Additional

Information

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21076	APPLICANT'S RESPONSE						
Date 4/22/20							
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. 21076						
Entries of Appearance/Intervenors:	None						
Well Family	Silver Bar						
Formation/Pool							
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						
Spacing Unit							
Type (Horizontal/Vertical)	Horizontal						
Size (Acres)	320 Acres						
Building Blocks:	Quarter Quarter Sections						
Orientation:	West to East						
Description: TRS/County	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						
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes						
Other Situations							
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						
Well(s)							
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						

Wall Ha	Cilian Day 25 Fad State Com 422H							
Well #1	Silver Bar 35 Fed State Com 133H SHL: 1015 feet from the South line and 65 feet from the West line,							
	(Unit M) of Section 35, Township 19 South, Range 29 East, NMPM.							
	BHL: 1730 feet from the South line and 10 feet from the West line,							
	(Unit I) of Section 36, Township 19 South, Range 29 East, NMPM.							
	Completion Target: 3rd Bone Spring Sand at approx 9200 feet TVD. Well Orientation: West to East							
	Completion Location expected to be: standard							
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							
AFE Capex and Operating Costs								
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							
Notice of Hearing								
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							
Ownership Determination								
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							
Joinder								
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							
Geology								
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						
Forms, Figures and Tables							
C-102	Exhibitc B.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						
Additional Information							
CERTIFICATION: I hereby certify that the information p	provided in this checklist is complete and accurate.						
Printed Name (Attorney or Party Representative):	Lance Hough						
Signed Name (Attorney or Party Representative):	L-1/1/2						
Date:	4/22/2020						
24.6.	7/ 22/ 2020						

District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

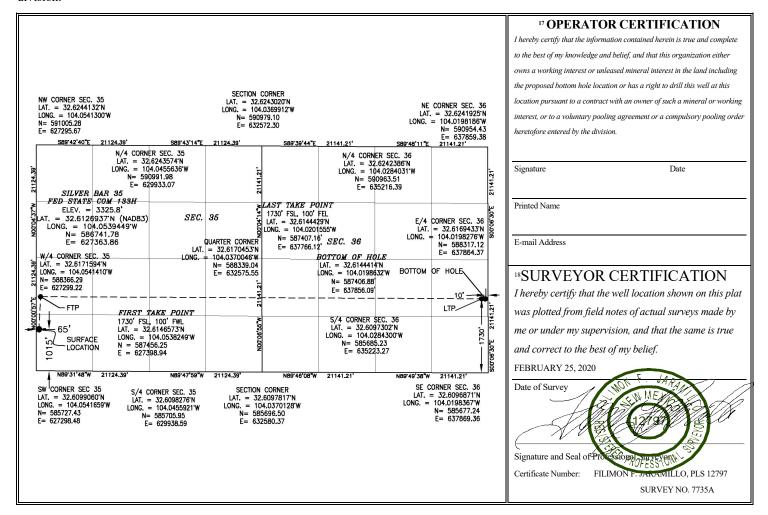
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name					
⁴ Property Code		5 Pt	operty Name	⁶ Well Number				
		SILVER BAR 35 FED STATE COM						
⁷ OGRID No.		8 O _l	perator Name	⁹ Elevation				
371449		3335.8						

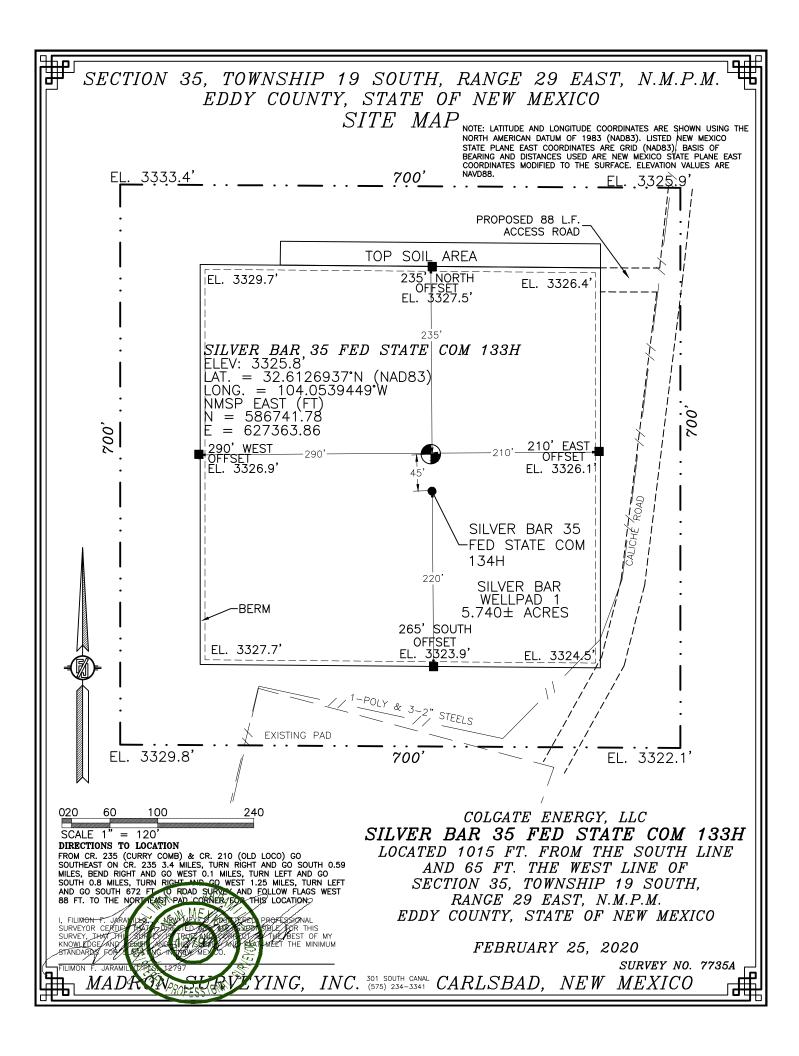
¹⁰ Surface Location

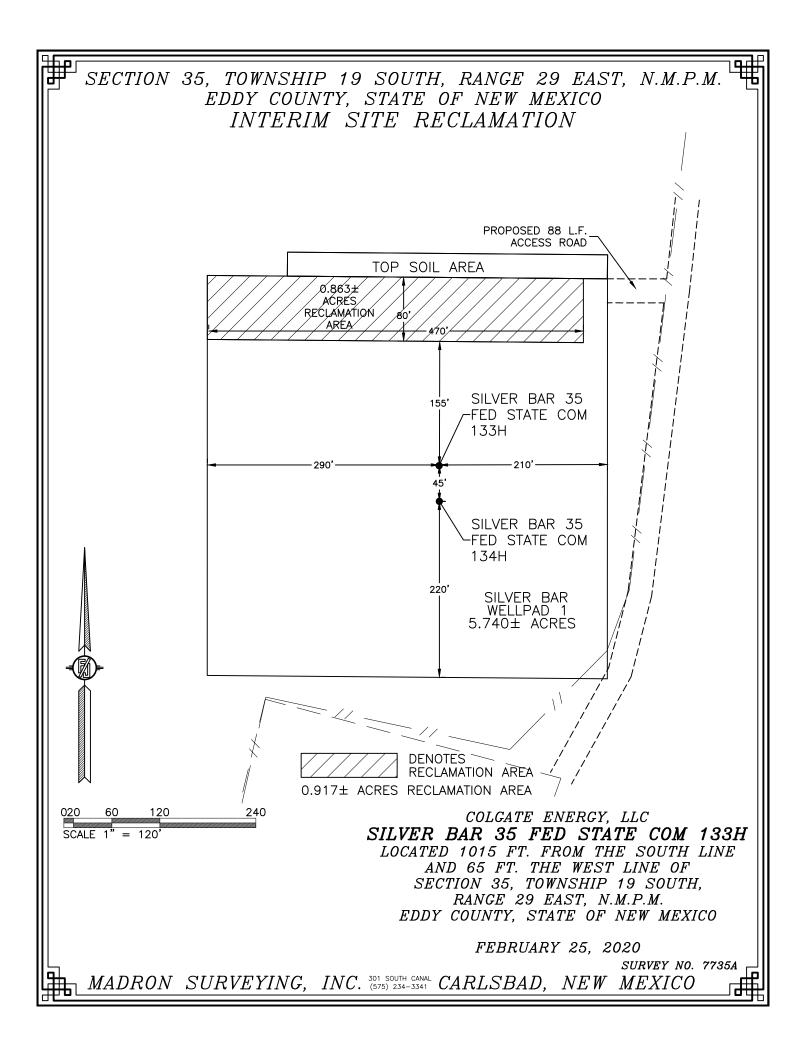
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
M	35	19 S	29 E		1015	SOUTH	SOUTH 65		EDDY	
" Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
I	36	19 S	29 E		1730	SOUTH	10	WEST	EDDY	
12 Dedicated Acre	s ¹³ Joint	or Infill	Consolidation	1 Code	le 15 Order No.					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

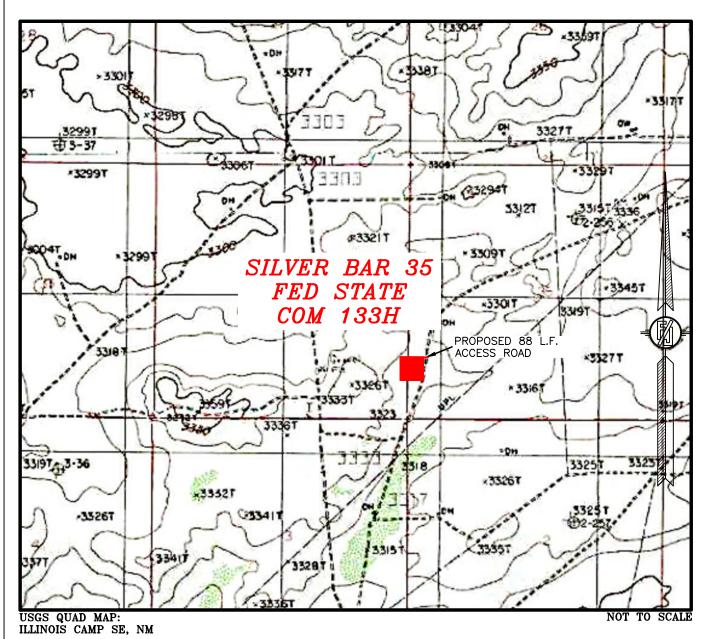


Inten	t	As Dril	led											
API#	:													
Operator Name:						Property Name:								Well Number
Kick (Off Point	(KOP)												
UL	Section	Township	Range	Lot	Feet		From N	N/S	Feet		From	n E/W	County	
Latitu	ıde				Longitu	ıde	l		l	l.			NAD	
First 3	Гake Poin	.+ /ETD\			•									
UL	Section	Township	Range	Lot	Feet		From N	N/S	Feet		From	n E/W	County	
Latitu	ude				Longitu	ıde							NAD	
Last T	āke Poin	t (LTP)			•									
UL	Section	Township	Range	Lot	Feet	Fro	m N/S	Feet		From E	E/W	Count	y	
Latitu	ude				Longitu	Longitude NAD								
Is this well the defining well for the Horizontal Spacing Unit?														
Is this well an infill well?														
	ll is yes pl ng Unit.	lease provi	de API if	availal	ole, Opei	rator	Name	and v	vell nu	umber	for [Definir	ng well fo	r Horizontal
API#	<u> </u>													
Ope	Operator Name:					Property Name:								Well Number
						<u> </u>								





SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



COLGATE ENERGY, LLC

SILVER BAR 35 FED STATE COM 133H

LOCATED 1015 FT. FROM THE SOUTH LINE

AND 65 FT. THE WEST LINE OF

SECTION 35, TOWNSHIP 19 SOUTH,

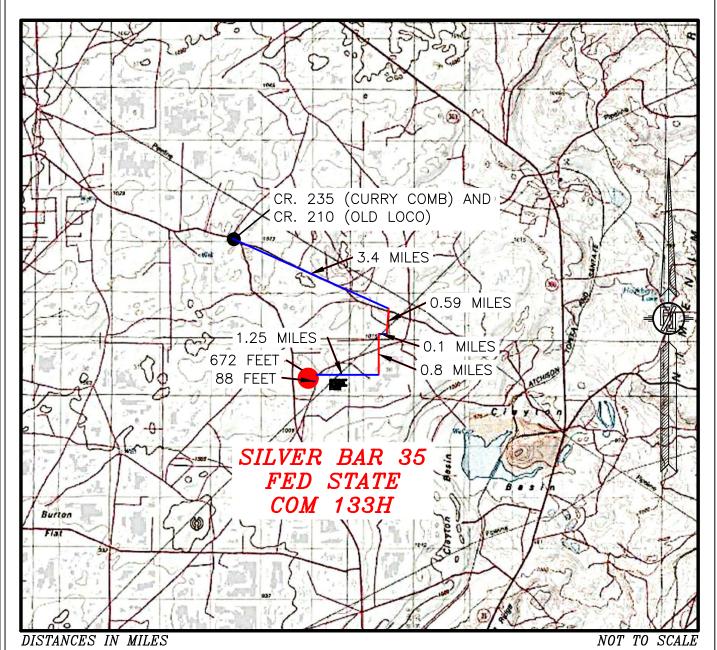
RANGE 29 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 25, 2020

SURVEY NO. 7735A

SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DIRECTIONS TO LOCATION

DIRECTIONS TO LOCATION
FROM CR. 235 (CURY COMB) & CR. 210 (OLD LOCO) GO
SOUTHEAST ON CR. 235 3.4 MILES, TURN RIGHT AND GO SOUTH 0.59
MILES, BEND RIGHT AND GO WEST 0.1 MILES, TURN LEFT AND GO
SOUTH 0.8 MILES, TURN RIGHT AND GO WEST 1.25 MILES, TURN LEFT
AND GO SOUTH 672 FT. TO ROAD SURVEY AND FOLLOW FLAGS WEST
88 FT. TO THE NORTHEAST PAD CORNER FOR THIS LOCATION.

COLGATE ENERGY, LLC

SILVER BAR 35 FED STATE COM 133H

LOCATED 1015 FT. FROM THE SOUTH LINE

AND 65 FT. THE WEST LINE OF

SECTION 35, TOWNSHIP 19 SOUTH,

RANGE 29 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 25, 2020

SURVEY NO. 7735A

SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 12, 2016

COLGATE ENERGY, LLC

SILVER BAR 35 FED STATE COM 133H

LOCATED 1015 FT. FROM THE SOUTH LINE

AND 65 FT. THE WEST LINE OF

SECTION 35, TOWNSHIP 19 SOUTH,

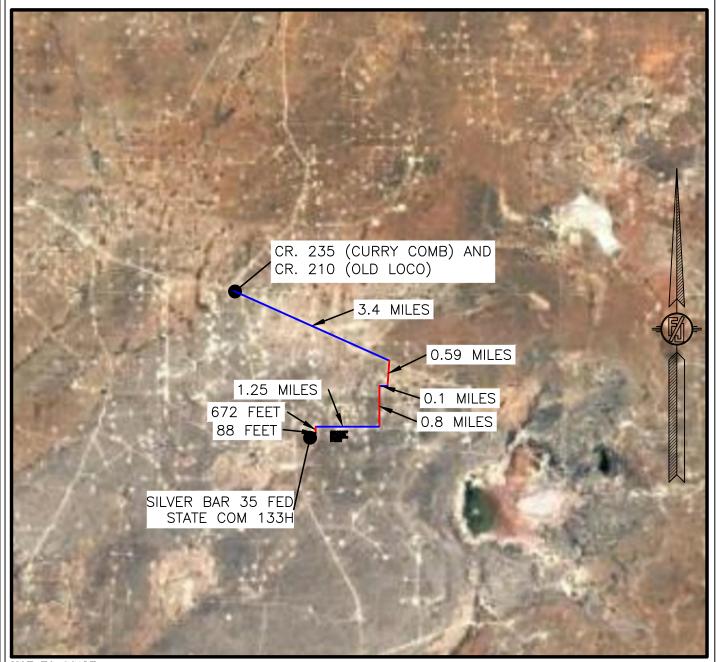
RANGE 29 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

FEBRUARY 25, 2020

SURVEY NO. 7735A

SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP



NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MARCH 12, 2016

COLGATE ENERGY, LLC

SILVER BAR 35 FED STATE COM 133H

LOCATED 1015 FT. FROM THE SOUTH LINE

AND 65 FT. THE WEST LINE OF

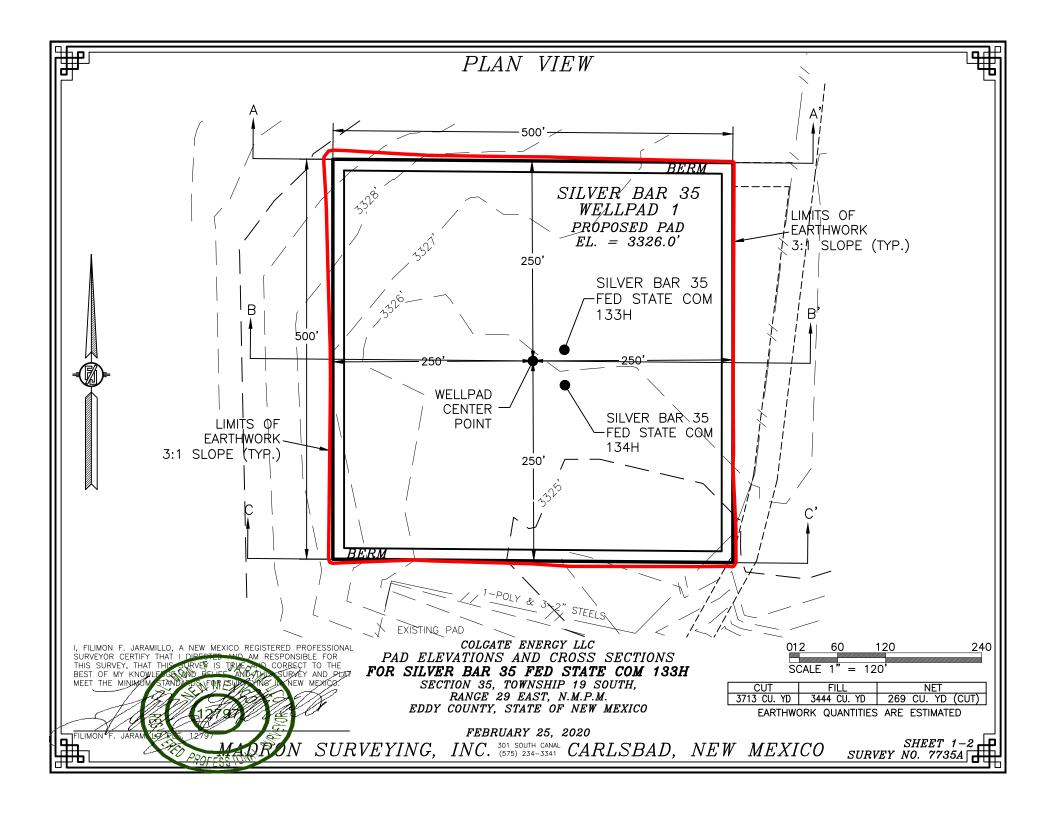
SECTION 35, TOWNSHIP 19 SOUTH,

RANGE 29 EAST, N.M.P.M.

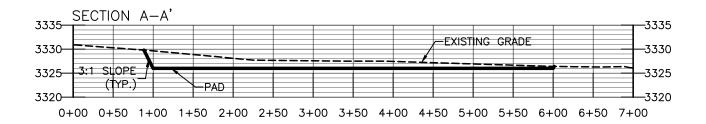
EDDY COUNTY, STATE OF NEW MEXICO

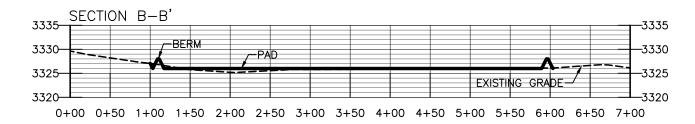
FEBRUARY 25, 2020

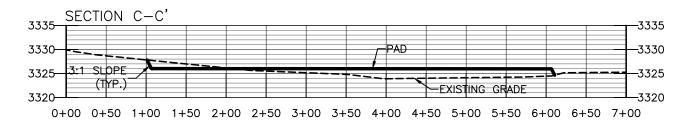
SURVEY NO. 7735A



CROSS-SECTIONS







I, FILIMON F. JARAMILLO, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AN D THIS SURVEY AND PLAT MEET THE MINIMUM STAN JND NEW MEXICO

COLGATE ENERGY LLC PAD ELEVATIONS AND CROSS SECTIONS FOR SILVER BAR 35 FED STATE COM 133H SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

01	2 60	120 240			
6/	DALE 1" 10	0' - 1" = 20' VFR			
50	JALE I = 12	0 - 1 = 20 VER			
CUT	FILL	NET			
3713 CU. YD	3444 CU. YD	269 CU. YD (CUT)			
EARTHWORK QUANTITIES ARE ESTIMATED					

FEBRUARY 25, 2020

SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

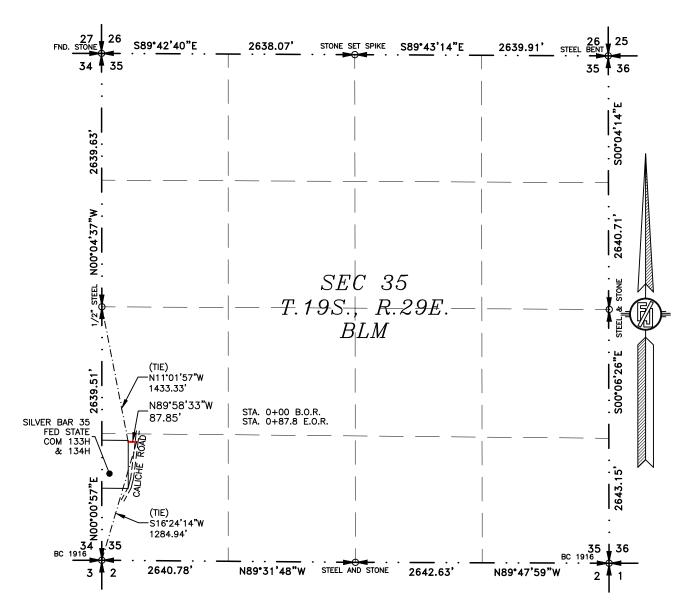
SHEET 2-2 SURVEY NO. 7735A

ACCESS ROAD PLAT

ACCESS ROAD TO THE SILVER BAR 35 WELLPAD 1 (SILVER BAR 35 FED STATE COM 134H & SILVER BAR 35 FED STATE COM 133H)

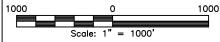
COLGATE ENERGY LLC

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO FEBRUARY 25, 2020



SEE NEXT SHEET (2-2) FOR DESCRIPTION

FILIMON



GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 1-2

MADRON SURVEYING, INC. 301 SOUTH (575) 2344

SURVEYOR CERTIFICATE

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO, THIS ___25 DAY OF FEBRUARY 2020

MADRON SURVEYING, INC. 301 SOUTH CANAL SARLSBAD, NEW MEXICO 88220 Mone (575) 234–3341

SURVEY NO. 7735A NEW MEXICO -

ACCESS ROAD PLAT

ACCESS ROAD TO THE SILVER BAR 35 WELLPAD 1 (SILVER BAR 35 FED STATE COM 134H & SILVER BAR 35 FED STATE COM 133H)

COLGATE ENERGY LLC

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO FEBRUARY 25, 2020

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE SW/4 SW/4 OF SAID SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M., WHENCE THE SOUTHWEST CORNER OF SAID SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS S16*24'14"W, A DISTANCE OF 1284.94 FEET;

THENCE N89°58'33"W A DISTANCE OF 87.85 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE WEST QUARTER CORNER OF SAID SECTION 35, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS N11°01'57"W, A DISTANCE OF 1433.33 FEET;

SAID STRIP OF LAND BEING 87.85 FEET OR 5.32 RODS IN LENGTH, CONTAINING 0.061 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SW/4 SW/4 87.85 L.F. 5.32 RODS 0.061 ACRES

SURVEYOR CERTIFICATE

FILIMON

GENERAL NOTES

- 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.
- 2.) BASIS OF BEARING AND DISTANCE IS NMSP EAST (NAD83) MODIFIED TO SURFACE COORDINATES. NAD 83 (FEET) AND NAVD 88 (FEET) COORDINATE SYSTEMS USED IN THE SURVEY.

SHEET: 2-2

MADRON SURVEYING,

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO, THIS $\underline{25}$ DAY OF FEBRUARY 2020

, MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234–3341

SURVEY NO. 7735A



Garcia, John A, EMNRD

From: Lance D. Hough <ldh@modrall.com>
Sent: Thursday, April 23, 2020 10:15 AM

To: Garcia, John A, EMNRD

Subject: [EXT] RE: Cases 21076 Colgate Operating, LLC

Attachments: Ex A - Silver Bar 35 Fed Com 133H - Checklist (W3739718x7A92D).PDF; C-102 - SILVER BAR 35 FED

STATE COM 133H (W3739157x7A92D).PDF

Good morning John,

I sincerely apologize for the delay, this was a result of a change in the C-102 for the applicable well. Please find attached (1) an executed Exhibit A for Case No 21076 that reflects a corrected SHL and BHL, and (2) an updated C-102 that reflects the corresponding SHL and BHL.

Please do not hesitate to contact me if you have any questions or concerns, or need any other information. My cell is 760-799-4811. Thank you for your follow up and patience.

Sincerely,



Lance D. Hough Associate

Modrall Sperling | www.modrall.com

P.O. Box 2168 | Albuquerque, NM 87103-2168 500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102

D: 505.848.1826 | O: 505.848.1800

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

Sent: Wednesday, April 15, 2020 11:58 AM **To:** Lance D. Hough <ldh@modrall.com>

Subject: FW: Cases 21076 Colgate Operating, LLC

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

Lance,

Sorry for the typo it is OCDs **Second** attempt for case 21076 not its third.

Thank you,

John Garcia

Petroleum Specialist
Oil Conservation Division
1220 South St. Francis Drive

Santa Fe, New Mexico 87505 505-476-3441



From: Garcia, John A, EMNRD

Sent: Wednesday, April 15, 2020 11:57 AM **To:** Lance D. Hough < ldh@modrall.com>

Subject: FW: Cases 21076 Colgate Operating, LLC

Lance,

The above referenced case(s) is/are administratively incomplete as follows:

1. Exhibit A case 21076 have incorrect SHL and BHL when compared to the C-102.

This is OCD's third request for the information. Please submit the information no later than April 29, 2020. If OCD does not receive the information by the specified date, the case(s) will be dismissed.

Thank you,

Thank you,

John Garcia

Petroleum Specialist
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
505-476-3441



From: Garcia, John A, EMNRD

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

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

Subject: Cases 21076 / 21077 Colgate Operating, LLC

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
505-476-3441



This e-mail may be a confidential attorney-client communication. If you received it in error, please delete it without forwarding it to others and notify the sender of the error.

Garcia, John A, EMNRD

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

Modrall Sperling | www.modrall.com

P.O. Box 2168 | Albuquerque, NM 87103-2168 500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102

D: 505.848.1826 | O: 505.848.1800

From: Garcia, John A, EMNRD < John A. 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

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

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

505-476-3441

