring formation from a depth of approximately 7,673' to the base of the formation at a depth of approximately 8,822' underlying the S/2 N/2 of Sections 35 and 36, Township 19 South, Range 28 East in Eddy County.

5. In accordance with Colgate's applications and notices in both cases, Paragraphs four and five of my self-affirmed statement should be amended to state that the top of the interval being pooled is 7,763' instead of 7,673'.

6. I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of

perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

<u>/s/ Mark Hajdik</u> Mark Hajdik

<u>May 27, 2022</u> Date

# COMPULSORY POOLING APPLICATION CHECKLIST

### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case No.:	22602
	22693
Hearing Date:	6/2/2022
Applicant	Colgate Operating, LLC
Designated Operator & OGRID	371449
Applicant's Counsel	Hinkle Shanor LLP
Case Title	Application of Colgate Operating, LLC for Compulsory Pooling and
	Overlapping Spacing Unit, Eddy County, New Mexico
Entries of Appearance/Intervenors	N/A
Well Family	Uluru
Formation/Pool	
Formation Name(s) or Vertical Extent	Bone Spring
Primary Product (Oil or Gas)	Oil
Pooling this vertical extent	Bone Spring
Pool Name and Pool Code	Winchester; Bone Spring (65010)
Well Location Setback Rules	Statewide
Spacing Unit Size	320-acre
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acre
Building Blocks	quarter-quarter
Orientation	Laydown
Description: TRS/County	N/2N/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy
	County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No,	Yes
describe	
Other Situations	
Depth Severance: Y/N. If yes, description	The Unit will partially overlap with the spacing unit for the Winchester 36 AD State 1H well (API No. 30-015-41354) which is dedicated to the N/2N/2 of Section 36 in the Second Bone Spring interval of the Bone Spring formation. Accordingly, Applicant seeks to pool all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation from a depth of approximately 7,763' MD to the base of the Bone Spring formation at a stratigraphic equivalent of approximately 8,822' MD as observed on the Dero Federal #3 well log (API 3001530399).
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Well(s)	
Name & API (if assigned), surface and bottom hole	Add wells as needed
location, footages, completion target, orientation,	
completion status (standard or non-standard)	
Well #1	Uluru 35 Fed State Com 131H (API # pending)
	SHL: 2522' FNL, 340' FEL (Unit H) of Section 34, T19S-R28E
	BHL: 990' FNL & 10' FEL (Unit A) of Section 36, T19S-R28E
	Completion Target: Bone Spring (Approximately 8662' TVD)
	Completion status: Standard
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge 27/2022 10:48:06 AM	200%

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Notice of Hearing	
Proposed Notice of Hearing	Exhibit A-1
Dreaf of Mailed Nation of Hearing (20 days before bearing	
Proof of Mailed Notice of Hearing (20 days before hearing Proof of Published Notice of Hearing (10 days before	g) Exhibits D-1, D-2, D-3
hearing)	Exhibit D-4
Ownership Determination	
Land Ownership Schematic of Spacing Unit	Exhibit A-3
Tract List (including lease numbers & owners)	Exhibit A-3
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	Exhibit A-3
Ownership Depth Severance	Exhibit A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-4, B-5
Depth Severance Discussion	Exhibit A
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-4, B-5
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	5/27/2022

## COMPULSORY POOLING APPLICATION CHECKLIST

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Designated Operator & OGRID	371449
Applicant's Counsel	Hinkle Shanor LLP
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Description: TRS/County	S/2N/2 of Sections 35 and 36, Township 19 South, Range 28 East, Eddy
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Standard Horizontal Well Spacing Unit (Y/N), If No,	Yes
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Other Situations	
Depth Severance: Y/N. If yes, description	The Unit will partially overlap with the spacing unit for the Winchester 36 HE State 1H well (API No. 30-015-41747) which is dedicated to the S/2N/2 of Section 36 in the Second Bone Spring interval of the Bone Spring formation. Accordingly, Applicant seeks to pool all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation from a depth of approximately 7,763' MD to the base of the Bone Spring formation at a stratigraphic equivalent of approximately 8,822' MD as observed on the Dero Federal #3 well log (API 3001530399).
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
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	BHL: 2310' FNL & 10' FEL (Unit H) of Section 36, T19S-R28E
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Cost Estimate for Production Facilities	Exhibit A-4
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C-6
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HSU Cross Section	Exhibits C-4, C-5
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Structure Contour Map - Subsea Depth	Exhibit C-3
Cross Section Location Map (including wells)	Exhibit C-2
Cross Section (including Landing Zone)	Exhibits C-4, C-5
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Dana S. Hardy
Signed Name (Attorney or Party Representative):	/s/ Dana S. Hardy
Date:	5/27/2022