

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

**APPLICATION OF COLGATE OPERATING, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21467

**APPLICATION OF COLGATE OPERATING, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 21468

CONSOLIDATED PRE-HEARING STATEMENT

Colgate Operating, LLC (“Colgate”) submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Colgate Operating, LLC

ATTORNEY

Earl E. DeBrine
Deana M. Bennett
Lance D. Hough
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INTERESTED PARTY

B.C. Operating, Inc.

ATTORNEY

Sharon T. Shaheen
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STATEMENT OF CASES

In Case No. 21467, Colgate seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring non-standard horizontal spacing

unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring non-standard horizontal spacing unit underlying the N/2 N/2 of Section 32 and N/2 N/2 of Section 31, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. This non-standard spacing unit will be dedicated to the **Bolander 32 State Fed Com 121H** and **Bolander 32 State Fed Com 131H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19.5 miles southeast of Artesia, New Mexico.

In Case No. 21468, Colgate seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring non-standard horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring non-standard horizontal spacing unit underlying the S/2 N/2 of Section 32 and S/2 N/2 of Section 31, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. This non-standard spacing unit will be dedicated to the **Bolander 32 State Fed Com 122H** and **Bolander 32 State Fed Com 132H** wells, to be horizontally drilled. The producing intervals for these wells will be orthodox. Also to be considered will be the cost of drilling, completing and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Colgate as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19.5 miles southeast of Artesia, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Mark Hajdik – Landman	Approx. 1 Minute	Approx. 10
Sergio Ojeda – Geologist	Approx. 1 Minute	Approx. 10

PROCEDURAL ISSUES

Cases Nos. 21467 and 21468 were previously set for a contested hearing on January 21, 2021 in conjunction with B.C. Operating, Inc.'s Case No. 21378. On January 11, 2021, B.C. Operating, Inc. voluntarily dismissed Case No. 21378 and advised that it does not object to Colgate presenting its cases by affidavit. Colgate is not aware of any opposition or requests for continuances from any party in these cases. Accordingly, Colgate does not anticipate opposition and intends to present these cases as consolidated and by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: /s/ Lance D. Hough

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on January 14, 2021:

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By: /s/ Lance D. Hough

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