

# Additional Information

## Garcia, John A, EMNRD

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**From:** Lance D. Hough <ldh@modrall.com>  
**Sent:** Friday, March 6, 2020 12:13 PM  
**To:** Garcia, John A, EMNRD  
**Cc:** Zina Crum  
**Subject:** [EXT] RE: Cases 21076 / 21077 Colgate Operating, LLC  
**Attachments:** No. 21077 - Ex A - Silver Bar 35 Fed Com 134H - Checklist (W3706604x7A92D).PDF

John,

Attached is an updated checklist for Case No. 21077.

After conferring with my client regarding these SHLs and BHLs, I have been advised that there is a slight change in Case No. 21076. I will provide the updated C-102 and updated checklist for Case No. 21076 as soon as possible. Thank you.

Sincerely,



Lance D. Hough

*Associate*

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**From:** Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>

**Sent:** Wednesday, March 4, 2020 1:00 PM

**To:** Lance D. Hough <ldh@modrall.com>

**Subject:** Cases 21076 / 21077 Colgate Operating, LLC

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Lance,

I am currently reviewing the above mentioned cases I noticed that for both cases the SHL and BHL is inaccurate when compared to the C-102, please mend the checklists and I can continue reviewing.

Thank you,

**John Garcia**

*Petroleum Specialist*

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505


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## COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

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

Case: 21077	APPLICANT'S RESPONSE
Date 2/6/20	
Applicant	Colgate Operating LLC
Designated Operator & OGRID (affiliation if applicable)	Colgate Operating, LLC (OGRID 14744)
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF COLGATE OPERATING LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO, CASE NO. 21077
Entries of Appearance/Intervenors:	None
Well Family	Silver Bar
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Parkway; Bone Spring (Pool Code: 49622)
Well Location Setback Rules:	Latest Statewide Horizontal Rules Apply
Spacing Unit Size:	320 Acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 Acres
Building Blocks:	Quarter Quarter Sections
Orientation:	West to East
Description: TRS/County	S/2 S/2 of Section 35, and the S/2 S/2 of Section 36, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit B.3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibit B.2 and Exhibit B.3
Well #1	<p>Silver Bar 35 Fed State Com 134H</p> <p>SHL: 970 feet from the South line and 65 feet from the West line, (Unit M) of Section 35, Township 19 South, Range 29 East, NMPM.</p> <p>BHL: 410 feet from the South line and 10 feet from the East line, (Unit P) of Section 36, Township 19 South, Range 29 East, NMPM.</p> <p>Completion Target: 3rd Bone Spring Sand at approx 9200 feet TVD.</p> <p>Well Orientation: West to East</p> <p>Completion Location expected to be: standard</p>
Horizontal Well First and Last Take Points	Exhibit B.3
Completion Target (Formation, TVD and MD)	Exhibit B.2; Exhibit B.3; Exhibit B.7; Exhibit C.6, Exhibit C.7; Exhibit C.8
<b>AFE Capex and Operating Costs</b>	

Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit B.6 for AFEs
Requested Risk Charge	200%; see Exhibit B
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits D.2 and D.3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D.4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit B; Exhibit B.4
Tract List (including lease numbers and owners)	Exhibit B.4
Pooled Parties (including ownership type)	Exhibit B.4
Unlocatable Parties to be Pooled	Exhibit B.4; Exhibit D.3
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit B.5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.4
Chronology of Contact with Non-Joined Working Interests	Exhibit B.7
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6 for AFEs
Cost Estimate to Equip Well	Exhibit B.6 for AFEs
Cost Estimate for Production Facilities	Exhibit B.6 for AFEs
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibits C.2, C.3, and C.4
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C
Target Formation	Exhibits C.2, C.3, and C.4
HSU Cross Section	Exhibits C.6 and C.7
Depth Severance Discussion	Exhibit B
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C.3
Tracts	Exhibit B.4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.4
General Location Map (including basin)	Exhibit C.2
Well Bore Location Map	Exhibits C.5 through C.8
Structure Contour Map - Subsea Depth	Exhibit C.5
Cross Section Location Map (including wells)	Exhibits C.4
Cross Section (including Landing Zone)	Exhibits C.7 and C.8
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Lance Hough
Signed Name (Attorney or Party Representative):	
Date:	3/6/20