Additional

Information

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21187	APPLICANT'S RESPONSE						
Date	April 30, 2020						
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. 21187						
Entries of Appearance/Intervenors:	None						
Well Family	Black Diamond						
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:	240 Acres						
Spacing Unit							
Type (Horizontal/Vertical)	Horizontal						
Size (Acres)	240 Acres						
Building Blocks:	Quarter Quarter Sections						
Orientation:	East to West						
Description: TRS/County	N/2 S/2 of Section 34, and the N/2 S/2 of the E/2 of Section 33, 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.5-87						
Well(s)							
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	See Exhibit B.3-87 and Exhibit B.4-87						

Well #1	Black Diamond 34 Fed Com 133H
	SHL: 1135 feet from the South line and 360 feet from the
	East line,
	(Unit P) of Section 34, Township 19 South, Range 29 East, NMPM.
	BHL: 1750 feet from the South line and 2626 feet from
	the West line,
	(Unit J) of Section 33, Township 19 South, Range 29 East, NMPM.
	Completion Target: 3rd Bone Spring at approx 9,005 feet
	TVD. Well Orientation: East to West
	Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit B.4-87
Completion Target (Formation, TVD and MD)	Exhibit B; Exhibit B.1; Exhibit B.3-87; Exhibit B.4-87; Exhibit C.3 through C.10
AFE Capex and Operating Costs	, and the second
Drilling Supervision/Month \$	8,000
Production Supervision/Month \$	800
Justification for Supervision Costs	Exhibit B.6-87 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)	Exhibit D.2
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D.3
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B; Exhibit B.5-87
Tract List (including lease numbers and owners)	Exhibit B.5-87
Pooled Parties (including ownership type)	Exhibit B.5-87
Unlocatable Parties to be Pooled	Exhibit B.5-87; Exhibit D.2
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit B.1
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.5-87
Chronology of Contact with Non-Joined Working Interests	Exhibit B.2
Overhead Rates In Proposal Letter	Exhibit B.5-87
Cost Estimate to Drill and Complete	Exhibit B.6-87 for AFEs
Cost Estimate to Equip Well	Exhibit B.6-87 for AFEs
Cost Estimate for Production Facilities	Exhibit B.6-87 for AFEs
Geology	

Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibits B.4-87, C.2, and C.3
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.3
Well Orientation (with rationale)	Exhibit C
Target Formation	Exhibits C.3 through C.10
HSU Cross Section	Exhibits C.7 through C.10
Depth Severance Discussion	Exhibit B
Forms, Figures and Tables	
C-102	Exhibitc B.4-87
Tracts	Exhibit B.5-87
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.5-87
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibits C.2 through C.10
Structure Contour Map - Subsea Depth	Exhibits C.4 and C.6
Cross Section Location Map (including wells)	Exhibit C.2
Cross Section (including Landing Zone)	Exhibits C.7 through C.10
Additional Information	
Special Provisions/Stipulations	None
CERTIFICATION: I hereby certify that the information prov	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Lance Hough
Signed Name (Attorney or Party Representative):	
Date:	5/12/2020

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

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

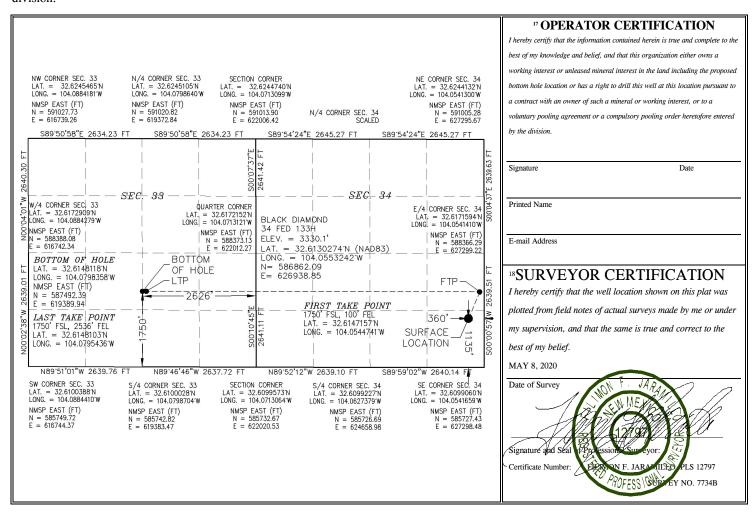
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

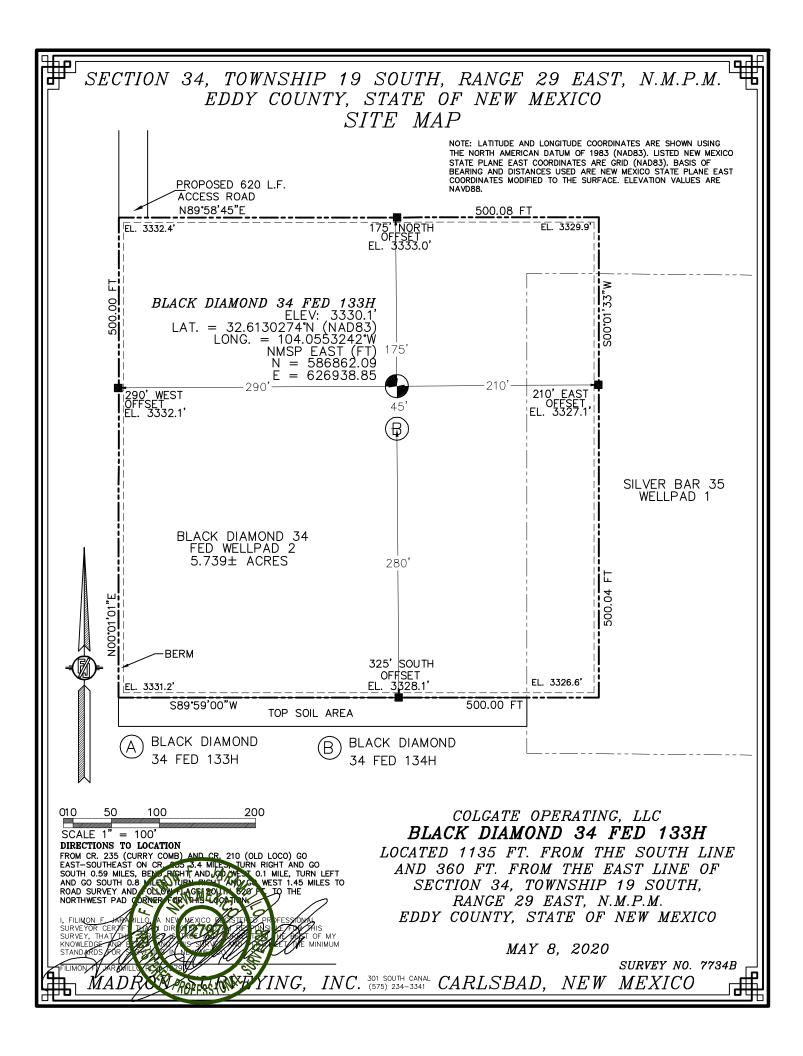
WELL LOCATION AND ACREAGE DEDICATION PLAT

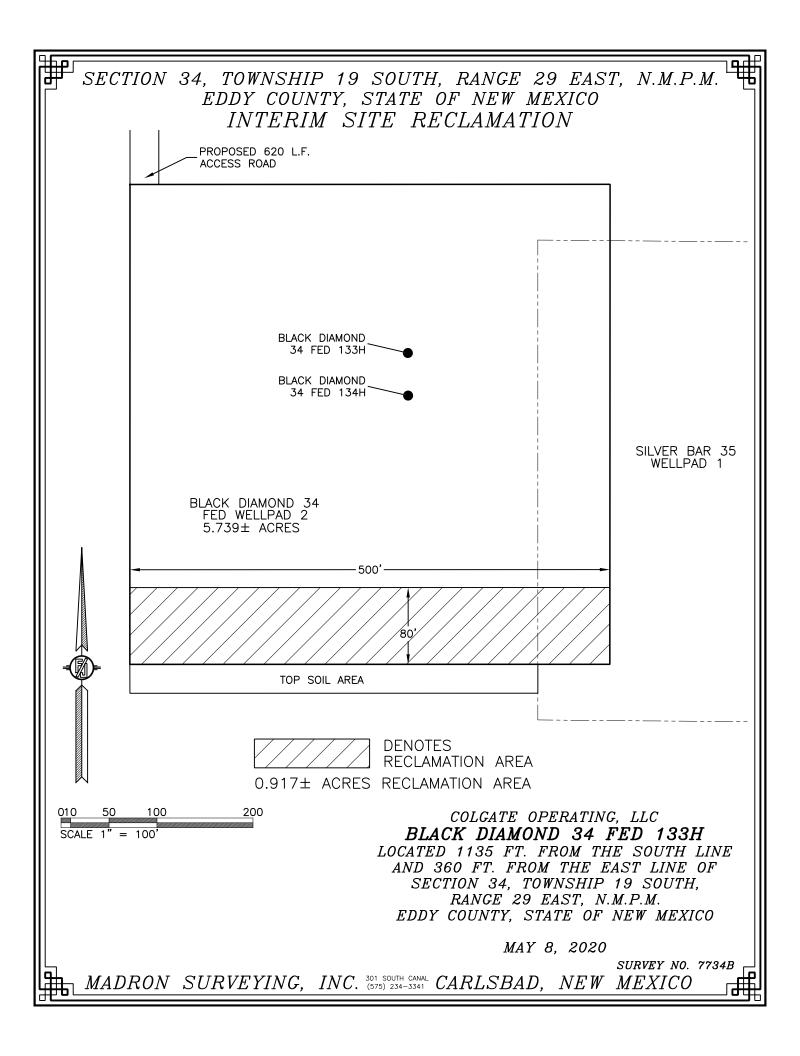
1	API Numbe	r		² Pool Code	ol Code 3 Pool Name										
⁴ Property	Code				⁵ Property		⁶ Well Number								
		BLACK DIAMOND 34 FED													
⁷ OGRID		⁹ Elevation													
37144	9			COI	COLGATE OPERATING, LLC 3330.1										
					¹⁰ Surface	e Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County					
P	34	19 S	29 E		1135	SOUTH	360	EAS	ST	EDDY					
			п В	ottom H	ole Location	If Different Fi	om Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County					
J	33	19 S	29 E		1750	SOUTH	2626	EAST EDDY							
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 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.

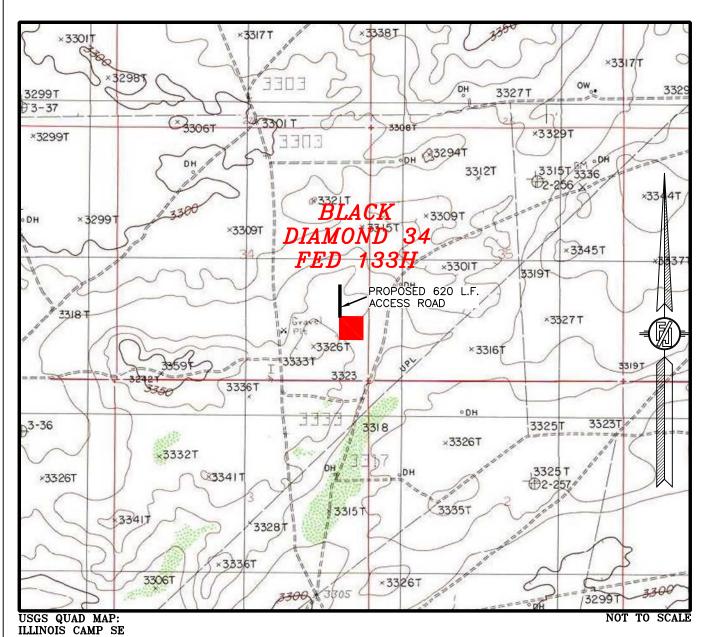


Inten	t	As Dril	led											
API#	ł													
Ope	rator Nai		Property Name:								Well Number			
Kick (Off Point	(KOP)												<u> </u>
UL											County			
Latitu	ude				Longitu	ıde							NAD	
	Take Poir		Davies.	List	51		5 .	1/6	t		-	- F /\A/	Country	
UL	Section	Township	Range	Lot	Feet		From N	1/3	Feet		From E/W		County	
Latitu	ude				Longitu	Longitude NAD								
	Take Poin													
UL	Section	Township	Range	Lot	Feet		m N/S	Feet		From E	/W	Count	У	
Latitu	ude				Longitu	Longitude NAD								
Is this	Is this well the defining well for the Horizontal Spacing Unit?													
Is this	s well an	infill well?												
Spaci	ng Unit.	lease provi	de API if	availak	ole, Opei	rator	Name	and v	vell n	umber 1	for [Definir	ng well fo	or Horizontal
API#	ł													
Ope	rator Na	me:				Pro	perty N	ame:						Well Number





SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP

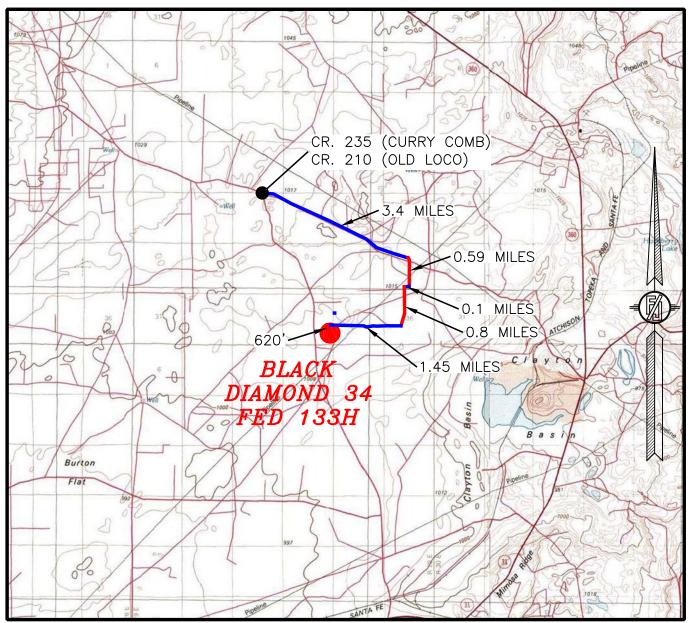


COLGATE OPERATING, LLC
BLACK DIAMOND 34 FED 133H
LOCATED 1135 FT. FROM THE SOUTH LINE
AND 360 FT. FROM THE EAST LINE OF
SECTION 34, TOWNSHIP 19 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7734B

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM CR. 235 (CURRY COMB) AND CR. 210 (OLD LOCO) GO
EAST—SOUTHEAST ON CR. 235 3.4 MILES, TURN RIGHT AND GO
SOUTH 0.59 MILES, BEND RIGHT AND GO WEST 0.1 MILE, TURN LEFT
AND GO SOUTH 0.8 MILES, TURN RIGHT AND GO WEST 1.45 MILES TO
ROAD SURVEY AND FOLLOW FLAGS SOUTH 620 FT. TO THE NORTHWEST PAD CORNER FOR THIS LOCATION.

COLGATE OPERATING, LLC BLACK DIAMOND 34 FED 133H LOCATED 1135 FT. FROM THE SOUTH LINE AND 360 FT. FROM THE EAST LINE OF SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7734B

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



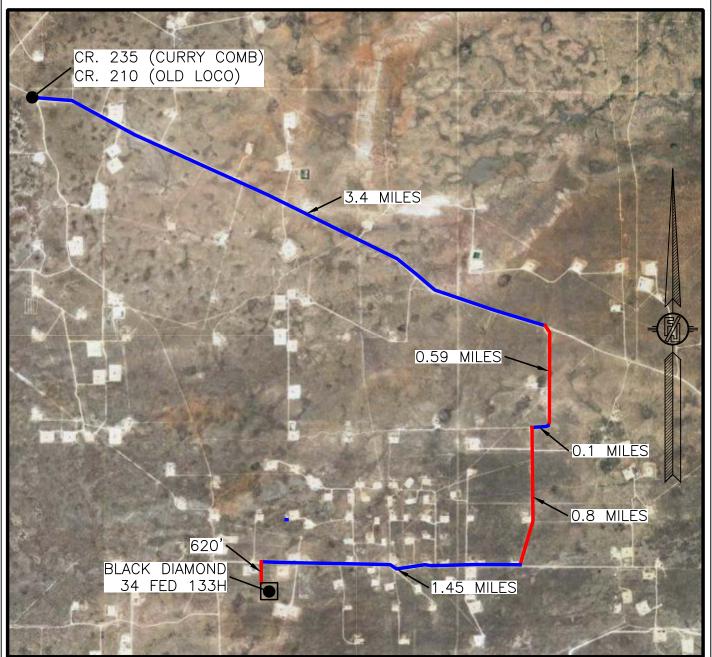
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MAR. 2016

COLGATE OPERATING, LLC
BLACK DIAMOND 34 FED 133H
LOCATED 1135 FT. FROM THE SOUTH LINE
AND 360 FT. FROM THE EAST LINE OF
SECTION 34, TOWNSHIP 19 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7734B

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL ACCESS ROUTE MAP

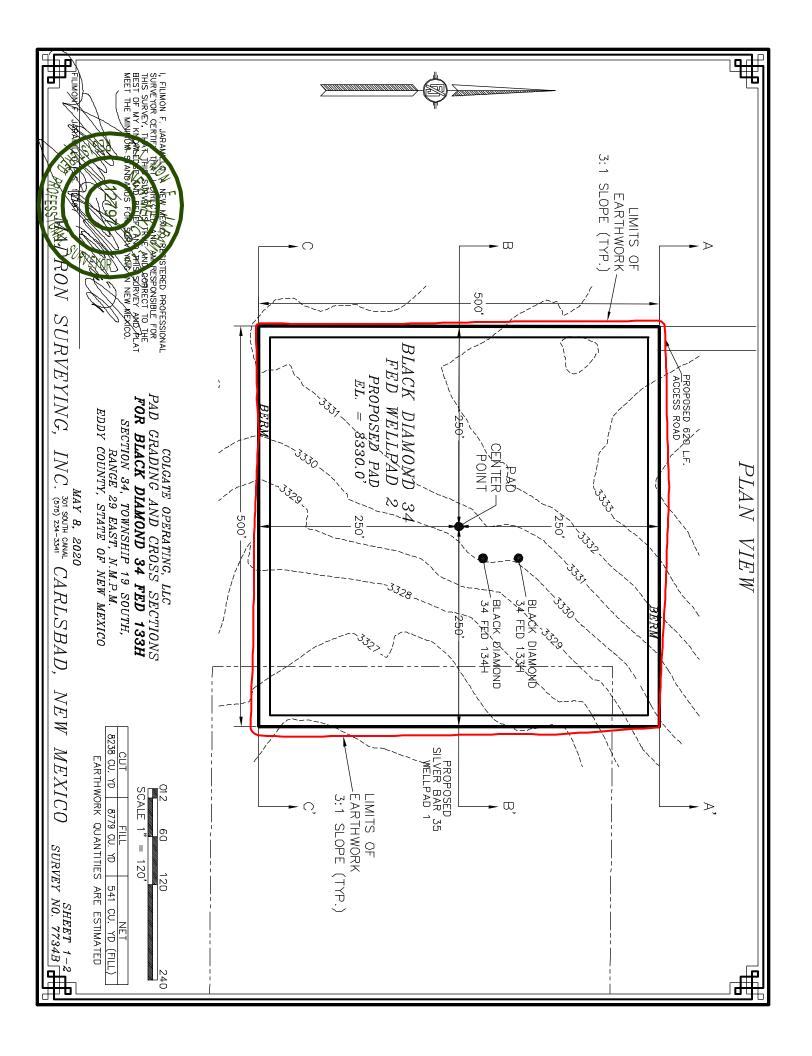


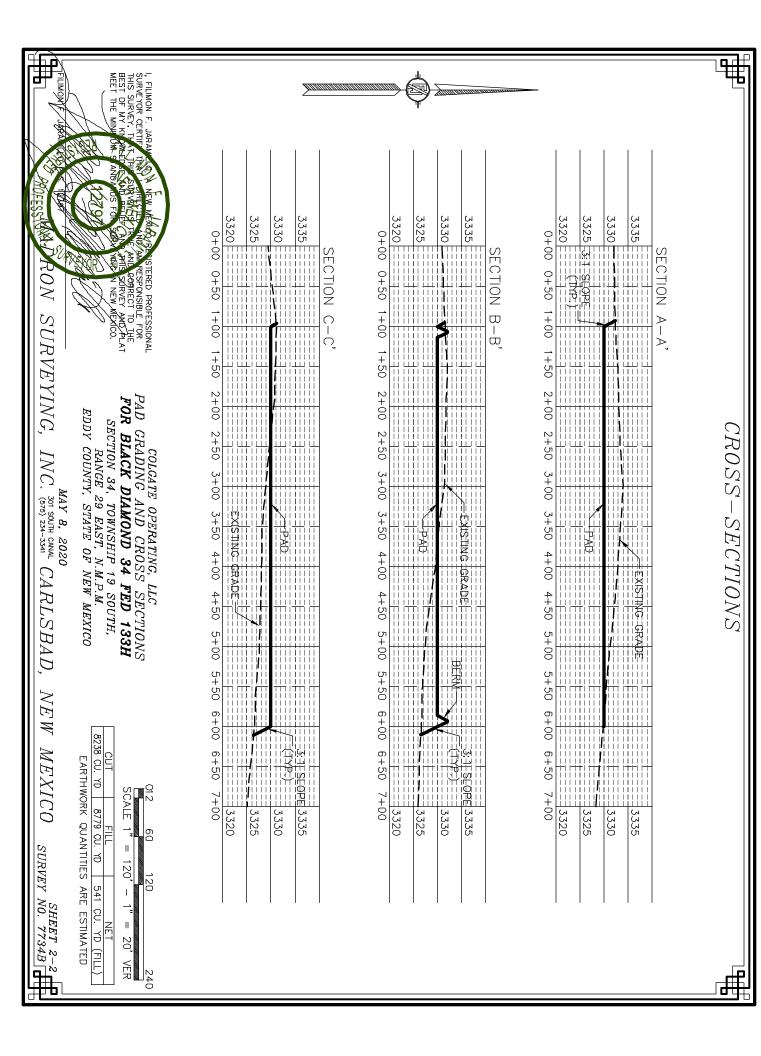
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MAR. 2016

COLGATE OPERATING, LLC
BLACK DIAMOND 34 FED 133H
LOCATED 1135 FT. FROM THE SOUTH LINE
AND 360 FT. FROM THE EAST LINE OF
SECTION 34, TOWNSHIP 19 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7734B



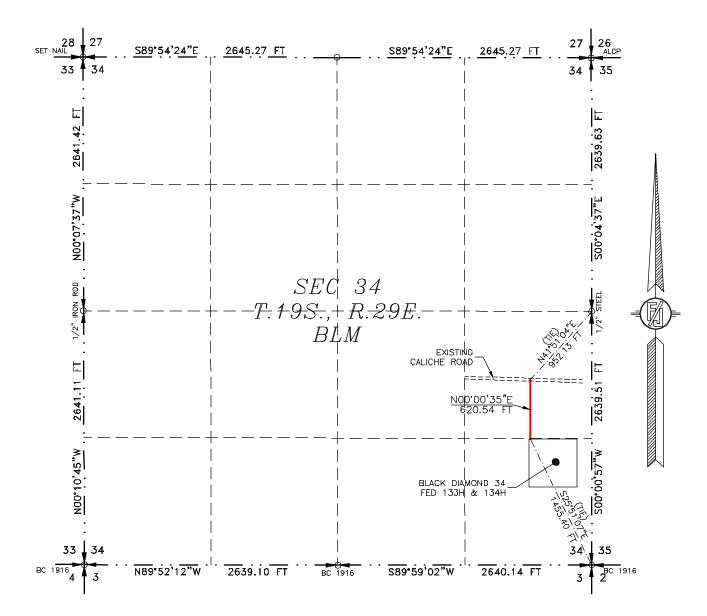


ACCESS ROAD PLAT

ACCESS ROAD FOR BLACK DIAMOND 34 FED 133H & 134H

COLGATE OPERATING, LLC

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 8, 2020



SEE NEXT SHEET (2-2) FOR DESCRIPTION



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 S

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 MICHON WILE CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MIXED THE WILL DE NAV 2020

MADRON SURVEYING, INC.

301 SOUTH CANAL

CARLSBAD, NEW MEXICO 88220

Phone (575) 234–3341

SURVEY NO. 7734B

NEW MEXICO

ACCESS ROAD PLAT

ACCESS ROAD FOR BLACK DIAMOND 34 FED 133H & 134H

COLGATE OPERATING, LLC CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 8, 2020

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 34, 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 SE/4 SE/4 OF SAID SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS S25°51'07"E, A DISTANCE OF 1455.40 FEET;

THENCE NOO'00'35"E A DISTANCE OF 620.54 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE EAST QUARTER CORNER OF SAID SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS N41"51"04"E, A DISTANCE OF 952.13 FEET;

SAID STRIP OF LAND BEING 620.54 FEET OR 37.61 RODS IN LENGTH, CONTAINING 0.427 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SE/4 10.73 L.F. 0.65 RODS 0.007 ACRES NE/4 SE/4 609.81 L.F. 36.96 RODS 0.420 ACRES

SURVEYOR CERTIFICATE

GENERAL NOTES

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SHEET: 2-2

NEW MEXICO, I-LEN 1121 DA OF TAY 2020

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

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY,

ERTIFICATE IS EXECUTED AT CARLSBAD,

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

TATE OF NEW MEXICO.

SURVEY NO. 7734B

MADRON SURVEYING. INC. 301 SOUT FAMILY BAD, NEW MEXICO

LAND SURVEYING

District I

District IV

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 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

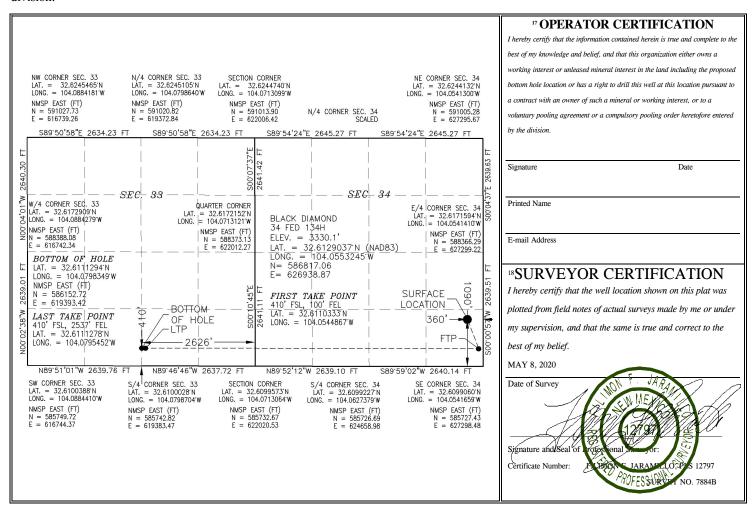
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

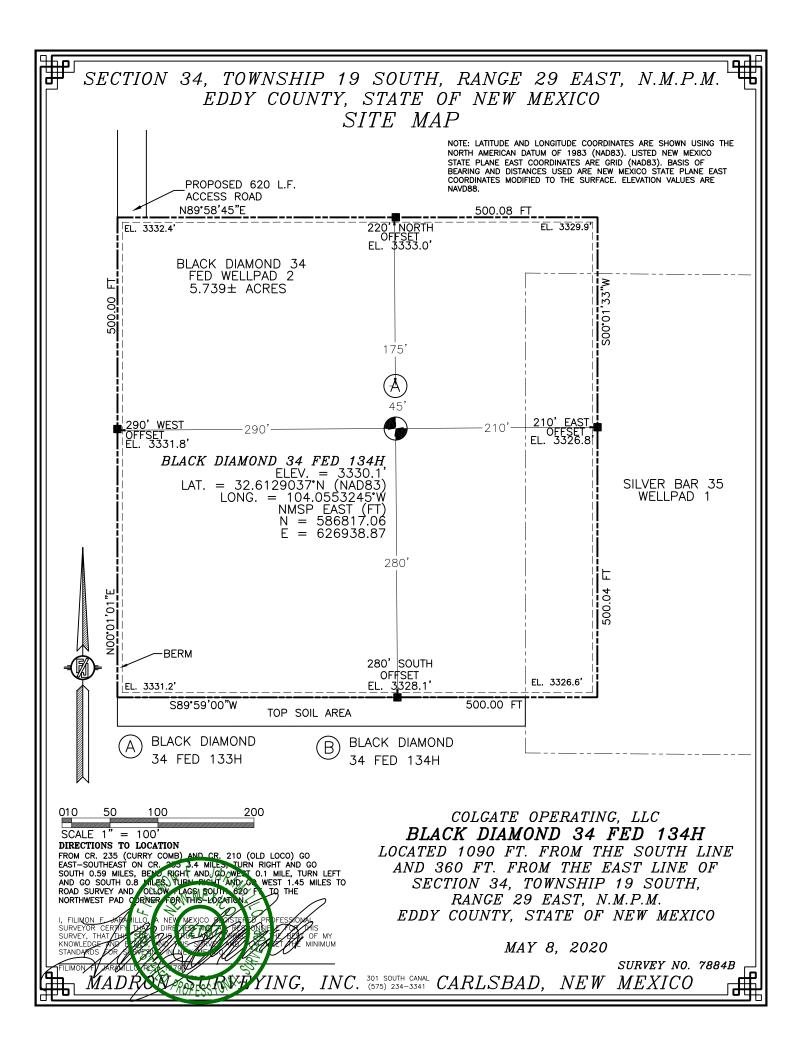
WELL LOCATION AND ACREAGE DEDICATION PLAT

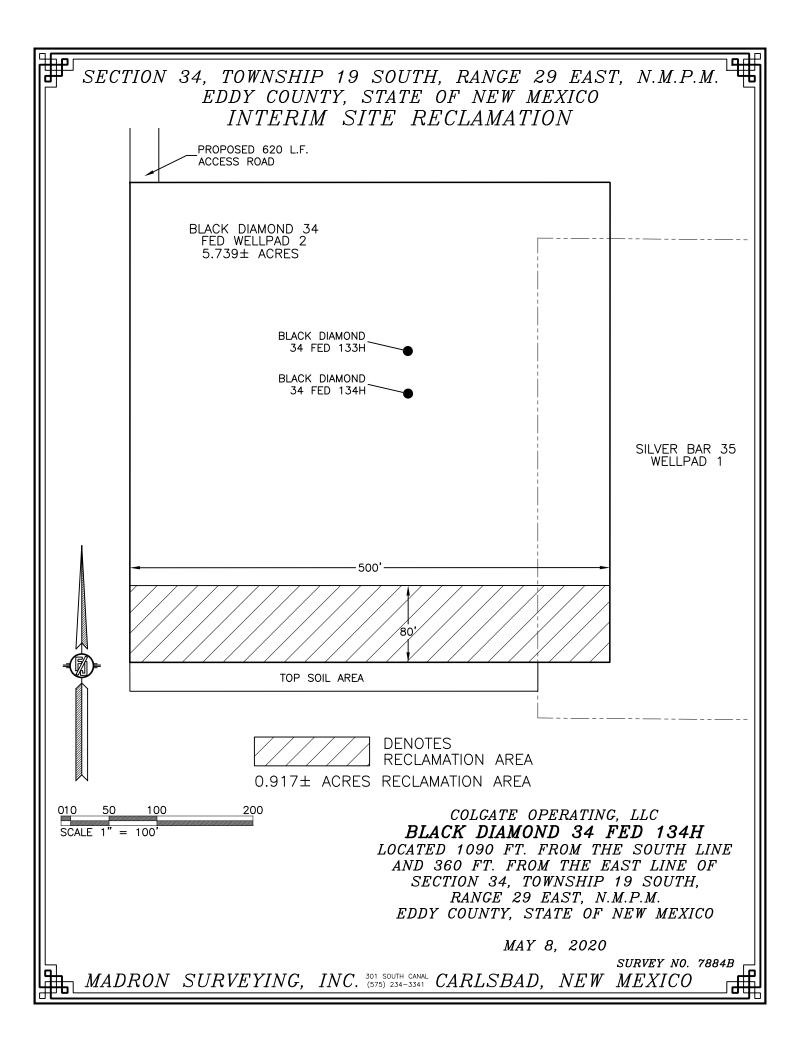
1 1	API Number	² Pool Code ³ Poo						³ Pool Name								
⁴ Property (Code				⁵ Property		⁶ Well Number									
		BLACK DIAMOND 34 FED														
⁷ OGRID	⁷ OGRID No. ⁸ Operator Name															
37144	9			COI	COLGATE OPERATING, LLC 3330.1											
¹⁰ Surface Location																
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County						
P	34	19S	29E		1090	SOUTH	360	EAS	ST	EDDY						
	•	•	пВ	ottom H	ole Location	If Different Fi	om Surface	•		•						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County						
O	33	19S	29E		410	SOUTH	2626	2626 EAST EDDY								
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code					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.

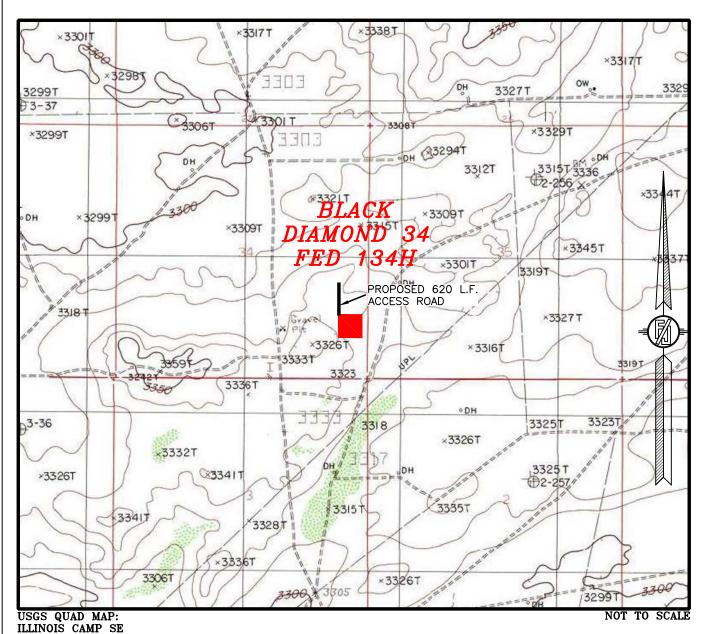


Inten	t	As Dril	led											
API#	†]											
Ope	rator Nai	ne:				Property Name:								Well Number
Kick (Off Point	(KOP)												
UL												County		
Latit	<u>l</u> ude				Longitu	ıde							NAD	
First T	Take Poir	nt (FTP)	Range	Lot	Feet		From N	ı/S	Feet	1	From I	E/W	County	
Latit					Longitu	ıde					NAD			
Latit					Longite	.origitude NAD								
Last 1	Гake Poin	t (LTP)												
UL	Section	Township	Range	Lot	Feet	Fron	m N/S	Feet		From E/	w	Count	У	
Latit	ude				Longitu	Longitude NAD								
Is this	s well the	defining v	vell for th	ne Hori	zontal Տլ	pacing	g Unit?]				
Is this	s well an	infill well?												
	ll is yes p ng Unit.	lease provi	de API if	availal	ole, Ope	rator I	Name	and v	vell nı	umber f	or De	efinir	ng well fo	or Horizontal
API#	ŧ													
Ope	rator Nai	me:	1			Prop	erty N	ame						Well Number





SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP

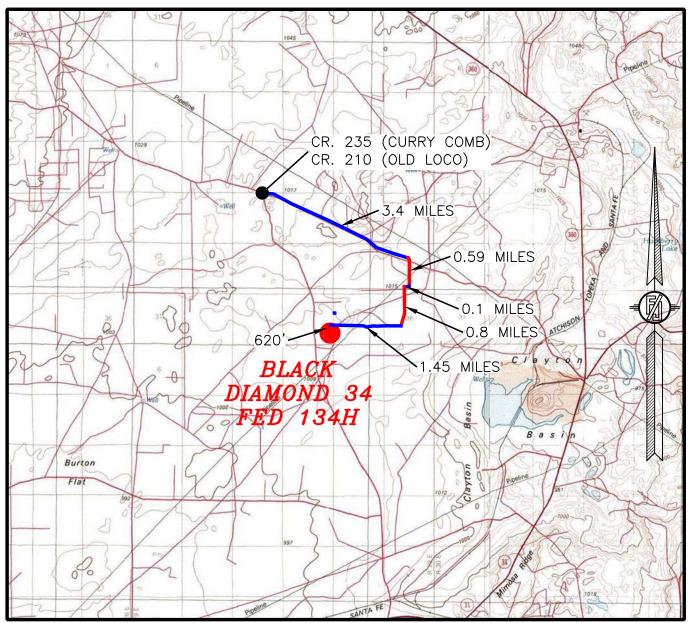


COLGATE OPERATING, LLC
BLACK DIAMOND 34 FED 134H
LOCATED 1090 FT. FROM THE SOUTH LINE
AND 360 FT. FROM THE EAST LINE OF
SECTION 34, TOWNSHIP 19 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7884B

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM CR. 235 (CURRY COMB) AND CR. 210 (OLD LOCO) GO
EAST—SOUTHEAST ON CR. 235 3.4 MILES, TURN RIGHT AND GO
SOUTH 0.59 MILES, BEND RIGHT AND GO WEST 0.1 MILE, TURN LEFT
AND GO SOUTH 0.8 MILES, TURN RIGHT AND GO WEST 1.45 MILES TO
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MAY 8, 2020

SURVEY NO. 7884B

SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO AERIAL PHOTO



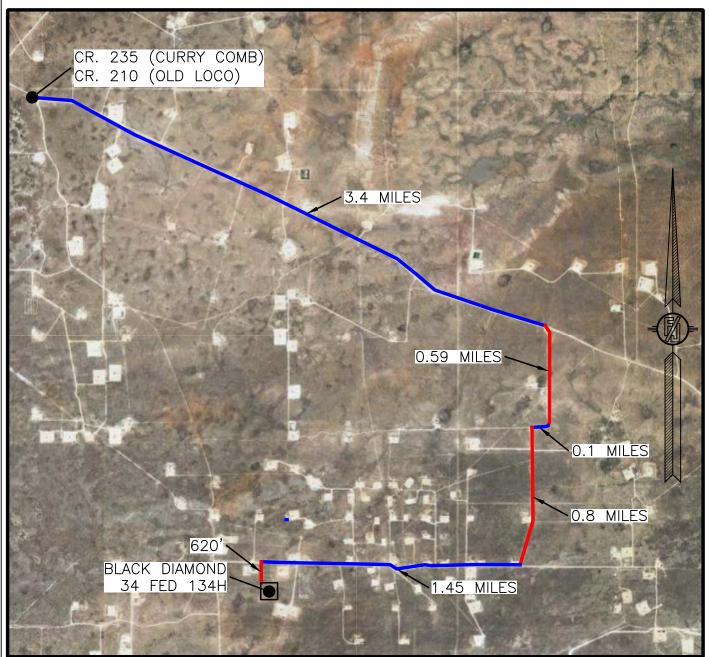
NOT TO SCALE AERIAL PHOTO: GOOGLE EARTH MAR. 2016

COLGATE OPERATING, LLC
BLACK DIAMOND 34 FED 134H
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SECTION 34, TOWNSHIP 19 SOUTH,
RANGE 29 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7884B

SECTION 34, 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 MAR. 2016

COLGATE OPERATING, LLC

BLACK DIAMOND 34 FED 134H

LOCATED 1090 FT. FROM THE SOUTH LINE

AND 360 FT. FROM THE EAST LINE OF

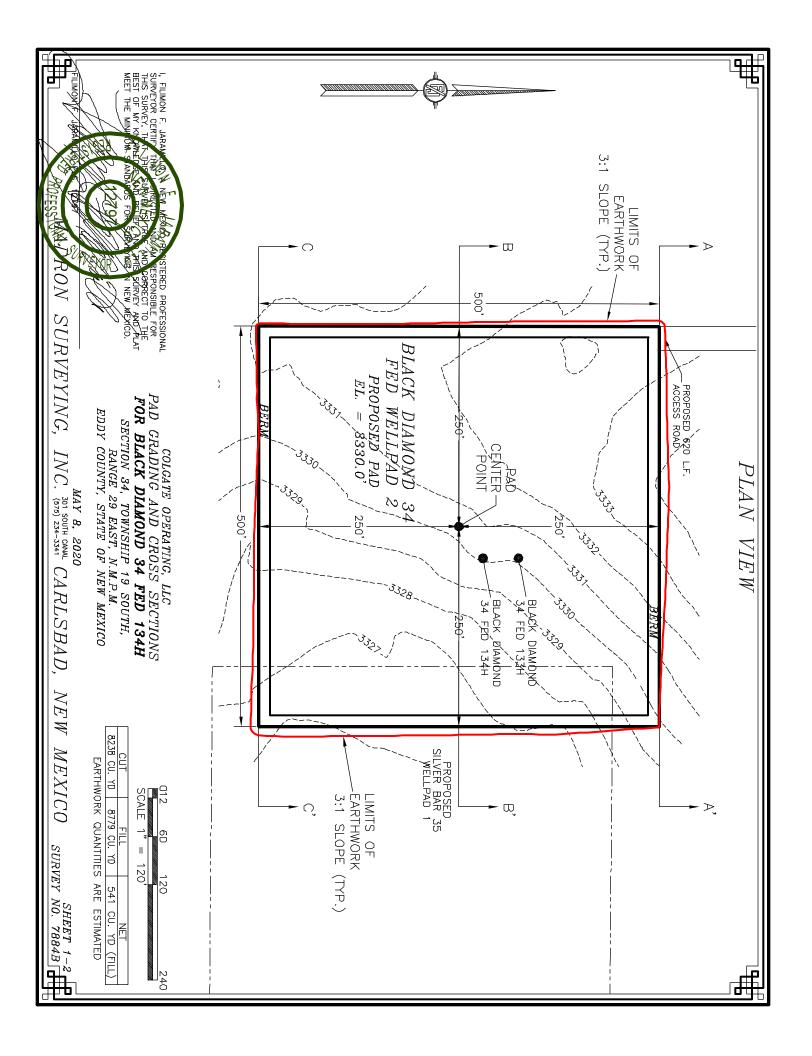
SECTION 34, TOWNSHIP 19 SOUTH,

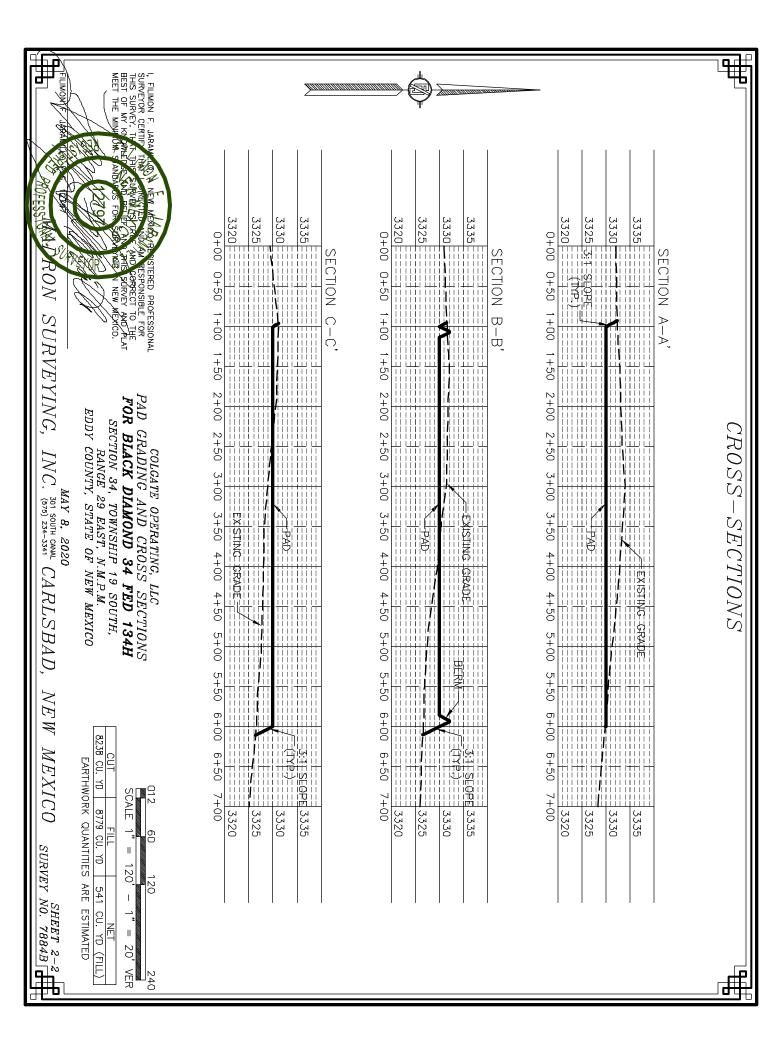
RANGE 29 EAST, N.M.P.M.

EDDY COUNTY, STATE OF NEW MEXICO

MAY 8, 2020

SURVEY NO. 7884B



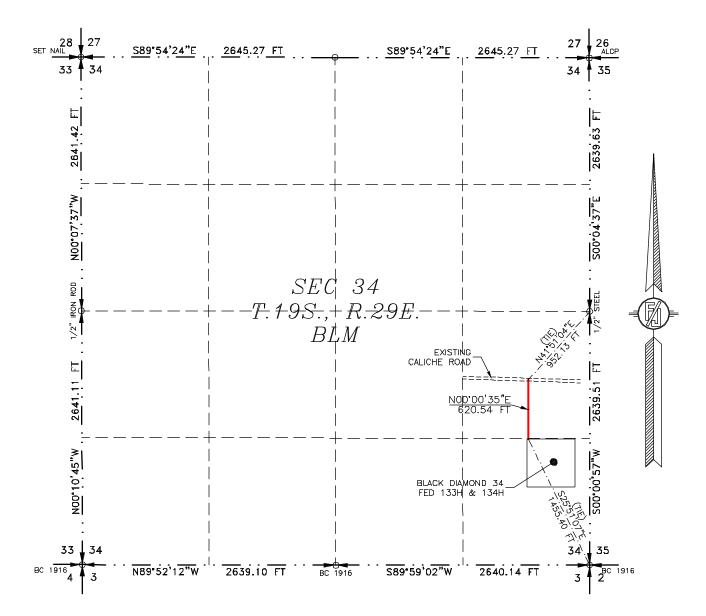


ACCESS ROAD PLAT

ACCESS ROAD FOR BLACK DIAMOND 34 FED 133H & 134H

COLGATE OPERATING, LLC

CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 8, 2020



SEE NEXT SHEET (2-2) FOR DESCRIPTION



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

SURVEYOR CERTIFICATE

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IN MICH WIFE OF TAHLS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MIXED THEN ME TO THE TOTAL CARLSBAD,

MADRON SURVEYING, INC.

301 SOUTH CANAL

CARLSBAD, NEW MEXICO 88220

Phone (575) 234–3341

SURVEY NO. 7884B

MADRON SURVEYING, INC. (575) 23 SAD, NEW MEXICO

ACCESS ROAD PLAT

ACCESS ROAD FOR BLACK DIAMOND 34 FED 133H & 134H

COLGATE OPERATING, LLC CENTERLINE SURVEY OF AN ACCESS ROAD CROSSING SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 8, 2020

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING BUREAU OF LAND MANAGEMENT LAND IN SECTION 34, 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 SE/4 SE/4 OF SAID SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M., WHENCE THE SOUTHEAST CORNER OF SAID SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS S25'51'07"E, A DISTANCE OF 1455.40 FEET;

THENCE NOO'00'35"E A DISTANCE OF 620.54 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE EAST QUARTER CORNER OF SAID SECTION 34, TOWNSHIP 19 SOUTH, RANGE 29 EAST, N.M.P.M. BEARS N41*51'04"E, A DISTANCE OF 952.13 FEET;

SAID STRIP OF LAND BEING 620.54 FEET OR 37.61 RODS IN LENGTH, CONTAINING 0.427 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

SE/4 SE/4 10.73 L.F. 0.65 RODS 0.007 ACRES NE/4 SE/4 609.81 L.F. 36.96 RODS 0.420 ACRES

SURVEYOR CERTIFICATE

SURVEYING IN

NEW M

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 (INC. 501 S (575)

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 NEW MEXICO. CERTIFICATE IS EXECUTED AT CARLSBAD,

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

SURVEY NO. 7884B

NEW MEXICO

I, FILIMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY,

Garcia, John A, EMNRD

From: Lance D. Hough <ldh@modrall.com>
Sent: Tuesday, May 12, 2020 8:11 PM

To: Garcia, John A, EMNRD

Cc: Earl E. DeBrine

Subject: [EXT] RE: Case 21187

Attachments: BLACK-DIAMOND-34-FED-133H (Revised) (W3750757x7A92D).PDF; BLACK-DIAMOND-34-FED-134H

(Revised) (W3750756x7A92D).PDF; 21187 - Black Diamond 34 Fed Com 133H - Exhibit A Checklist

(Revised) (W3750760x7A92D).PDF

John,

Attached are the updated C-102s for the 133H (Case 21187) and 134H (Case 21188) wells. The Last Take Points have been updated to 2,536' FEL and 2,537' FEL, being 104' and 103' from the unit boundary and in compliance with the applicable setback requirements. I have also attached an updated Checklist for Case 21187 since the updated C-102 for the 133H well reflects minor changes in the BHL footages.

Thank you for your patience and please let me know if you need anything else.

Sincerely,



Lance D. Hough Associate Attorney D: 505.848.1826

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

Sent: Wednesday, May 6, 2020 10:37 AM **To:** Lance D. Hough <ldh@modrall.com>

Subject: RE: Case 21187

Thank you for the update Lance.

Thank you,

John Garcia

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



From: Lance D. Hough < ldh@modrall.com>
Sent: Wednesday, May 6, 2020 10:32 AM

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

Subject: [EXT] RE: Case 21187

John,

Just following up, I am hoping to get the updated C102s (and Exhibit As) to you by the end of this week. Thanks again for your patience.

Sincerely,



Lance D. Hough
Associate Attorney
D: 505.848.1826

From: Lance D. Hough

Sent: Friday, May 1, 2020 4:18 PM

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

Subject: RE: Case 21187

John,

I just heard back that the C102s will need to be corrected to reflect that the LTPs comply with the 100' setback requirement. It may take a couple days to get corrected C102s but I'll get them to you ASAP. I'll make sure to check on all the C102s for all four of these Black Diamond cases as well. Thanks again.

Sincerely,



Lance D. Hough Associate Attorney D: 505.848.1826

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

Sent: Friday, May 1, 2020 4:02 PM

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

Subject: RE: Case 21187

I understand, thank you very much for the update.

Thank you,

John Garcia

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



From: Lance D. Hough < ldh@modrall.com>

Sent: Friday, May 1, 2020 4:00 PM

To: Garcia, John A, EMNRD < <u>John A. Garcia@state.nm.us</u>>

Subject: [EXT] RE: Case 21187

John,

Thank you for bringing this to my attention, I apologize for the oversight. I know the plan was for these to comply with the setback requirements and then we received the C102's last minute. I've followed up with my client and am waiting to hear back as to whether these C102's are correct, which would then of course warrant approval for NSL's due to these BHLs not meeting the setback requirements. Since it is already 5pm where my client is located, I do not anticipate that I'll have an answer until Monday. If that is okay, I'll work with them to get an answer to you ASAP so that we can resolve this discrepancy.

Sincerely,



Lance D. Hough Associate Attorney D: 505.848.1826

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

Sent: Friday, May 1, 2020 3:49 PM
To: Lance D. Hough < ldh@modrall.com>

Subject: RE: Case 21187

Lance,

Thanks for the quick reply, as far as case 21187 and 21188 in the affidavit it is stated that these wells will comply with the State setbacks, and in the example letter to the interest owners the SHL and BHL reflect this. However the C-102 for the 133H and 134H reflect an need for an NSL as these footages are different. Which ones are correct? Does the applicant plan on seeking a NSL?

Thank you,

John Garcia

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



From: Lance D. Hough < ldh@modrall.com>

Sent: Friday, May 1, 2020 3:43 PM

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

Cc: Earl E. DeBrine < edebrine@modrall.com >

Subject: [EXT] RE: Case 21187

John,

Attached is the C-102 for the 133H well in case No. 21187. Please let me know if you need anything else. Thank you.

Sincerely,



Lance D. Hough Associate Attorney D: 505.848.1826

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

Sent: Friday, May 1, 2020 3:38 PM

To: Earl E. DeBrine < edebrine@modrall.com>
Ce:Lance D. Hough < ldh@modrall.com>

Subject: Case 21187

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.

All,

I am currently reviewing case 21187, I was unable to locate a C-102 for well 133H in the exhibits. It appears that the C-102H from another case may have been submitted in its place. Please send me a C-102 for this case and I can continue to review.

Thank you,

John Garcia

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



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