

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

**APPLICATION OF COLGATE OPERATING, LLC  
FOR COMPULSORY POOLING, AND NON-  
STANDARD SPACING AND PRORATION UNIT IN  
EDDY COUNTY, NEW MEXICO**

**Case No. 21239**

**ADDENDUM TO PREHEARING STATEMENT**

EOG Resources, Inc., (“EOG”), made a prior Entry of Appearance in the above-referenced case and submitted its Prehearing Statement on May 6, 2020, pursuant to the rules of the Oil Conservation Division (“Division”). This Addendum to EOG’s Prehearing Order is provided to update the procedural matters following conversations between Colgate Operating, LLC (“Colgate”) and EOG, made subsequent to the filing.

**PROCEDURAL MATTERS UPDATE**

EOG provided Colgate a copy of the special payment provision in Exhibit 1, attached, as stated in the Prehearing Statement. EOG’s maintains that this provision is both reasonable and necessary under the current emergency health emergency and the resulting difficult economic times. Such payment provision has been offered to and accepted by the Division in several past orders, under normal conditions, and is neither unusual nor extraordinary. During discussions, Colgate stated that it would not agree to the provision. Consequently, EOG has been placed in a position to protest and object to Colgate’s application and enters a formal protest and objection, a contingency provided for in the procedural matters of the initial Prehearing Statement. EOG

remains open to further discussions and efforts to arrive at an agreement regarding the provision that would be satisfactory to both parties.

Respectfully Submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Darin C. Savage

Andrew D. Schill  
William E. Zimsky  
214 McKenzie Street  
Santa Fe, New Mexico 87501  
Telephone: 970.385.4401  
Facsimile: 970.385.4901  
darin@abadieschill.com  
andrew@abadieschill.com  
bill@abadieschill.com

**Attorneys for EOG Resources, Inc.**

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**EOG'S EXHIBIT 1:**

Special payment provision provided by EOG Resources, Inc. ("EOG") requested to be included in any order issued in Case No. 21239:

Applicant grants EOG Resources the ability to sequentially elect to pay its share of costs for each proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of each well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each well.

**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico

**EOG Exhibit No. 1**

**Submitted by: EOG Resources, Inc.**

Hearing Date: May 14, 2020

**Case No. 21239**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on May 6, 2020:

Ernest L. Padilla  
P.O. Box 2523  
Santa Fe, New Mexico 87504  
Phone: (505) 988-7577  
Email: padillalaw@qwestoffice.net

/s/ Darin C. Savage

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Darin C. Savage