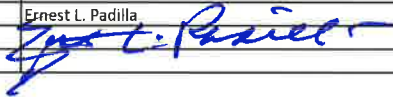


COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21303	Applicant's Response
Date: July 21, 2020	
Applicant	Colgate Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	371449
Applicant's Counsel	Ernest L. Padilla
Case Title:	Application of Colgate Operating, LLC Case No. 21339
	compulsory pooling, and non-standard spacing and
	proration unit in Eddy County, New Mexico
Entries of Appearance/Intervenors	COG Operating, LLC-Michael Rodriguez
Well Family	Rincon 22 State
Formation/Pool	
Formation Name(s) or Verticle Extent	Palmillo, Bone Spring Formation
Primary Product (Oil or Gas)	Oil
Pooling this verticle extent	Bone Spring Formation
Pool Name and Pool Code	Palmillo, Bone Spring (Pool code 96413)
Well Location Setback Rules	Standard
Spacing Unit Size	160 ac
Spacing Unit	
Type (Horizontal/Verticle)	Horizontal
Size (acres)	160 ac
Building Blocks	quarter-quarter sections
Orientation	West to East
Description: TRS/County	N/2 S/2 of Section 22
Description: TRS/County	S/2 S/2 of Section 22
Standard Horizontal Well Spacing Unit	Yes
Other Situations	
Depth Severance: No	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: If yes, description	NO
Applicant's Ownership in Each Tract	
Well(s)	
Name & API (if assigned), surface and bottom hole location	
footages, completion target, orientation, completion status	
(standard or non-standard)	
	<p><b>Rincon 22 State 123H</b>  SHL: 1380 feet from the South line and 263 feet from the West line (Unit L) of Section 22, Township 19 South, Range 28 East, NMPM  BHL: 1613 feet from the South line and 100 feet from the East line (Unit I) of Section 22, Township 19 South, Range 28 East, NMPM  Completion Target: 2nd Bone Spring Sand at approx 7400 feet TVD  Well Orientation: West to East  Completion Location: standard  Spacing Unit: N/2 S/2 of Section 22</p> <p><b>Rincon 22 State 133H</b>  SHL: 1335 feet from the South line and 263 feet from the West line (Unit L) of Section 22, Township 19 South, Range 28 East, NMPM  BHL: 1713 feet from the South line and 100 feet from the East line (Unit I) of Section 22, Township 19 South, Range 28 East, NMPM  Completion Target: 3rd Bone Spring Sand at approx 8700 feet TVD  Well Orientation: West to East  Completion Location: standard  Spacing Unit: N/2 S/2 of Section 22</p> <p><b>Rincon 22 State 124H</b>  SHL: 1290 feet from the South line and 263 feet from the West line (Unit M) of Section 22, Township 19 South, Range 28 East, NMPM  BHL: 330 feet from the South line and 100 feet from the East line (Unit P) of Section 22, Township 19 South, Range 28 East, NMPM  Completion Target: 2nd Bone Spring Sand at approx 7500 feet TVD  Well Orientation: West to East  Completion Location: standard  Spacing Unit: S/2 S/2 of Section 22</p> <p><b>Rincon 22 State 134H</b>  SHL: 1245 feet from the South line and 263 feet from the West line (Unit M) of Section 22, Township 19 South, Range 28 East, NMPM  BHL: 430 feet from the South line and 100 feet from the East line (Unit P) of Section 22, Township 19 South, Range 28 East, NMPM  Completion Target: 3rd Bone Spring Sand at approx 8700 feet TVD  Well Orientation: West to East  Completion Location: standard  Spacing Unit: S/2 S/2 of Section 22</p>
Horizontal Well First and Last Take Points	Exhibit A pages 5, 6, 7, 8, 25, 26, 27 and 28
Completion Target (Formation, TVD and MD)	Exhibit A pages 5, 6, 7, 8, 25, 26, 27 and 28

	Identify the Exhibit and Page for Information below this line
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8000/\$800
Production Supervision/Month \$	Exhibit A pages 25, 26, 27 and 28
Justification for Supervision Costs	Exhibit A pages 25, 26, 27 and 28
Request Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit C pages 2, 3, 4 and 5
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C pages 7 through 19
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C pages 41 through 43
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A pages 13 and 14
Tract List (including lease numbers and owners)	Exhibit A pages 13 and 14
Pooled Parties (including ownership type)	Exhibit A pages 13 and 14
Unlocatable Parties to be Pooled	Exhibit C pages 33 through 40
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposed Letter	Exhibit A pages 22 through 24
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A page 13
Chronology of Contact with Non-Joined Working Interests	Exhibit A page 15
Overhead Rates in Proposal Letter	Exhibit A pages 22 through 24
Cost Estimates to Drill and Complete	Exhibit A pages 25 through 28
Cost Estimate to Equip Well	Exhibit A pages 25 through 28
Cost Estimate for Production Facilities	Exhibit A pages 25 through 28
<b>Geology</b>	
Summary (including special considerations)	Exhibit B pages 1 and 2
Spacing Unit Schematic	None
Gunbarrel/Lateral Trajectory Schematic	Exhibit B page 17
Well Orientation (with rationale)	None
Target Formation	Exhibit B pages 24, 25 and 26
HSU Cross Section	Exhibit B pages 24, 25 and 26
Depth Severance Discussion	None
Forms, Figures and Tables	None
C-102	Exhibit A pages 5, 6, 7 and 8
Tracts	Exhibit A page 14
Summary of Interests, Unit Recapitulation (Tracts)	None
General Location Map (including basin)	Exhibit B page 18
Well Orientation (with rationale)	east west, prevailing in area
Structure Contour Map - Subsea Depth	Exhibit B page 20
Cross Section Location Map (including wells)	Exhibit B pages 19, 24, 25 and 26
Cross Section (including Landing Zone)	Exhibit B pages 19, 24, 25 and 26
<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):	Ernest L. Padilla
Signed Name: (Attorney or Party Representative):	
Date: July 21, 2020	