

Garcia, John A, EMNRD

From: Lance D. Hough <ldh@modrall.com>
Sent: Tuesday, June 8, 2021 11:56 AM
To: Garcia, John A, EMNRD
Cc: Brancard, Bill, EMNRD; Earl E. DeBrine
Subject: [EXT] RE: Cases 21942 / 21943 /21944
Attachments: 05-13-21 21943 - R-21440 (21239) Order - Weaver - Notice Letter (W4066629x7A92D).PDF; 05-13-21 21942, 21944 - R-21461, R-21406 Orders - Toro - Notice Letter (W4066632x7A92D).PDF

John,

I apologize for the confusion and any inconvenience. It appears there was a mix up when the packets were being finalized, which resulted in the wrong notices being incorporated into these exhibit packets. Rest assured, notice was properly provided for case 21942, 21943, and 21944. Attached are the following:

1. Notice Letter and attached application for Case 21943 (Weaver)
2. Notice Letter and two attached applications for Cases 21942 and 21944 (Toro)

If you need any more information on this, please let me know asap because today is my last day at Modrall and I'll be wrapping up early this afternoon. If you have questions after today, please correspond directly with Earl DeBrine (cced here).

Again, I apologize for this mix up. It has been great working with you and everyone else at the Division. If I don't hear from you later today, take care!

Sincerely,



Lance D. Hough
Associate Attorney
D: 505.848.1826

From: Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>
Sent: Tuesday, June 8, 2021 11:24 AM
To: Lance D. Hough <ldh@modrall.com>
Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>
Subject: Cases 21942 / 21943 /21944

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 there is some issues with the notices:

Case 21942:

- Exhibit B-1 (Page 27) has case # 21943 in the notice line on the notice sent to affected parties.

Case 21943:

- Exhibit B-1 (Page 16) has case # 21941 in the notice line on the notice sent to affected parties, and has the wrong application attached (Page 18).

Case 21944:

- Exhibit B-1 (Page 27) has case # 21943 in the notice line on the notice sent to affected parties.

Please let me know what happened with these notices / exhibits.

Thank you,

John Garcia

Petroleum Specialist

Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, New Mexico 87505

505-490-0957





MODRALL SPERLING
LAWYERS

May 13, 2021

Lance D. Hough
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VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Colgate Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division:

Case No. 21943: (Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21440, Eddy County, New Mexico.

Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21440 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21440 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within two 320-acre, more or less, Bone Spring horizontal spacing units comprised of the N/2 N/2 of Section 27 and N/2 N/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Weaver 27 State Com 121H** and **Weaver 27 State Com 131H** wells) and S/2 N/2 of Section 27 and S/2 N/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Weaver 27 State Com 122H** and **Weaver 27 State Com 132H** wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

This application is expected to be set for hearing before a Division Examiner at **8:15 a.m. on June 3, 2021**. During the COVID-19 Public Health Emergency, the hearings will be conducted remotely. Instructions to appear can also be found by accessing <http://www.emnrd.state.nm.us/OCD/hearings.html> and scrolling down to "Hearing Notices" under "OCD Hearings." As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in

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AFFECTED PARTIES

Colgate / Order Amendments / Weaver 27 State Com 121H-122H, 131H-132H

May 12, 2021

Page 2

support of or in opposition to the application. Failure to appear at the hearings may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

A handwritten signature in blue ink, appearing to read "L. Hough", is written over a horizontal line.

Lance D. Hough
Attorney for Applicant

EED/ldh/W4066355.DOCX

Enclosures: as stated

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

**APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21440,
EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-21440
(Re-Open)**

APPLICATION

Colgate Operating LLC (“Colgate”), OGRID Number 371449, through its undersigned attorney, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-21440 (“the Order”) to allow for an extension of time for drilling the well under the Order. In support of this application, Colgate states as follows:

1. The Division heard Case No. 21239 on August 14, 2020 and entered the Order on August 24, 2020.
2. The Order designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 27 and N/2 N/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Weaver 27 State Com 121** and **Weaver 27 State Com 131H** wells).
3. The Order also designated Colgate as the operator of and pooled uncommitted interest owners within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Section 27 and S/2 N/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Weaver 27 State Com 122** and **Weaver 27 State Com 132H** wells).
4. Paragraph 19 of the Order states: “The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well.” Paragraph 20 of the Order states: “This Order

shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.”

5. Under the Order, Colgate would be required to commence drilling the well August 24, 2021.

6. Colgate requests that the Order be re-opened and amended to allow Colgate an additional year to commence drilling the well under the Order.

7. Colgate requests this extension because there have been changes in Colgate’s drilling schedule due to the COVID-19 pandemic and recent market conditions.

8. Good cause exists for Colgate’s request for an extension of time.

9. Colgate asks that the deadline to commence drilling the well be extended for a year from August 24, 2021 to August 24, 2022.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21440 to extend the time for Colgate to commence drilling the well under the Order for a year, through August 24, 2022.

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

By:  _____

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Attorneys for Applicant

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21440, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21440 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21440 on August 24, 2020, which designated Colgate as the operator of and pooled uncommitted interest owners within two 320-acre, more or less, Bone Spring horizontal spacing units comprised of the N/2 N/2 of Section 27 and N/2 N/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Weaver 27 State Com 121** and **Weaver 27 State Com 131H** wells) and S/2 N/2 of Section 27 and S/2 N/2 of Section 28, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico (designated to the **Weaver 27 State Com 122** and **Weaver 27 State Com 132H** wells). The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.



MODRALL SPERLING
L A W Y E R S

May 13, 2021

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Lance.Hough@modrall.com

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Colgate Operating LLC has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 21942: (Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21406, Eddy County, New Mexico.

Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21406 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21406 on July 29, 2020, which designated Colgate as the operator of the unit and the **Toro 22 Fed State Com 121H** and **Toro 22 Fed State Com 131H** wells; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

Case No. 21944: (Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21461, Eddy County, New Mexico.

Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21461 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21461 on September 25, 2020, which designated Colgate as the operator of the unit and the **Toro 22 Fed State Com 122H** and **Toro 22 Fed State Com 132H** wells; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM,

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AFFECTED PARTIES

Colgate / Order Amendments / Toro 22 Fed State Com 121H-122H, 131H-132H

May 12, 2021

Page 2

Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

These applications are expected to be set for hearing before a Division Examiner at **8:15 a.m. on June 3, 2021**. During the COVID-19 Public Health Emergency, the hearings will be conducted remotely. Instructions to appear can also be found by accessing <http://www.emnrd.state.nm.us/OCD/hearings.html> and scrolling down to "Hearing Notices" under "OCD Hearings." As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearings may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Lance D. Hough
Attorney for Applicant

EED/ldh/W4066343.DOCX

Enclosures: as stated

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

**APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21406,
EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-21406
(Re-Open)**

APPLICATION

Colgate Operating LLC (“Colgate”), OGRID Number 371449, through its undersigned attorney, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-21406 (“the Order”) to allow for an extension of time for drilling the well under the Order. In support of this application, Colgate states as follows:

1. The Division heard Case No. 21339 on July 21, 2020 and entered the Order on July 29, 2020.
2. The Order designated Colgate as the operator of the unit and the **Toro 22 Fed State Com 121H** and **Toro 22 Fed State Com 131H** wells; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico.
3. Paragraph 19 of the Order states: “The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well.” Paragraph 20 of the Order states: “This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.”
4. Under the Order, Colgate would be required to commence drilling the well July 29, 2021.
5. Colgate requests that the Order be re-opened and amended to allow Colgate an additional year to commence drilling the well under the Order.

6. Colgate requests this extension because there have been changes in Colgate's drilling schedule due to the COVID-19 pandemic and recent market conditions.

7. Good cause exists for Colgate's request for an extension of time.

8. Colgate asks that the deadline to commence drilling the well be extended for a year from July 29, 2021 to July 29, 2022.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21406 to extend the time for Colgate to commence drilling the well under the Order for a year, through July 29, 2022.

MODRALL, SPERLING, ROEHL, HARRIS
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By:  _____

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Attorneys for Applicant

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21406, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21406 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21406 on July 29, 2020, which designated Colgate as the operator of the unit and the **Toro 22 Fed State Com 121H** and **Toro 22 Fed State Com 131H** wells; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the N/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.

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

**APPLICATION OF COLGATE OPERATING LLC
TO AMEND ORDER NO. R-21461,
EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-21461
(Re-Open)**

APPLICATION

Colgate Operating LLC (“Colgate”), OGRID Number 371449, through its undersigned attorney, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-21461 (“the Order”) to allow for an extension of time for drilling the well under the Order. In support of this application, Colgate states as follows:

1. The Division heard Case No. 21395 on September 10, 2020 and entered the Order on September 25, 2020.
2. The Order designated Colgate as the operator of the unit and the **Toro 22 Fed State Com 122H** and **Toro 22 Fed State Com 132H** wells; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico.
3. Paragraph 19 of the Order states: “The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well.” Paragraph 20 of the Order states: “This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.”
4. Under the Order, Colgate would be required to commence drilling the well September 25, 2021.
5. Colgate requests that the Order be re-opened and amended to allow Colgate an additional year to commence drilling the well under the Order.

6. Colgate requests this extension because there have been changes in Colgate's drilling schedule due to the COVID-19 pandemic and recent market conditions.

7. Good cause exists for Colgate's request for an extension of time.

8. Colgate asks that the deadline to commence drilling the well be extended for a year from September 25, 2021 to September 25, 2022.

WHEREFORE, Colgate requests this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21461 to extend the time for Colgate to commence drilling the well under the Order for a year, through September 25, 2022.

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

By:  _____

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Attorneys for Applicant

(Re-Open) Application of Colgate Operating LLC to Amend Order No. R-21461, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21461 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21461 on September 25, 2020, which designated Colgate as the operator of the unit and the **Toro 22 Fed State Com 122H** and **Toro 22 Fed State Com 132H** wells; and pooled uncommitted interest owners in a 160-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Colgate obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Colgate's request for an extension of time due to limitations from the pandemic and recent market conditions.