OCD CASE 21395

Application of Colgate Operating, LLC
for Compulsory Pooling, and Non-Standard
Spacing and Proration Unit in
Eddy County, New Mexico

OIL CONSERVATION DIVISION HEARING
on
Thursday, September 10, 2020

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Exhibit A

OCD Case 21395
(Toro wells)
Colgate Operating, LLC
Affidavit of
Mark Hadjik

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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
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. 21395

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

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Mark Hajdik, being duly sworn, deposes and states:

1. I am over the age of 18, I am a Petroleum Landman for Colgate Operating. LLC, and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum landman are a matter of record with the Division.

2. My area of responsibility of Colgate Operating. LLC includes the area of Eddy County in New Mexico.

3. I am familiar with the applications filed with by Colgate Operating. LLC.

4. I am familiar with the status of the lands that are subject to these applications.

5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling applications.

6. In **Case 21395** Applicant seeks an order proposing order pooling all mineral interests within Palmillo Bone Spring (Pool Code 96413), underlying the S/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico Applicant

seeks to dedicate the above referenced horizontal spacing unit to the following four initial wells:

A. **Toro 22 Fed State Com 122H**
SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM.
BHL: Unit H 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

B. **Toro 22 Fed State Com 132H**
SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM.
BHL: Unit H 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

Attached hereto as **Exhibits 1 and 2** are copies of the C-102s for the foregoing wells, together with associated mapping.

7. The parties being pooled and the percent of their interests are shown in **Exhibit 3** for the respective case. The owners of overriding royalty interests are also identified in Exhibit 5.

8. Colgate Operating LLC have conducted a diligent search of the public records in the county where the wells are located and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals. A copy of Communication Timeline is attached hereto as **Exhibit 4.**

9. In my opinion, Colgate Operating. LLC has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

10. **Exhibit 5** is a copy of a proposal letter sent to working interest owners, which were sent in November and December 2019, for the proposed wells cases together with AFEs.

11. The proposal letters identified the proposed first and last take points and approximate TVD.

12. **Exhibit 6** contains updated and reduced Authorizations for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico. Colgate Operating. LLC requests overhead and administrative rates of $8,000.00/month for drilling a well and $800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Colgate Operating. LLC requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

13. Colgate Operating. LLC requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

14. Colgate Operating. LLC requests that it be designated operator of the wells.

15. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

16. The granting of this application is in the interests of conservation and the prevention of waste.

MARK HADJIK

SUBSCRIBED AND SWORN to before me this 4TH day of September, 2020, by MARK HADJIK on behalf of Colgate Operating. LLC.

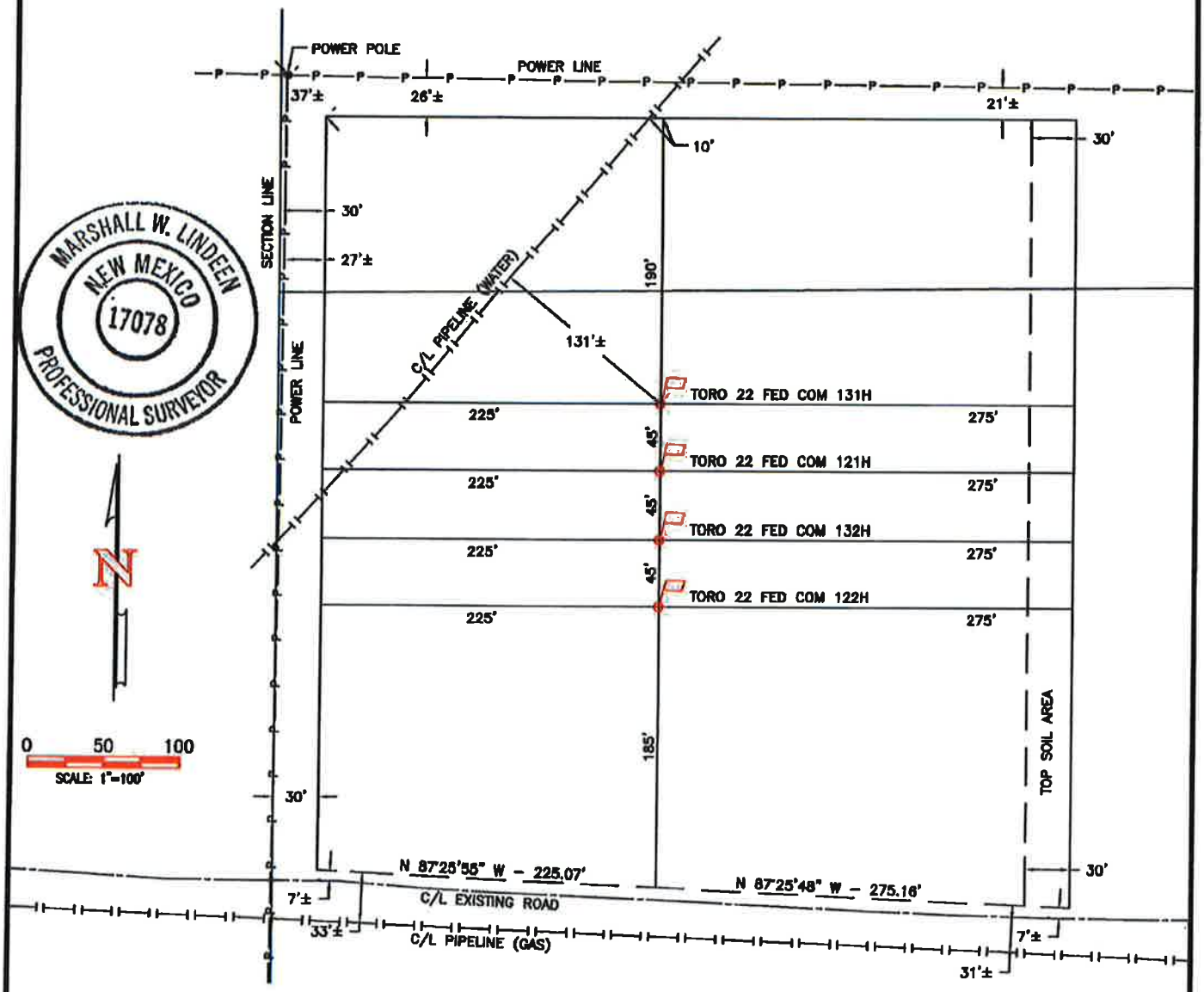
CASEY GOREE
Notary Public, State of Texas
Comm. Expires 05-07-2024
Notary ID 132469067

Notary Public

My Commission Expires:
05-07-2024

COLGATE OPERATING, LLC

TORO 22 FED STATE COM
SECTION 22, T-19-S, R-28-E, N.M.P.M.
EDDY COUNTY, N.M.



MARSHALL W. LINDEEN
NEW MEXICO
17078
PROFESSIONAL SURVEYOR

NOTES:

1. ALL BEARINGS, DISTANCES & COORDINATES SHOWN ARE BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD 83, IN U.S. SURVEY FEET.
2. CONTRACTOR SHALL CONTACT "ONE-CALL" FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINE OR CABLES ON WELL PAD AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.
3. UNITED FIELD SERVICES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

WELL FLAG	NAD 83
TORO 22 FED STATE COM #131H 1392' FNL, 255' FWL	LAT.: 32.6498122° N LONG.: 104.1718415° W
TORO 22 FED STATE COM #121H 1437' FNL, 255' FWL	LAT.: 32.6494887° N LONG.: 104.1718417° W
TORO 22 FED STATE COM #132H 1482' FNL, 255' FWL	LAT.: 32.6493648° N LONG.: 104.1718414° W
TORO 22 FED STATE COM #122H 1527' FNL, 255' FWL	LAT.: 32.6492408° N LONG.: 104.1718418° W

I, MARSHALL W. LINDEEN, NEW MEXICO PROFESSIONAL SURVEYOR NO. 17078, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. I FURTHER CERTIFY THAT THIS SURVEY IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED IN THE NEW MEXICO SUBDIVISION ACT.

MARSHALL W. LINDEEN P.S. #17078 — DATE: 6-4-20

COLGATE OPERATING, LLC

SURVEYED: 1/27-3/18/20	REV. DATE: 5/30/20	APP. BY: M.W.L.
DRAWN BY: A.A.D.	DATE DRAWN: 2/05/20	FILE NAME: 11422-PAD

UNITED FIELD SERVICES INC.
P.O. BOX 3651
FARMINGTON, NM 87499
OFFICE: (505) 334-0408

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 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, N.M. 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 Number	[2] Pool Code	[3] Pool Name

[4] Property Code	[5] Property Name	[6] Well Number
	Toro 22 Fed State Com	122H

[7] OGRID No.	[8] Operator Name	[9] Elevation
	Colgate Operating, LLC	3424

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	22	19 S	28 E		1527	North	255	West	Eddy

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	22	19 S	28 E		2310	North	10	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

16

SURFACE LOCATION
NAD 83 NMSPC ZONE 3001
Y=599962.54 N
X=591042.01 E
LAT.=32.6492408° N
LONG.=104.1718418° W

SURFACE LOCATION
NAD 27 NMSPC ZONE 3001
Y=599900.55 N
X=549862.20 E
LAT.=32.6491239° N
LONG.=104.1713332° W

BOTTOM HOLE LOCATION
NAD 83 NMSPC ZONE 3001
Y=599227.44 N
X=595973.40 E
LAT.=32.6471956° N
LONG.=104.1558236° W

BOTTOM HOLE LOCATION
NAD 27 NMSPC ZONE 3001
Y=599165.43 N
X=554793.57 E
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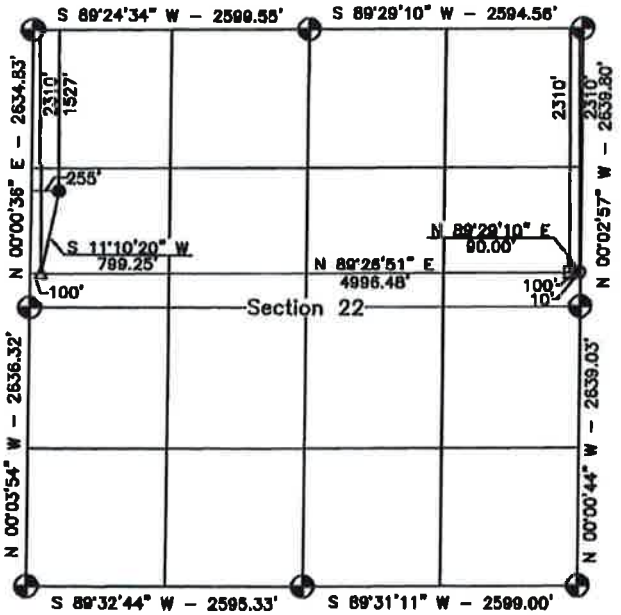
LONG.=104.1553155° W



FIRST TAKE POINT
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LONG.=104.1723488° W

FIRST TAKE POINT
NAD 27 NMSPC ZONE 3001
2310' FNL, 100' FWL
SEC. 22, T19S, R28E
Y=599116.47 N
X=549707.33 E
LAT.=32.6469693° N
LONG.=104.1718403° W

LAST TAKE POINT
NAD 83 NMSPC ZONE 3001
2310' FNL, 100' FEL
SEC. 22, T19S, R28E
Y=599226.63 N
X=595883.40 E
LAT.=32.6471968° N
LONG.=104.1561181° W

LAST TAKE POINT
NAD 27 NMSPC ZONE 3001
2310' FWL, 100' FEL
SEC. 22, T19S, R28E
Y=599164.62 N
X=554703.57 E
LAT.=32.6470797° N
LONG.=104.1556079° W

Legend:
● = Surface Location
○ = Bottom Hole Location
△ = First Take Point (FTP)
□ = Last Take Point (LTP)
⊕ = Found 1941 USGLO Brass Cap

[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Date

Printed Name

E-mail Address

[18] SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

3/18/20
Date of Survey

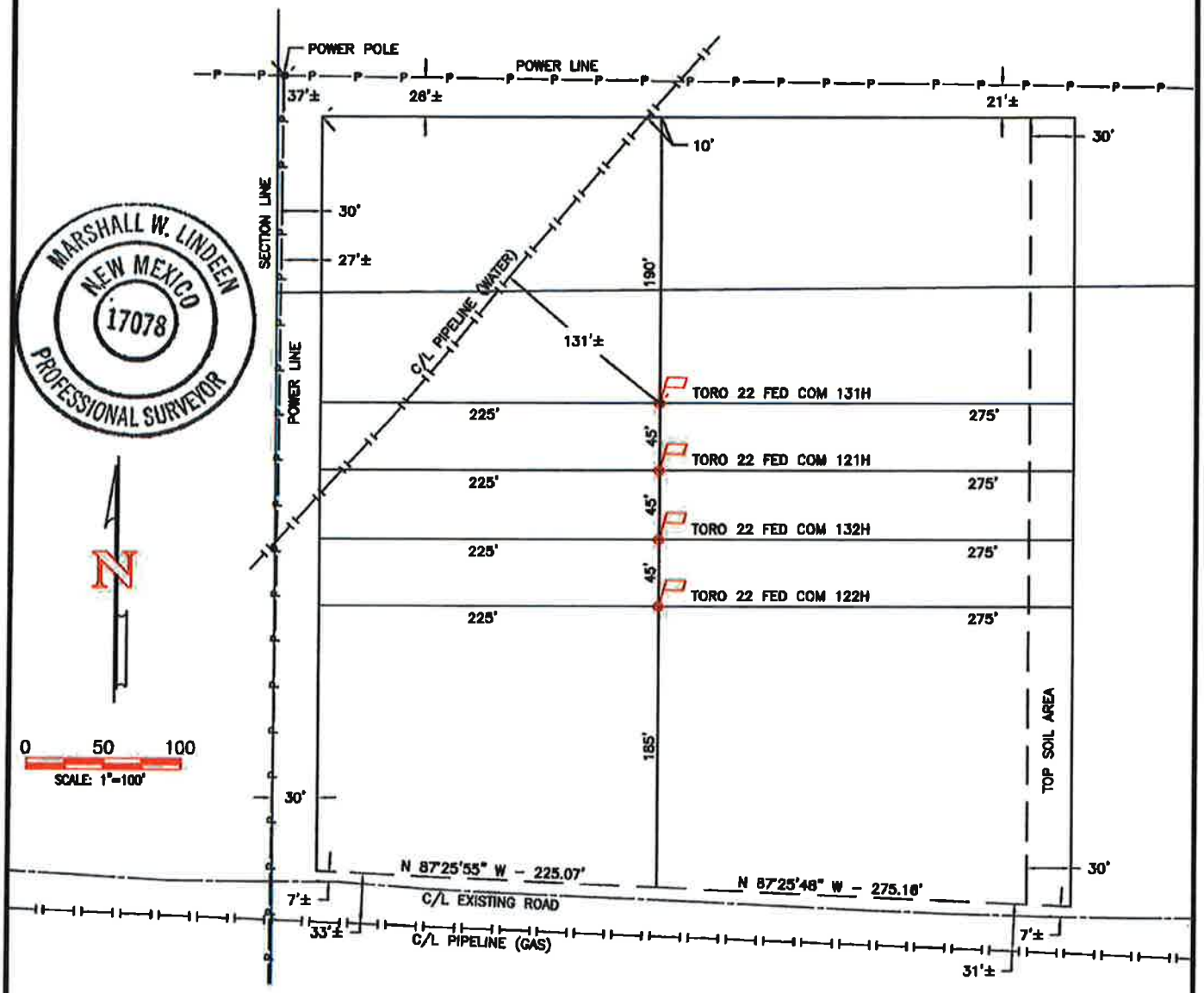
Signature and Seal of Professional Surveyor:

MARSHALL W. HUDSON
NEW MEXICO
17078
6-4-20
PROFESSIONAL SURVEYOR

17078
Certificate Number

COLGATE OPERATING, LLC

TORO 22 FED STATE COM
SECTION 22, T-19-S, R-28-E, N.M.P.M.
EDDY COUNTY, N.M.



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MARSHALL W. LINDEEN P.S. #17078 — 6-4-20 DATE

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name

[4] Property Code	[5] Property Name	[6] Well Number
	Toro 22 Fed State Com	132H
[7] OGRID No.	[8] Operator Name	[9] Elevation
	Colgate Operating, LLC	3425

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	22	19 S	28 E		1482	North	255	West	Eddy

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	22	19 S	28 E		2283	North	10	East	Eddy

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.

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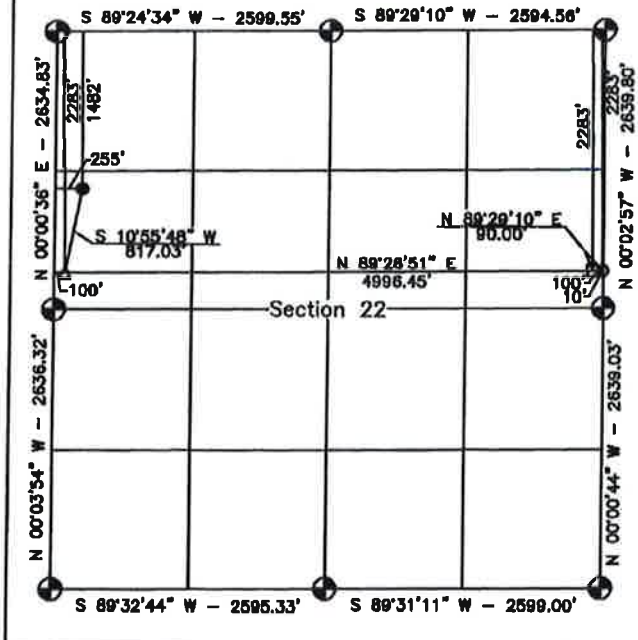
NAD 83 NMSPC ZONE 3001
Y=600007.65 N
X=591042.07 E
LAT.=32.6493648° N
LONG.=104.1718414° W

SURFACE LOCATION
NAD 27 NMSPC ZONE 3001
Y=599945.66 N
X=549862.26 E
LAT.=32.6492479° N
LONG.=104.1713328° W

BOTTOM HOLE LOCATION
NAD 83 NMSPC ZONE 3001
Y=599254.44 N
X=595973.37 E
LAT.=32.6472728° N
LONG.=104.1558236° W

BOTTOM HOLE LOCATION
NAD 27 NMSPC ZONE 3001
Y=599192.43 N
X=554793.55 E
LAT.=32.6471558° N
LONG.=104.1553154° W



FIRST TAKE POINT
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X=590887.15 E
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FIRST TAKE POINT
NAD 27 NMSPC ZONE 3001
2283' FNL, 100' FWL
SEC. 22, T19S, R28E
Y=599143.47 N
X=549707.33 E
LAT.=32.6470435° N
LONG.=104.1718401° W

LAST TAKE POINT
NAD 83 NMSPC ZONE 3001
2283' FNL, 100' FEL
SEC. 22, T19S, R28E
Y=599253.63 N
X=595883.37 E
LAT.=32.6472710° N
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LAST TAKE POINT
NAD 27 NMSPC ZONE 3001
2283' FNL, 100' FEL
SEC. 22, T19S, R28E
Y=599191.62 N
X=554703.55 E
LAT.=32.6471539° N
LONG.=104.1556078° W

Legend:
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○ = Bottom Hole Location
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□ = Last Take Point (LTP)
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Signature Date

Printed Name

E-mail Address

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3/18/20
Date of Survey

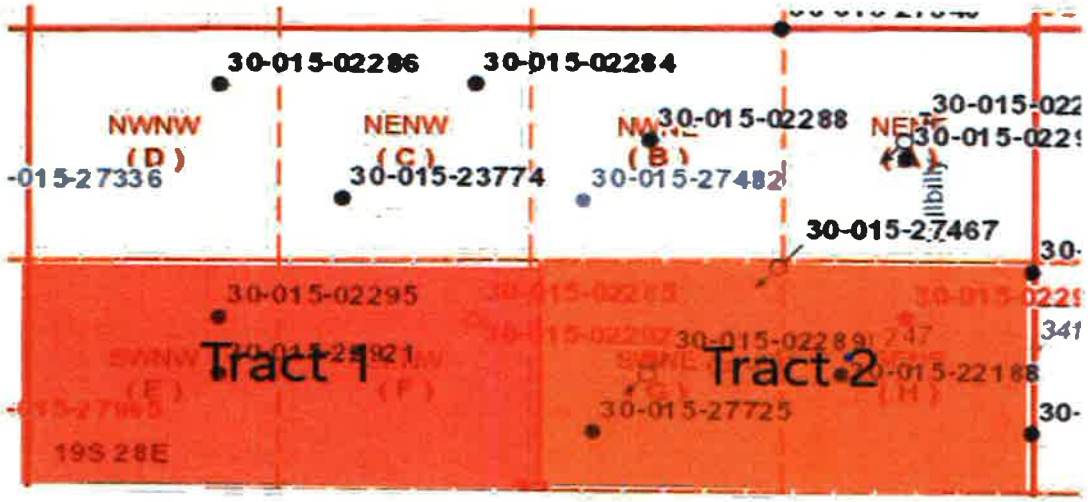
Signature and Seal of Professional Surveyor:

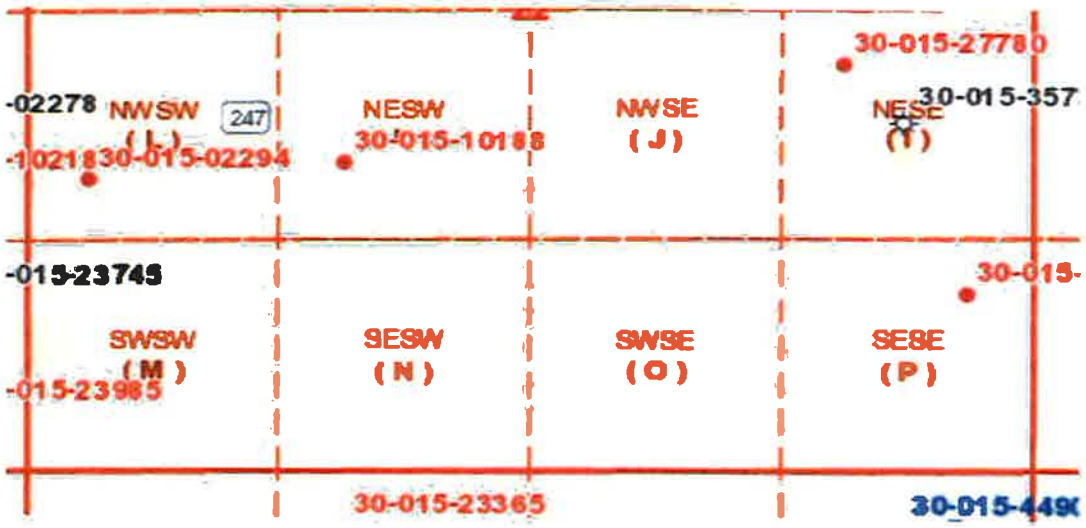
MARSHALL W. LUNDEEN
NEW MEXICO
17078
6-4-20
PROFESSIONAL SURVEYOR

17078
Certificate Number

WI OWNER	TRACT	NET	WI	FORCE POOL INTEREST
Colgate Production, LLC	1, 2	133.295	83.31%	Operator
CM Resources, LLC	2	6.388	3.99%	No
Marbob Energy	2	TBD		Yes
Pitch Energy	2	TBD		Yes
COG Operating	2	4.32	5.40%	Yes
ZPZ Delaware I	2	8.75	5.47%	Yes
RSC Resources	2	2.3464	1.47%	Yes
Consul Properties	2	0.57986	0.36%	Yes

TBD = WI to be determined after COG/Marbob/Pitch title correction

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Communication Timeline

April 2020 – Initial proposals sent for the Toro 22 Fed State Com wells

May/June, 2020 – Various conversations with COG regarding attempts to trade or participate. Title issues arose as to whether COG actually acquire Pitch/Marbob's interest

June 2020 – Pitch/Marbob sent proposals in the event COG is unable to cure to title to ensure sufficient notice to all parties.

February-May 2020 – Various negotiations with Fasken regarding their interest. Agreement to acquire reached. Anticipate closing prior to issuance of order.

June 2020 – Agreement reached to acquire Fasken and scheduled to close July 31.

July 2020 – Completed transaction to acquire EOG's interest in the wells.

August 2020 – Conversations with Consul Properties indicating their preference to participate, have not executed a JOA yet.

August-September 2020 – Apache/ZPZ still reviewing offers from Colgate

September 1, 2020 – Closed transaction with Fasken to acquire their interest.

September 2, 2020 – As of this date several parties have not yet executed an OA.

COLGATE ENERGY

Via Certified Mail

June 23, 2020

RE: Toro 22 Fed State Com Well Proposals
N/2 of Sec. 22 T19S-28E, Bone Spring Formation
Eddy County, New Mexico

To whom it may concern:

Colgate Production, LLC ("Colgate"), hereby proposes the drilling of four (4) wells, the Toro 22 Fed State Com 121H, 122H, 131H, and 132H at the following approximate locations:

Toro 22 Fed State Com 121H
SHL: 1452' FNL and 255' FWL of Section 22-19S-28E
BHL: 1100' FNL and 10' FEL of Section 22-19S-28E
TVD: 7,365'
TMD: 12,119'
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

Toro 22 Fed State Com 122H
SHL: 1452' FNL and 255' FWL of Section 22-19S-28E
BHL: 1383' FNL and 10' FEL of Section 22-19S-28E
TVD: 7,445'
TMD: 12,119'
Targeted Interval: 2nd Bone Spring
Total Cost: See attached AFE

Toro 22 Fed State Com 131H
SHL: 1452' FNL and 255' FWL of Section 22-19S-28E
BHL: 1000' FNL and 10' FEL of Section 22-19S-28E
TVD: 8,685'
TMD: 13,439'
Targeted Interval: 3rd Bone Spring
Total Cost: See attached AFE

Toro 22 Fed State Com 132H
SHL: 1452' FNL and 255' FWL of Section 22-19S-28E
BHL: 2283' FNL and 10' FEL of Section 22-19S-28E
TVD: 8,705'
TMD: 13,459'
Targeted Interval: 3rd Bone Spring
Total Cost: See attached AFE

The locations, TVD's, and targets are approximate and subject to change depending on surface or subsurface issues encountered. Colgate is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement and a form of said Operating Agreement will be forwarded to you following your receipt of your election to participate. The Operating Agreement will have the following general provisions:

-100%/200%/200% non-consent provisions
- $8,000/$800 drilling and producing rates
- Colgate Operating, LLC named as Operator

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the previously proposed AFE, and your geologic well requirements.

Colgate will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed well, should we not reach an agreement within 30 days of the date of this letter. If you do not wish to participate Colgate would be interested in acquiring your interest in the subject lands.

If you have any questions regarding this matter, please give me a call at 432-257-3886 or via email at mhajdik@colgateenergy.com.

Sincerely,

Mark Hajdik

Senior Landman

Colgate Energy
300 N. Marienfeld St.
Suite 1000
Midland, TX 79701

Enclosures

Well Elections

_____I/We hereby elect to participate in the Toro 22 Fed State Com 121H.
_____I/We hereby elect NOT to participate in the Toro 22 Fed State Com 121H.

_____I/We hereby elect to participate in the Toro 22 Fed State Com 122H.
_____I/We hereby elect NOT to participate in the Toro 22 Fed State Com 122H.

_____I/We hereby elect to participate in the Toro 22 Fed State Com 131H.
_____I/We hereby elect NOT to participate in the Toro 22 Fed State Com 131H.

_____I/We hereby elect to participate in the Toro 22 Fed State Com 132H.
_____I/We hereby elect NOT to participate in the Toro 22 Fed State Com 132H.

Working Interest Owner: _____

Printed Name: _____

Date: _____

Colgate Energy

303 W. Wall St , Midland TX 79701
Phone (432) 695-4257 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	4/7/2020	AFE NO.:	0
WELL NAME:	Toro 22 Fed State Com 122H	FIELD:	0
LOCATION:	NM	MD/TVD:	12119 / 7445
COUNTY/STATE:	Eddy	LATERAL LENGTH:	4,427
Colgate WI:		DRILLING DAYS:	25
GEOLOGIC TARGET:	2nd Bone Spring	COMPLETION DAYS:	11

REMARKS: Drill and Complete 30 stages in the 2nd Bone Spring formation. AFE includes D&C, flowback & initial ESP install.

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	$ 35,000	$ -	$ -	$ 35,000
2 Location, Surveys & Damages	220,000	13,000	10,000	243,000
4 Freight / Transportation	25,000	17,250	-	72,250
5 Rental - Surface Equipment	91,155	149,400	30,000	270,555
6 Rental - Downhole Equipment	106,331	50,000	-	156,331
7 Rental - Living Quarters	51,038	40,100	10,000	101,138
10 Directional Drilling, Surveys	253,300	-	-	253,300
11 Drilling	713,455	-	-	713,455
12 Drill Bits	106,000	-	-	106,000
13 Fuel & Power	144,375	225,000	-	369,375
14 Cementing & Float Equip	180,000	-	-	180,000
16 Perforating, Wireline, Slickline	-	221,500	8,000	229,500
17 High Pressure Pump Truck	-	10,000	-	10,000
18 Completion Unit, Swab, CTU	-	70,000	15,100	85,100
20 Mud Circulation System	73,630	-	-	73,630
21 Mud Logging	18,740	-	-	18,740
22 Logging / Formation Evaluation	11,050	8,000	-	19,050
23 Mud & Chemicals	200,697	225,000	-	425,697
24 Water	25,500	390,744	-	416,244
25 Stimulation	-	840,000	-	840,000
26 Stimulation Flowback & Disp	-	108,500	-	108,500
28 Mud / Wastewater Disposal	101,375	89,000	-	193,375
30 Rig Supervision / Engineering	110,750	54,100	6,400	171,550
32 Drlg & Completion Overhead	9,375	-	-	9,375
35 Labor	141,000	12,500	10,000	163,500
95 Insurance	21,814	-	-	21,814
97 Contingency	261,258	213,239	8,980	486,478
99 Plugging & Abandonment	-	-	-	-
TOTAL INTANGIBLES >	2,906,843	2,765,633	98,780	5,771,256

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	$ 14,018	$ -	$ -	$ 14,018
61 Intermediate Casing	69,726	-	-	69,726
62 Drilling Liner	-	-	-	-
63 Production Casing	197,419	-	-	197,419
64 Production Liner	-	-	-	-
65 Tubing	-	-	45,000	45,000
66 Wellhead	77,000	-	60,000	137,000
67 Packers, Liner Hangers	26,000	-	-	26,000
68 Tanks	-	-	-	-
69 Production Vessels	-	-	-	-
70 Flow Lines	-	-	-	-
71 Rod string	-	-	-	-
72 Artificial Lift Equipment	-	-	90,000	90,000
73 Compressor	-	-	-	-
74 Installation Costs	-	-	62,000	62,000
75 Surface Pumps	-	-	5,000	5,000
76 Downhole Pumps	-	-	-	-
77 Measurement & Meter Installation	-	-	-	-
78 Gas Conditioning / Dehydration			-	-
79 Interconnecting Facility Piping			-	-
80 Gathering / Bulk Lines			-	-
81 Valves, Dumps, Controllers			-	-
82 Tank / Facility Containment			-	-
83 Flare Stack			-	-
84 Electrical / Grounding			90,000	90,000
85 Communications / SCADA			-	-
86 Instrumentation / Safety			-	-
TOTAL TANGIBLES >	384,162	0	352,000	736,162
TOTAL COSTS >	3,291,005	2,765,633	450,780	6,507,418

PREPARED BY Colgate Energy:

Drilling Engineer:	Rafael Madrid	
Completions Engineer:	Brady Adams	CRM
Production Engineer:	Brady Adams	

Colgate Energy APPROVAL:

Co-CEO	WH	Co-CEO	JW	VP - Operations	CRM
VP - Land & Legal	BG	VP - Geosciences	SO		

NON OPERATING PARTNER APPROVAL:

Company Name: _____ Working Interest (%): _____ Tax ID: _____

Signed by: _____ Date: _____

Title: _____ Approval: ☐ Yes ☐ No (mark one)

To elect to participate in the well, please return a copy of this AFE, executed and dated, to the undersigned. If you elect not to participate in the well, you must provide your own well control insurance coverage acceptable to Operator during the operations described herein. If you elect to participate in the well, you must provide Operator with your company's certificate of insurance evidencing the required coverages prior to spud of the well. If you elect to participate in the well, you must also provide Operator with your company's Certificate of Good Standing prior to spud of the well. If you elect to participate in the well, you must also provide Operator with your company's W-9 prior to spud of the well. If you elect to participate in the well, you must also provide Operator with your company's Drilling Info Sheet prior to spud of the well.

Colgate Energy

303 W. Wall St. , Midland TX 79701
Phone (432) 695-4257 • Fax (432) 695-4063

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	4/7/2020	AFE NO.:	0
WELL NAME:	Toro 22 Fed State Com 132H	FIELD:	0
LOCATION:	NM	MD/TVD:	13459 / 8705
COUNTY/STATE:	Eddy	LATERAL LENGTH:	4,427
Colgate WI:		DRILLING DAYS:	26
GEOLOGIC TARGET:	3rd Bone Spring	COMPLETION DAYS:	11

REMARKS: Drill and Complete 30 stages in the 3rd Bone Spring formation. AFE includes D&C, flowback & initial ESP install.

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
1 Land / Legal / Regulatory	$ 35,000	$ -	$ -	$ 35,000
2 Location, Surveys & Damages	220,000	13,000	10,000	243,000
4 Freight / Transportation	25,000	47,250	-	72,250
5 Rental - Surface Equipment	94,296	149,100	30,000	273,396
6 Rental - Downhole Equipment	106,331	50,000	-	156,331
7 Rental - Living Quarters	52,588	40,100	10,000	102,688
10 Directional Drilling, Surveys	261,500	-	-	261,500
11 Drilling	738,238	-	-	738,238
12 Drill Bits	106,000	-	-	106,000
13 Fuel & Power	150,150	225,000	-	375,150
14 Cementing & Float Equip	215,000	-	-	215,000
16 Perforating, Wireline, Slickline	-	221,500	8,000	229,500
17 High Pressure Pump Truck	-	10,000	-	10,000
18 Completion Unit, Swab, CTU	-	70,000	15,400	85,400
20 Mud Circulation System	76,905	-	-	76,905
21 Mud Logging	19,830	-	-	19,830
22 Logging / Formation Evaluation	11,900	8,000	-	19,900
23 Mud & Chemicals	219,222	223,000	-	442,222
24 Water	25,500	390,744	-	416,244
25 Stimulation	-	840,000	-	840,000
26 Stimulation Flowback & Disp	-	108,500	-	108,500
28 Mud / Wastewater Disposal	104,375	89,000	-	193,375
30 Rig Supervision / Engineering	115,180	54,100	6,100	175,380
32 Drlg & Completion Overhead	9,750	-	-	9,750
35 Labor	141,000	12,500	10,000	163,500
95 Insurance	21,226	-	-	21,226
97 Contingency	275,199	213,239	8,980	197,418
99 Plugging & Abandonment	-	-	-	-
TOTAL INTANGIBLES >	3,027,190	2,765,633	98,780	5,891,603

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
60 Surface Casing	$ 14,018	$ -	$ -	$ 14,018
61 Intermediate Casing	69,726	-	-	69,726
62 Drilling Liner	194,924	-	-	194,924
63 Production Casing	219,217	-	-	219,217
64 Production Liner	-	-	-	-
65 Tubing	-	-	45,000	45,000
66 Wellhead	77,000	-	60,000	137,000
67 Packers, Liner Hangers	76,000	-	-	76,000
68 Tanks	-	-	-	-
69 Production Vessels	-	-	-	-
70 Flow Lines	-	-	-	-
71 Rod string	-	-	-	-
72 Artificial Lift Equipment	-	-	90,000	90,000
73 Compressor	-	-	-	-
74 Installation Costs	-	-	62,000	62,000
75 Surface Pumps	-	-	5,000	5,000
76 Downhole Pumps	-	-	-	-
77 Measurement & Meter Installation	-	-	-	-
78 Gas Conditioning / Dehydration	-	-	-	-
79 Interconnecting Facility Piping	-	-	-	-
80 Gathering / Bulk Lines	-	-	-	-
81 Valves, Dumps, Controllers	-	-	-	-
82 Tank / Facility Containment	-	-	-	-
83 Flare Stack	-	-	-	-
84 Electrical / Grounding	-	-	90,000	90,000
85 Communications / SCADA	-	-	-	-
86 Instrumentation / Safety	-	-	-	-
TOTAL TANGIBLES >	650,915	0	352,000	1,002,915
TOTAL COSTS >	3,678,105	2,765,633	450,780	6,894,518

PREPARED BY Colgate Energy:

Drilling Engineer: Rafael Madrid
Completions Engineer: Brady Adams
Production Engineer: Brady Adams
CRM

Colgate Energy APPROVAL:

Co-CEO _____ WH
Co-CEO _____ JW
VP - Operations _____ CRM
VP - Land & Legal _____ BC
VP - Geosciences _____ SO

NON OPERATING PARTNER APPROVAL:

Company Name: _____ Working Interest (%): _____ Tax ID: _____
Signed by: _____ Date: _____
Title: _____ Approval ☐ Yes ☐ No (mark one)

The costs in this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Timing and other approvals under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of all costs incurred, including legal, overhead, engineering, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement governing this well. Participants shall be responsible for their own well control and general liability insurance unless participant provides Operator a certificate evidencing insurance coverage in an amount acceptable to Operator for the duration of work.

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Exhibit B

OCD Case 21395
(Toro wells)
Colgate Operating, LLC
Affidavit of
Sergio Ojeda

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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
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. 21395

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

SERGIO OJEDA, being duly sworn, deposes and states:

1. I am over the age of 18, I am a Geologist for Colgate Operating, LLC and have personal knowledge of the matters stated herein. I have been qualified by the Oil Conservation Division ("Division") as an expert petroleum geologist.

2. **Exhibit 1** is a geology study I prepared for the Toro Fed State Com Wells Nos. 122H, and 132H, to test the 2nd and 3rd Bone Spring Sand underlying the S/2N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. The study includes:

SBSG-TBSG Gun Barrel Development;

Regional Locator Map;

Cross-Section Locator Map;

SBSG Structure Map;

SBSG Isopach Map;

TBSG Structure Map;

TBSG Isopach Map;

Cross-Section A-A';

Cross-Section A-A' (SBSG);

Cross-Section A-A' (TBSG).

4. I conclude from the maps for the Toro wells that:

   a. The horizontal spacing units are justified from a geologic standpoint.

   b. There are no structural impediments or faulting that will interfere with horizontal development.

   c. Each quarter section encountered by each of the wells in the proposed unit will contribute more or less equally to production,

8. In my opinion, the granting of Colgate Operating's applications are in the interests of conservation and the prevention of waste.

Sergio Ojeda

SERGIO OJEDA

SUBSCRIBED AND SWORN to before me this 4th day of September, 2020 by Sergio Ojeda on behalf of Colgate Operating, LLC.

Britney N. Ramirez

Notary Public

My Commission Expires:
11/16/2023

BRITNEY NICOLE RAMIREZ
Notary Public, State of Texas
Comm. Expires 11-16-2023
Notary ID 126325555

Ex.B-003

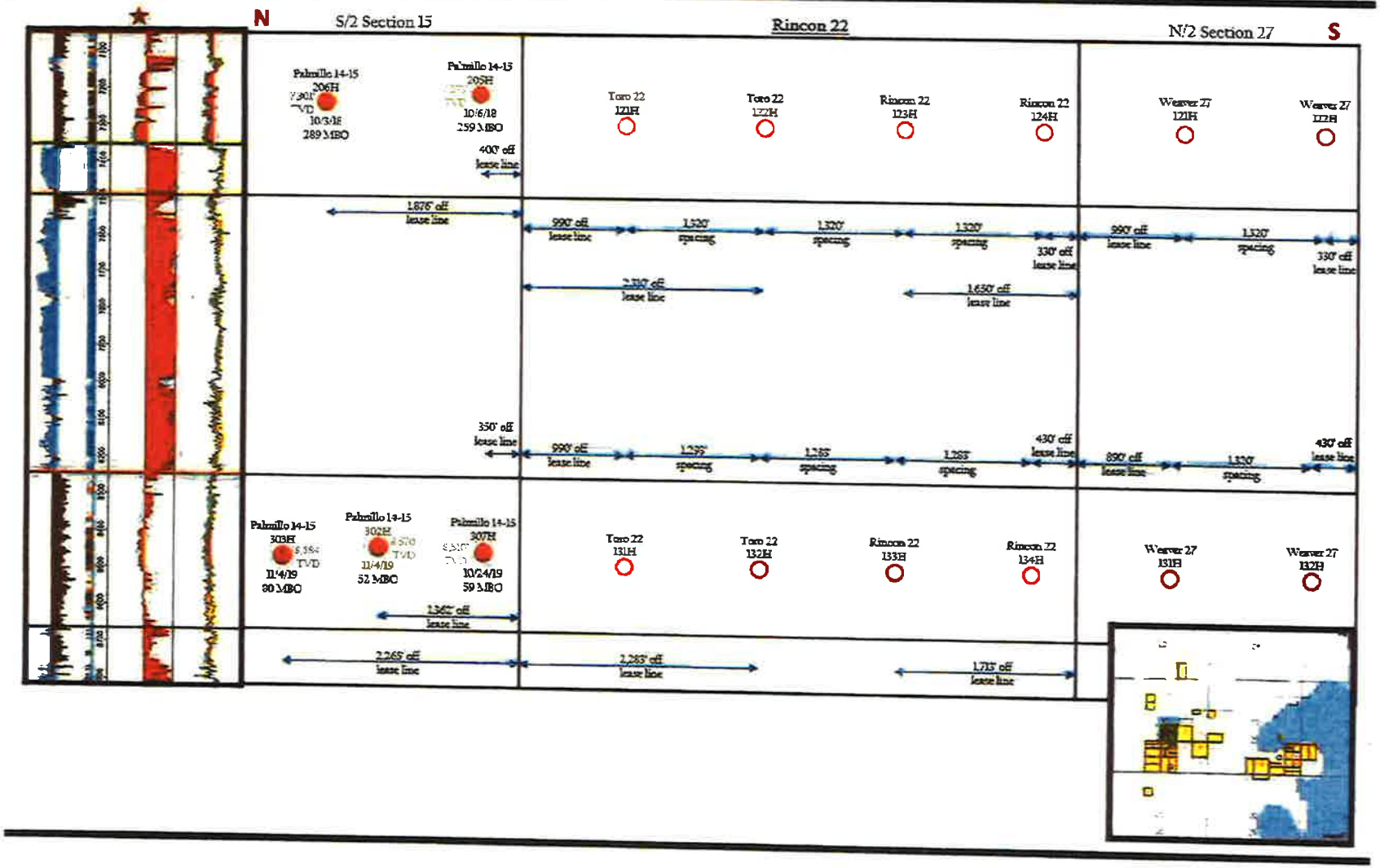
COLGATE ENERGY

PDU: Toro 22 State Pooling

7/16/2020

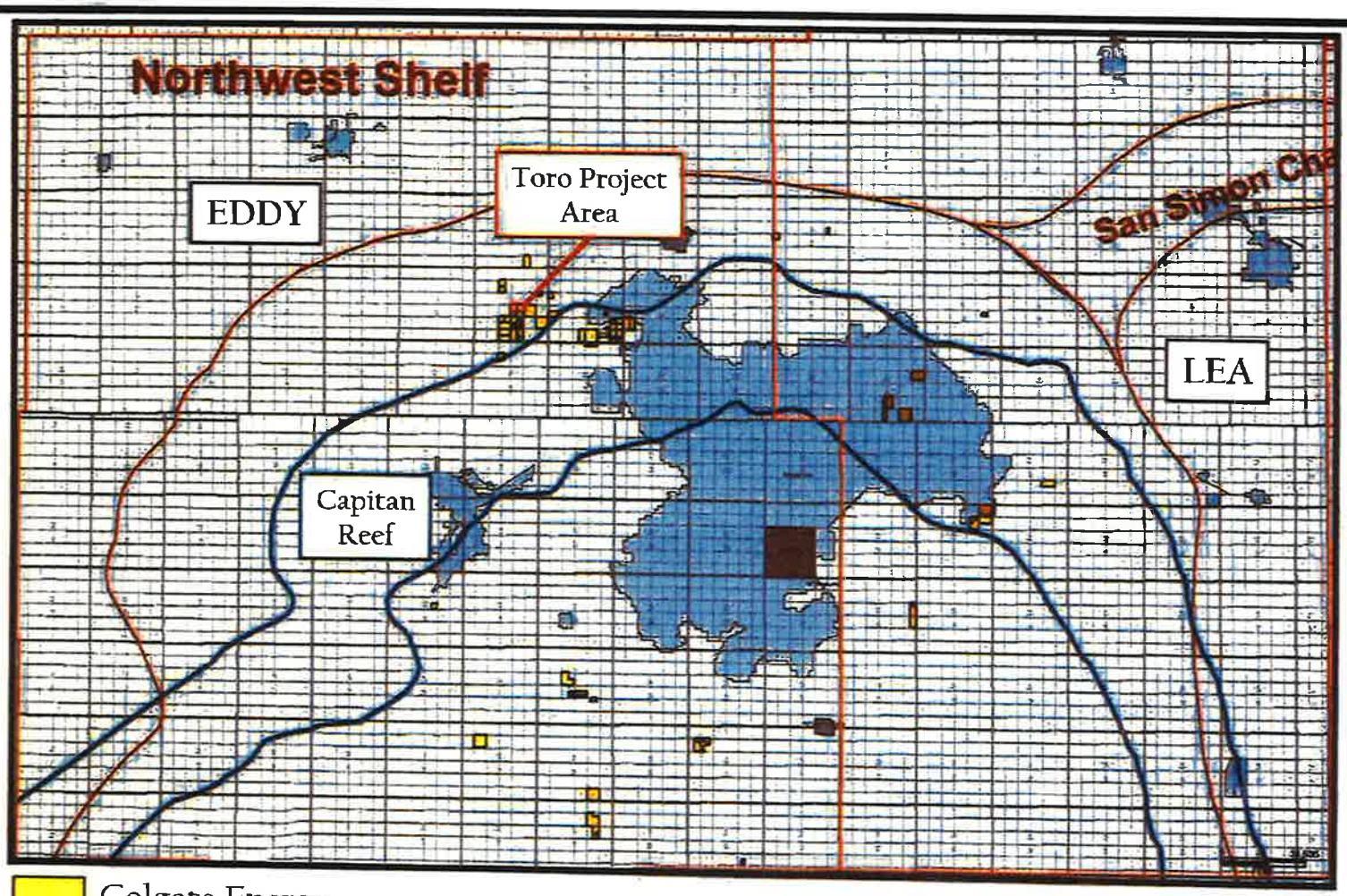
Toro 22 State: SBSG-TBSG Gun Barrel Development

COLGATE ENERGY



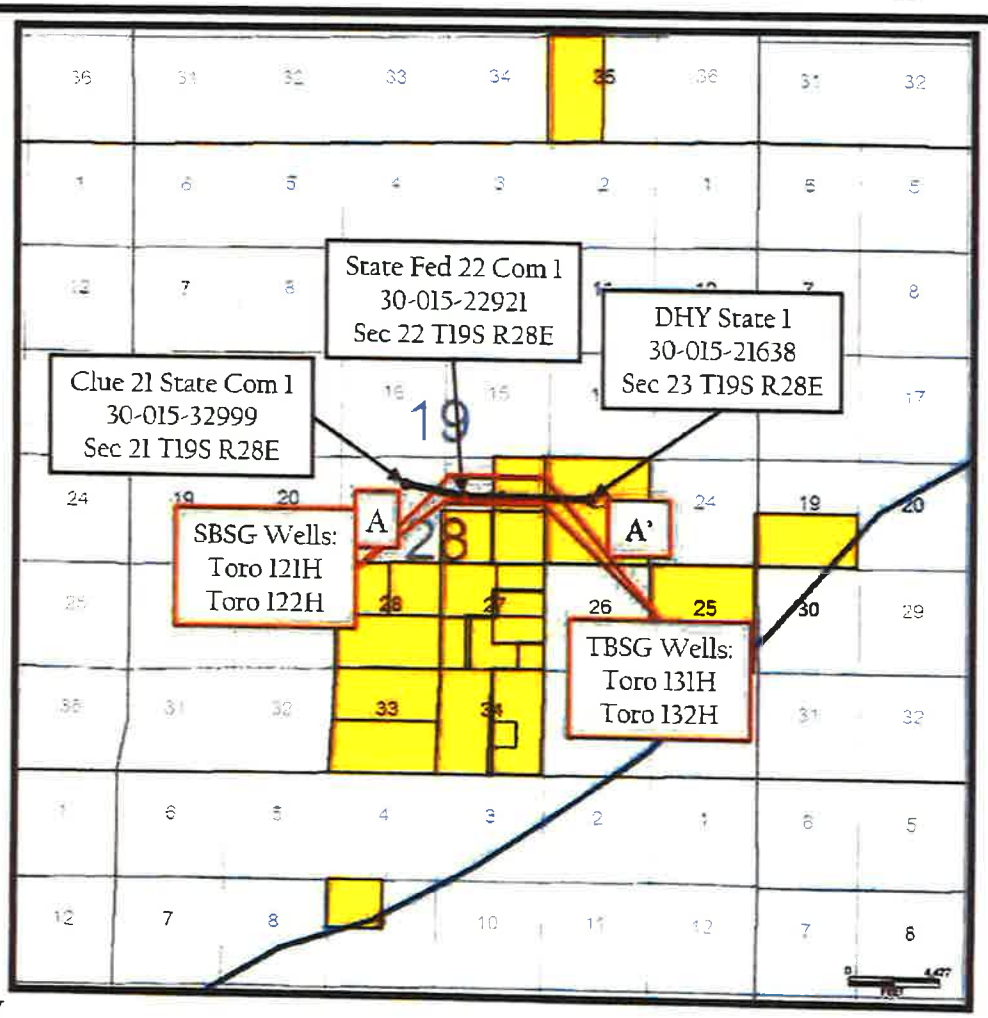
Toro 22 State: Regional Locator Map

COLGATE ENERGY



Toro 22 State: Cross-Section Locator Map

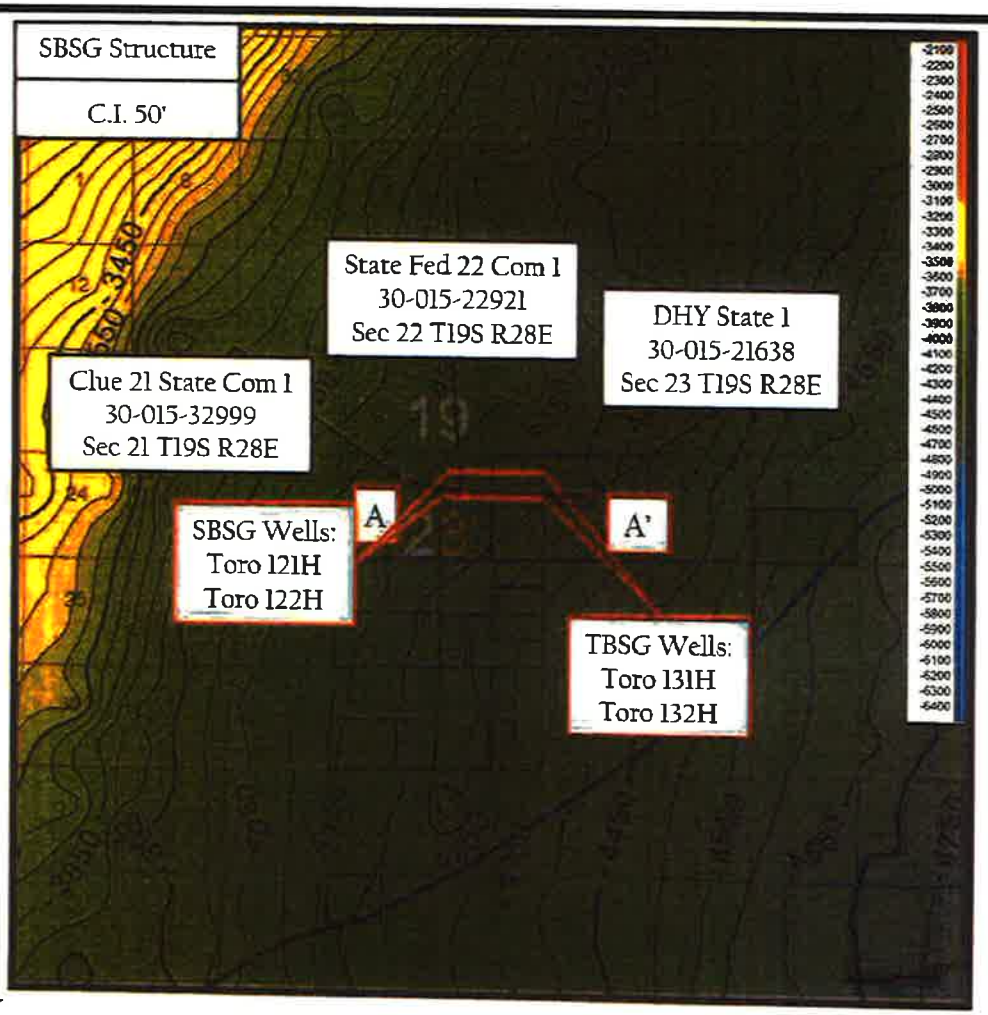
COLGATE ENERGY



Colgate Energy

Toro 22 State: SBSG Structure Map

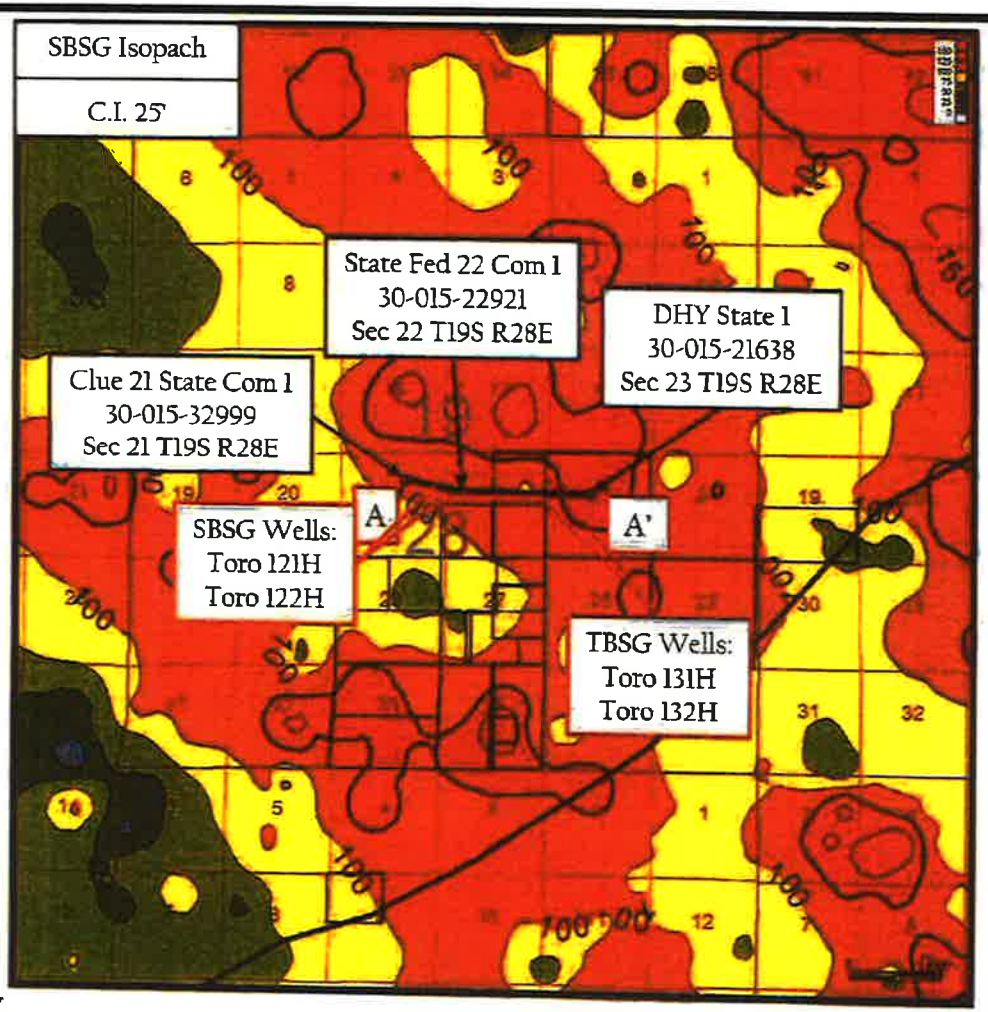
COLGATE



Colgate Energy

Toro 22 State: SBSG Isopach Map

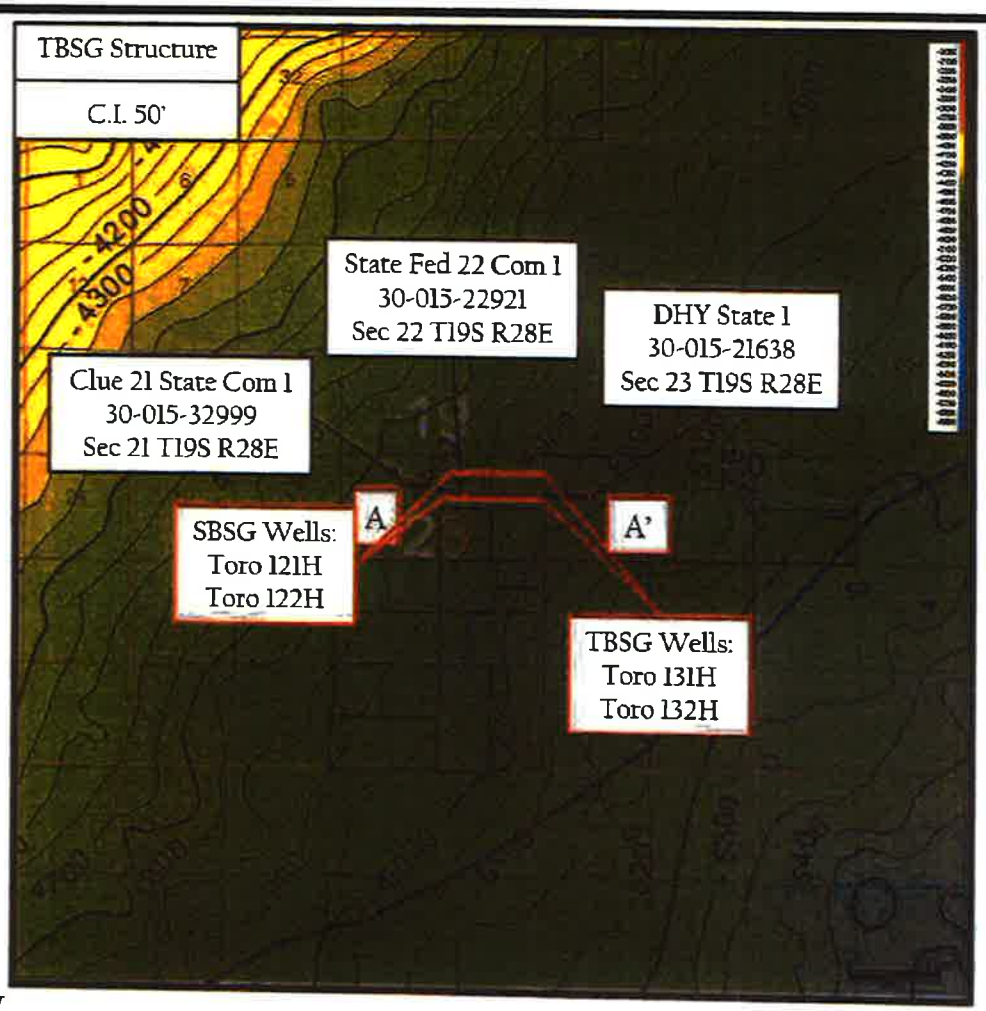
COLGATE



Colgate Energy

Toro 22 State: TBSG Structure Map

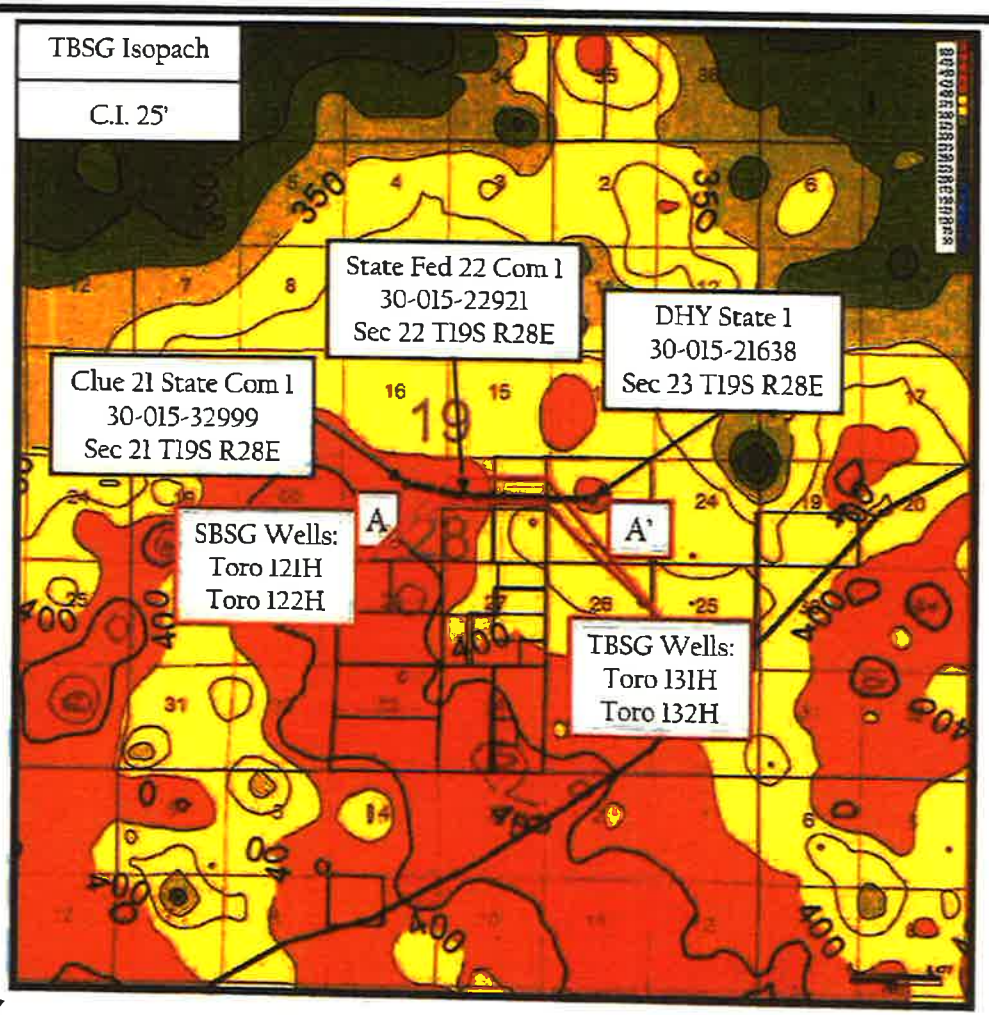
COLGATE



Colgate Energy

Toro 22 State: TBSG Isopach Map

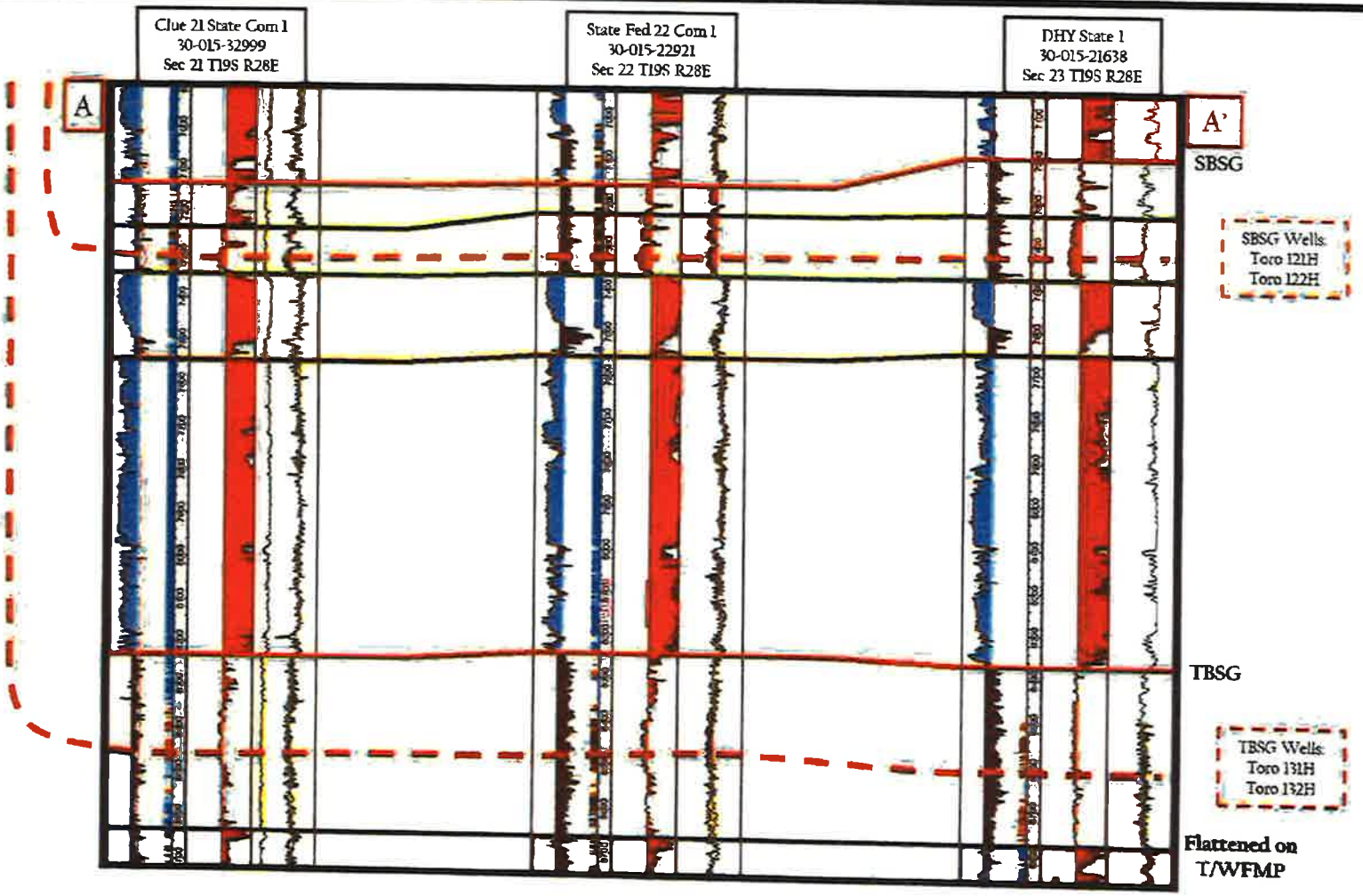
COLGATE ENERGY



Colgate Energy

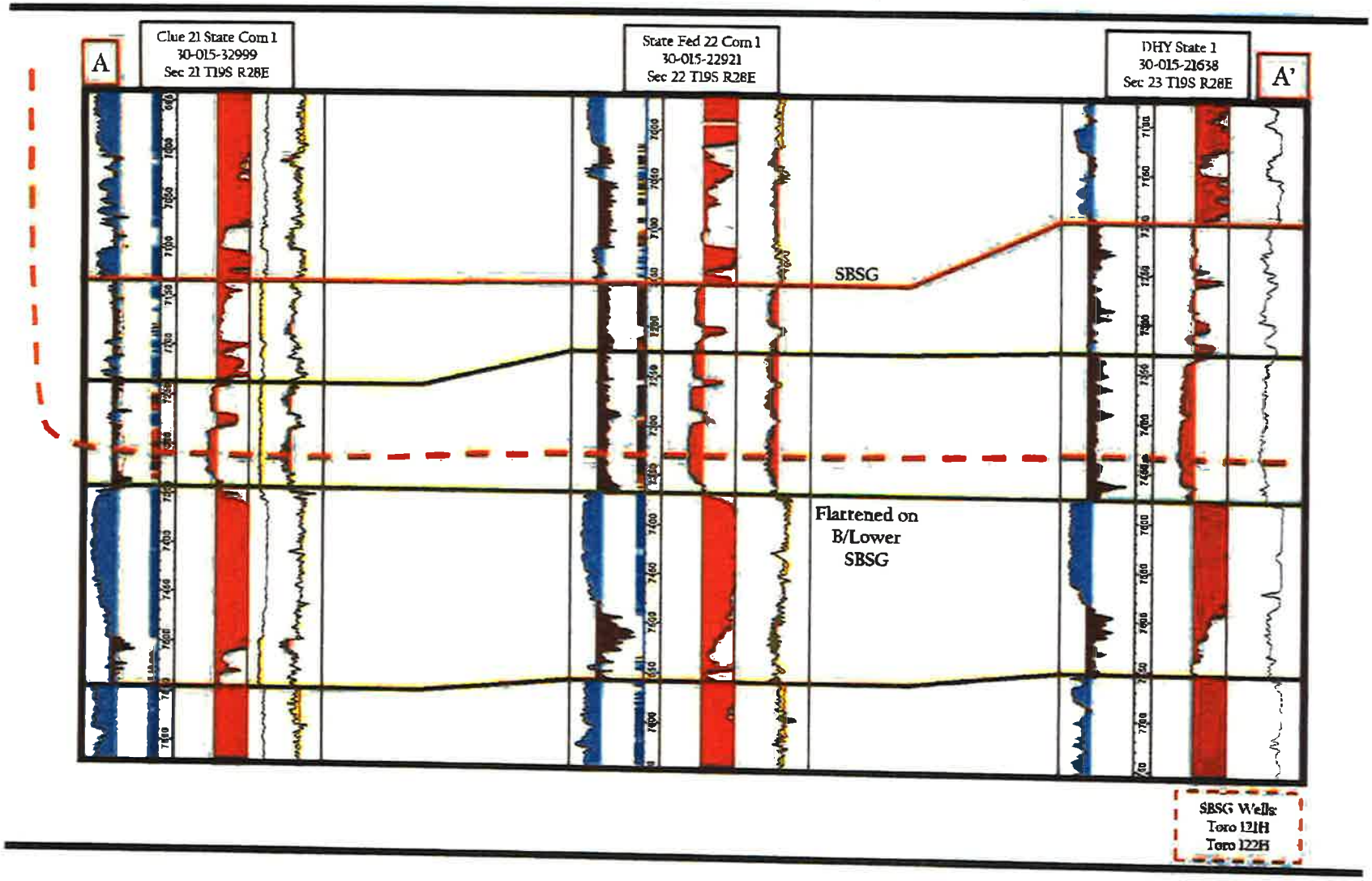
Toro 22 State: Cross-Section A-A'

COLGATE ENERGY



Toro 22 State: Cross-Section A-A' (SBSG)

COLGATE ENERGY



Toro 22 State: Cross-Section A-A' (TBSG)

COLGATE

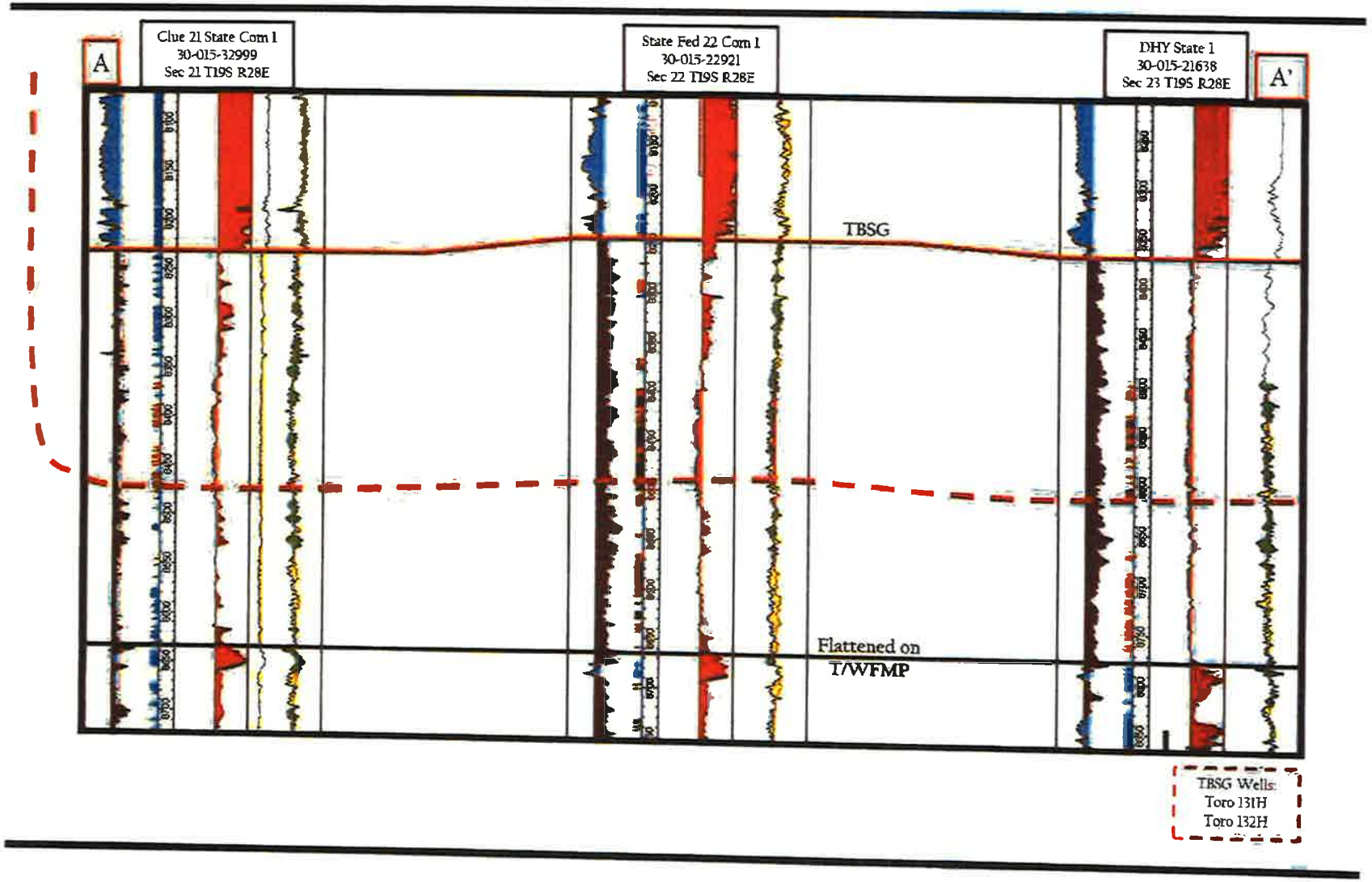


Table of Contents

Exhibit C

OCD Case 21395
(Toro wells)
Colgate Operating, LLC
Affidavit of
Ernest L. Padilla

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

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

CASE NO. 21395

AFFIDAVIT

STATE OF NEW MEXICO }
}ss
COUNTY OF SANTA FE }

AFFIANT, ERNEST L. PADILLA, first being duly sworn on oath states:

Ernest L. Padilla, attorney for COLGATE OPERATING, LLC, the Applicant herein, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "1" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

ERNEST L. PADILLA

SWORN TO AND SUBCRIBED to before me this 8th day of September, 2020, by Ernest L. Padilla.

Notary Public

My Commission Expires:
April 9, 2021

JoAnn B. Gallegos NOTARY PUBLIC STATE OF NEW MEXICO

PADILLA LAW FIRM, P.A.
STREET ADDRESS
1512 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
MAILING ADDRESS
P.O. BOX 2523
SANTA FE, NEW MEXICO 87504-2523
EMAIL ADDRESS
padillalaw@qwestoffice.net

TELEPHONE
505-988-7577

FACSIMILE
505-988-7592

August 10, 2020

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS

Re: NMOCD Case Number#21395, In the Matter of the Application of Colgate Operating, LLC, for compulsory pooling in Eddy County, New Mexico.

Ladies and Gentlemen:

This letter will advise that Colgate Operating, LLC has filed an application with the New Mexico Oil Conservation Division seeking an order for compulsory pooling, in Eddy County, New Mexico as referenced above. Copy of the application is enclosed.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on September 10, 2020 at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. Nonetheless, to stay informed as to any changes for hearing procedures you should consult the OCD website for further instructions. You are not required to attend these hearings, but as an owner of an interest or offset operator that may be affected, you may appear and present testimony. Failure to appear at the time and become a party of record will preclude you from challenging these applications at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 1211.

Very truly yours,

ERNEST L. PADILLA

ELP:jbg
cc: Colgate Operating, LLC

Fasken Acquisitions 02, LTD
6101 Holiday Hill Road
Midland, Texas 79701

Marathon Oil Company
5555 San Felipe
Houston, TX 77056

Costaplenty Energy Corporation
Nest Egg Energy Corporation
P.O. Box 210
Artesia, NM 88210-0210

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79706

Nestegg Energy Corporation
P.O. Box 210
Artesia, NM 88210-0210

Yates Brothers
P.O. Box 1394
Artesia, NM 88211

ZPZ Delaware I LLC
303 Veterans Airpark Lane,
Suite 1000
Midland, TX 79705

Marbob Energy
P.O. Box 227
Artesia, NM 88211

Pitch Energy
P.O. Box 227
Artesia, NM 88211

COG Operating, LLC
600 W. Illinoise Avenue
Midland, TX 79701

Nightengale Petroleum Properties, Inc.
2624 Guiford Lane
Oklahoma City, OK 73210

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

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

CASE NO. 21395

APPLICATION FOR COMPULSORY POOLING

COLGATE OPERATING, LLC applies for an order pooling all mineral interests within Palmillo Bone Spring (Pool Code 96413), underlying the S/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of this application, Applicant states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above referenced horizontal spacing unit to the following two initial wells:

A. **Toro 22 Fed State Com 122H**
SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM.
BHL: Unit H 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

B. **Toro 22 Fed State Com 132H**
SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM.
BHL: Unit H 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

3. Because the proposed wells will be continuously drilled and completed, Applicant requests an extension of the time period to drill and complete the initial wells from 120 days to 365 days.

4. Applicant has sought and been unable to obtain voluntary agreement for the

development of these lands from all of the working interest owners in the subject spacing unit.

5. The requested pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of these proposed horizontal wells and the proposed spacing unit.

WHEREFORE, Applicant, requests after notice and hearing, the Division enter its order:

A. Pooling all uncommitted interests in this horizontal spacing unit;

B. Approving two initial horizontal wells in this spacing unit;

C. Authorizing an extension of the 120-day requirement to drill and complete the initial wells on this horizontal spacing unit;

D. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;

E. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;

F. Approving the actual operating charges and costs of supervision while drilling and after completing, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and;

G. Imposing a 200% charge for risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

PADILLA LAW FIRM, P.A.

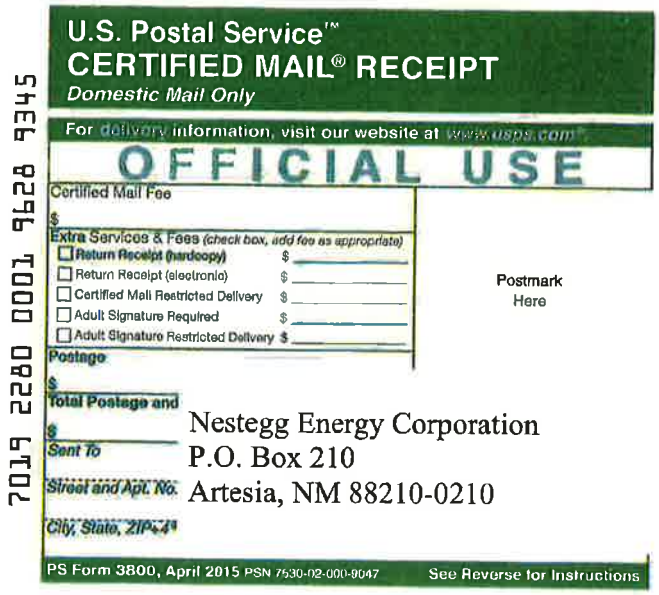
By: ***/s/ Ernest L. Padilla***

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

Ex.C-006

WI OWNER	TRACT	NET	WI	FORCE POOL INTEREST
Colgate Production, LLC	2	226.42	70.76%	Operator
EOG Resources, Inc.	1	160	50.00%	Yes
Fasken Oil and Ranch	2	40.5903	12.68%	Yes
Marbob Energy	2	TBD		Yes
Pitch Energy	2	TBD		Yes
COG Operating	2	TBD		Yes
ZPZ Delaware I	2	17.5	5.47%	Yes
RSC Resources	2	4.6928	1.47%	Yes
Nightengale Properties	2	1.15973	0.36%	Yes

ORRI OWNER
Marathon Oil Company 5555 San Felipe Houston, TX 77056
ZPZ Delaware I LLC 303 Veterans Airpark Lane, Suite 1000 Midland, Texas 79705
Costaplenty Energy Corporation PO Box 1182 Artesia, NM 88211
Nestegg Energy Corporation 2308 Sierra Vista Artesia, NM 88210
Yates Brothers P. O. Box 1394 Artesia, New Mexico 88211



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Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
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- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
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Total Postage and
$

Sent To

Street and Apt. No.

City, State, ZIP+4®

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Nestegg Energy Corporation
P.O. Box 210
Artesia, NM 88210-0210

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7019 2280 0001 9628 9345

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Nestegg Energy Corporation
P.O. Box 210
Artesia, NM 88210-0210

9590 9402 4038 8079 4189 09

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9345

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Melanie Roberts ☐ Agent ☐ Addressee

B. Received by (Printed Name) Melanie Roberts
C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

Ex.C-009

7019 2280 0001 9628 9338

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Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Sent To
Costaplenty Energy Corporation
Nest Egg Energy Corporation

Street and Apt. No.
P.O. Box 210

City, State, ZIP+4®
Artesia, NM 88210-0210

Postmark Here

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Costaplenty Energy Corporation
Nest Egg Energy Corporation
P.O. Box 210
Artesia, NM 88210-0210

9590 9402 4038 8079 4188 93

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9338

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

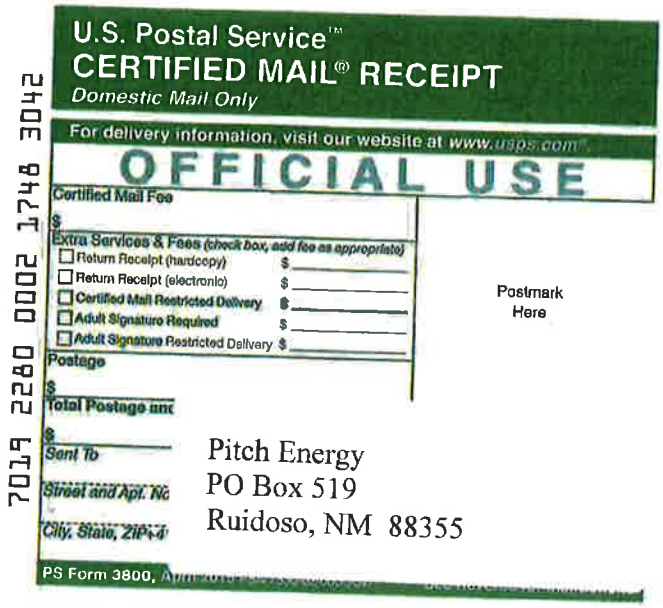
A. Signature
X Melanie Roberts ☐ Agent ☐ Addressee

B. Received by (Printed Name) Melanie Roberts
C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt



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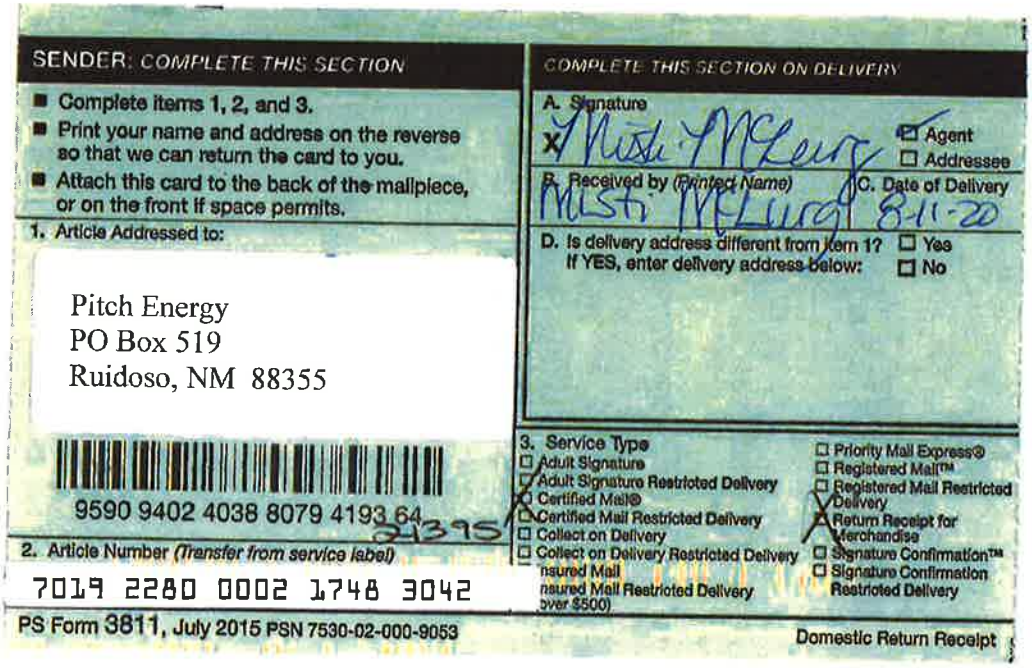
Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and
$
Sent To
Street and Apt. No
City, State, ZIP+4

Postmark Here

7019 2280 0002 1748 3042

Pitch Energy
PO Box 519
Ruidoso, NM 88355

PS Form 3800, April



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pitch Energy
PO Box 519
Ruidoso, NM 88355

9590 9402 4038 8079 4193 64

2. Article Number (Transfer from service label)
7019 2280 0002 1748 3042

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Misti McLeroy ☑ Agent ☐ Addressee

B. Received by (Printed Name) Misti McLeroy C. Date of Delivery 8-11-20

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over $500)
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☑ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

Ex.C-011

7019 2280 0002 1748 4957

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Certified Mail Fee
$ 3.55

Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$ 1.50

Total Postage and
$ 10.90

Sent To
Marbob Energy
PO Box 519
Ruidoso, NM 88355

Street and Apt. No

City, State, ZIP+4

PS Form 3800, A

Postmark Here

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marbob Energy
PO Box 519
Ruidoso, NM 88355

9590 9402 4038 8079 4193 71

2. Article Number (Transfer from service label)
7019 2280 0002 1748 4957

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Mistie McClure
☑ Agent
☐ Addressee

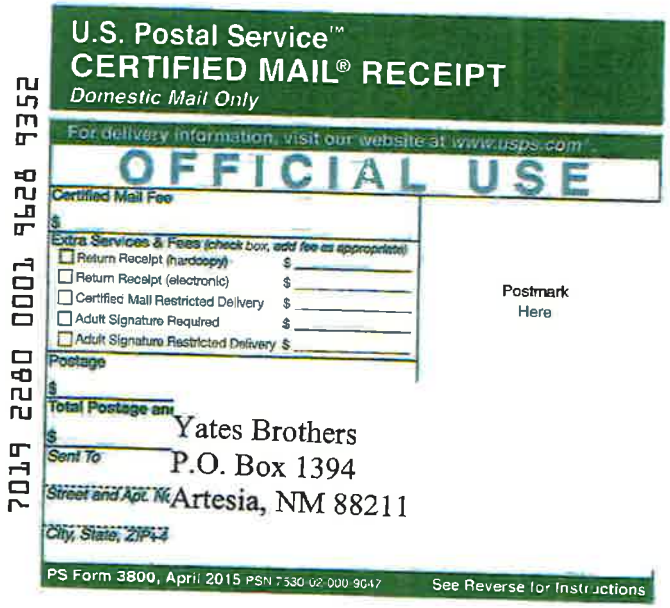
B. Received by (Printed Name) Mistie McClure
C. Date of Delivery 8-11-20

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☑ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☑ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

Ex.C-012



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Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Sent To Yates Brothers

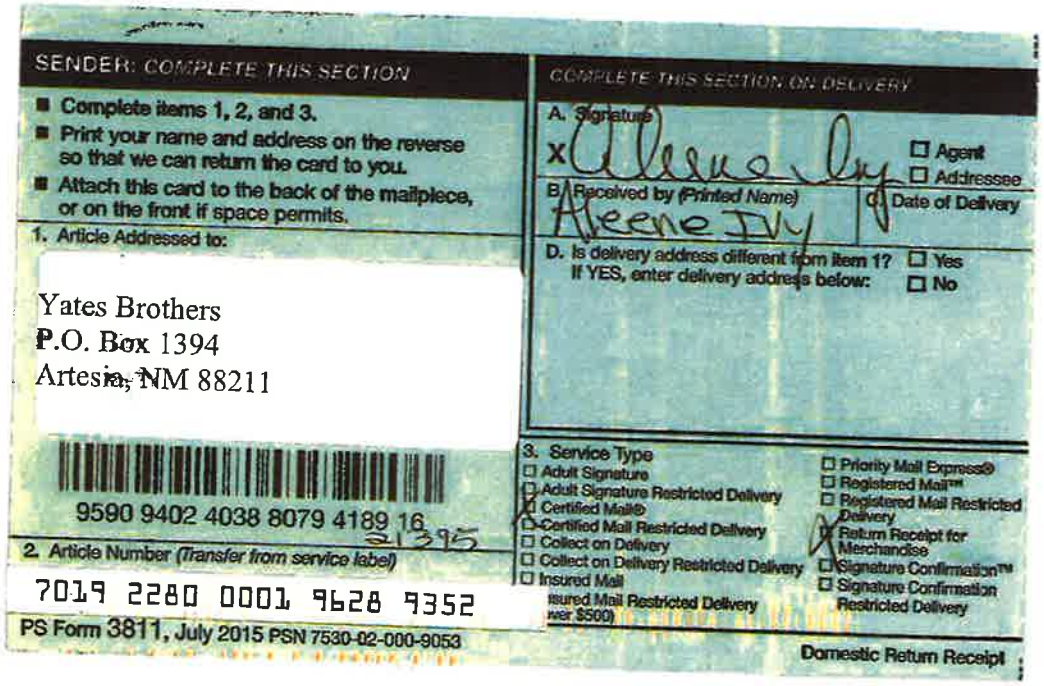
Street and Apt. No. P.O. Box 1394

City, State, ZIP+4 Artesia, NM 88211

Postmark Here

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7019 2280 0001 9628 9352



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Yates Brothers
P.O. Box 1394
Artesia, NM 88211

9590 9402 4038 8079 4189 16

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9352

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

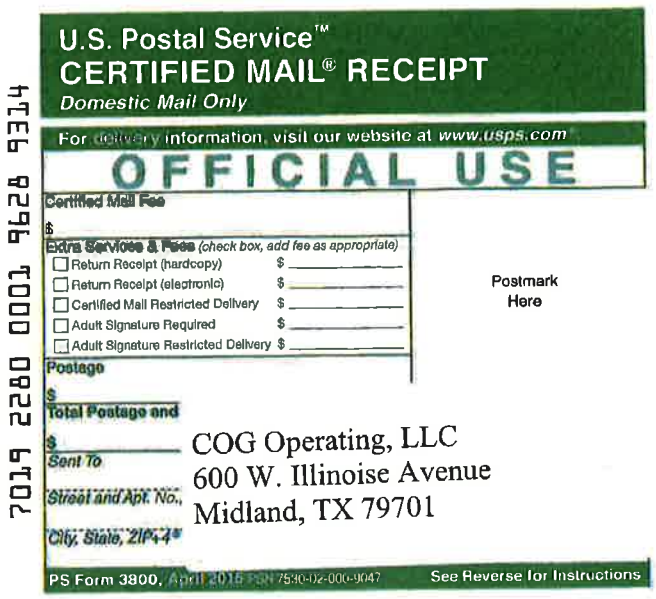
A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name) Arene Ivy C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☑ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt



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Extra Services & Fees (check box, add fee as appropriate)
- Return Receipt (hardcopy) $
- Return Receipt (electronic) $
- Certified Mail Restricted Delivery $
- Adult Signature Required $
- Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Sent To
COG Operating, LLC

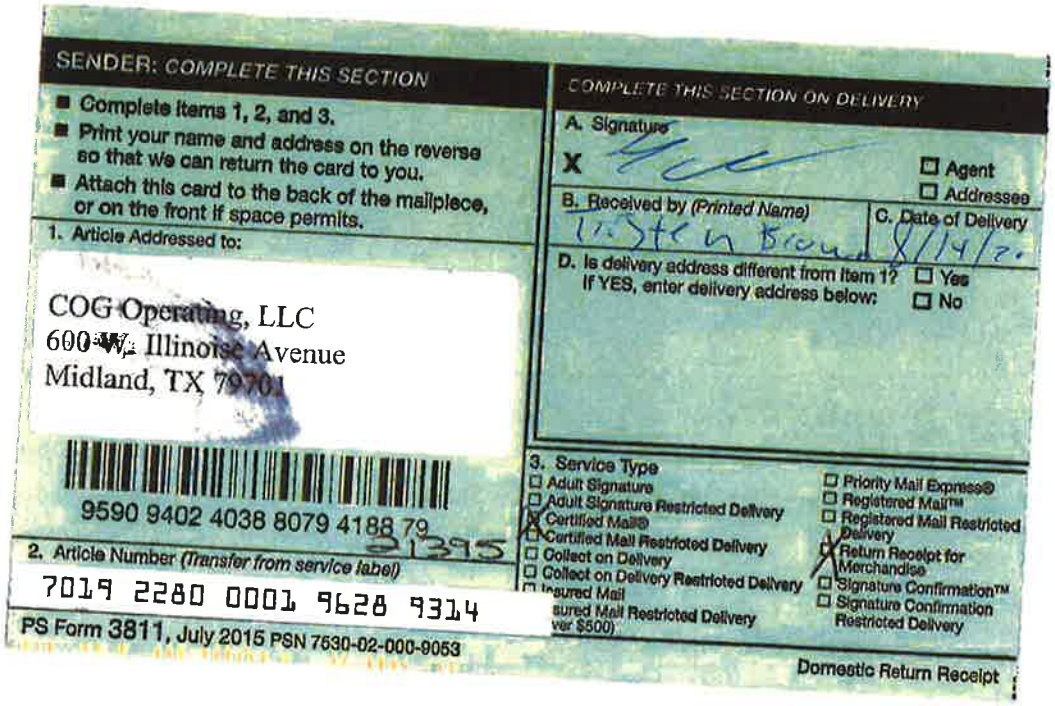
Street and Apt. No.,
600 W. Illinoise Avenue

City, State, ZIP+4®
Midland, TX 79701

Postmark Here

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7019 2280 0001 9628 9314



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

COG Operating, LLC
600 W. Illinoise Avenue
Midland, TX 79701

9590 9402 4038 8079 4188 79

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9314

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name)
C. Date of Delivery
8/14/19

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

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Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Postmark Here

Sent To
Marathon Oil Company

Street and Apt. No.
5555 San Felipe

City, State, ZIP+4®
Houston, TX 77056

7019 2280 0001 9628 9321

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marathon Oil Company
5555 San Felipe
Houston, TX 77056

9590 9402 4038 8079 4188 86

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9321

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name)
C. Date of Delivery
8-13

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

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7019 2280 0001 9628 9307

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Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Postmark Here

Sent To
Street and Apt. No.
City, State, ZIP+4®

ZPZ Delaware I LLC
303 Veterans Airpark Lane,
Suite 1000
Midland, TX 79705

PS Form 3800, April 2015 PSN 7530-02-000-0047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ZPZ Delaware I LLC
303 Veterans Airpark Lane,
Suite 1000
Midland, TX 79705

9590 9402 4038 8079 4188 62

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9307

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☒ Agent
☐ Addressee

B. Received by (Printed Name)
C. Date of Delivery
8-13-20

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

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Certified Mail Fee
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Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

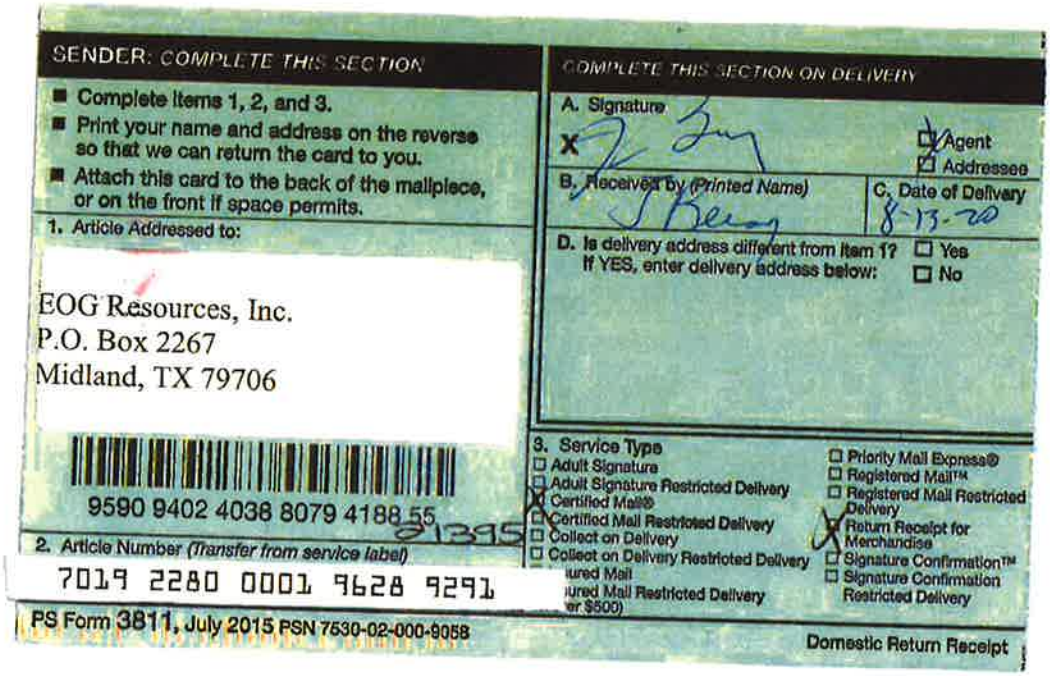
Total Postage and
$

Sent To EOG Resources, Inc.
Street and Apt. No. P.O. Box 2267
City, State, ZIP+4® Midland, TX 79706

Postmark Here

PS Form 3800, [illegible] See Reverse for Instructions

7019 2280 0001 9628 9291



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79706

9590 9402 4038 8079 4188 55

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9291

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X
☐ Agent
☑ Addressee

B. Received by (Printed Name)

C. Date of Delivery
8-13-20

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ [illegible]ured Mail
- ☐ [illegible]ured Mail Restricted Delivery [illegible]er $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

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Certified Mail Fee
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Extra Services & Fees (check box, add fee as appropriate)
- Return Receipt (hardcopy) $
- Return Receipt (electronic) $
- Certified Mail Restricted Delivery $
- Adult Signature Required $
- Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Sent To: Fasken Acquisitions 02, LTD
Street and Apt. No.: 6101 Holiday Hill Road
City, State, ZIP+4®: Midland, Texas 79701

PS Form 3800, A...

Postmark Here

7019 2280 0001 9628 9284

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Fasken Acquisitions 02, LTD
6101 Holiday Hill Road
Midland, Texas 79701

9590 9402 4038 8079 4188 48

2. Article Number (Transfer from service label)
7019 2280 0001 9628 9284

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

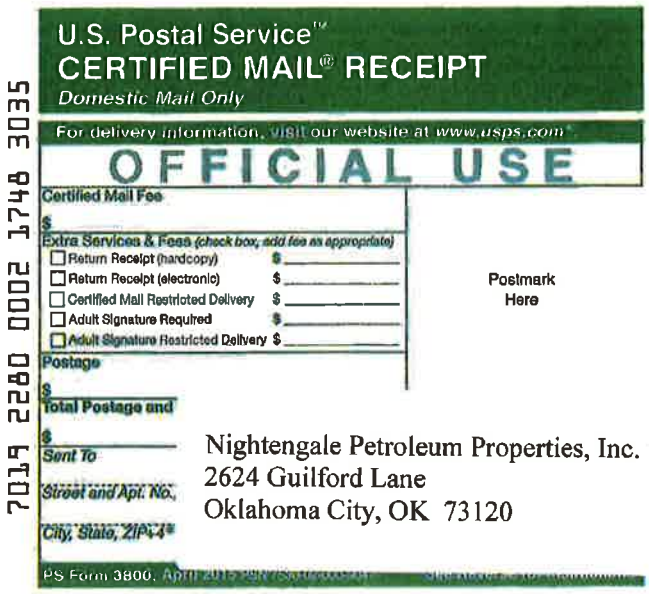
A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name)
C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☑ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☑ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt



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For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee
$

Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and
$

Sent To

Street and Apt. No.,

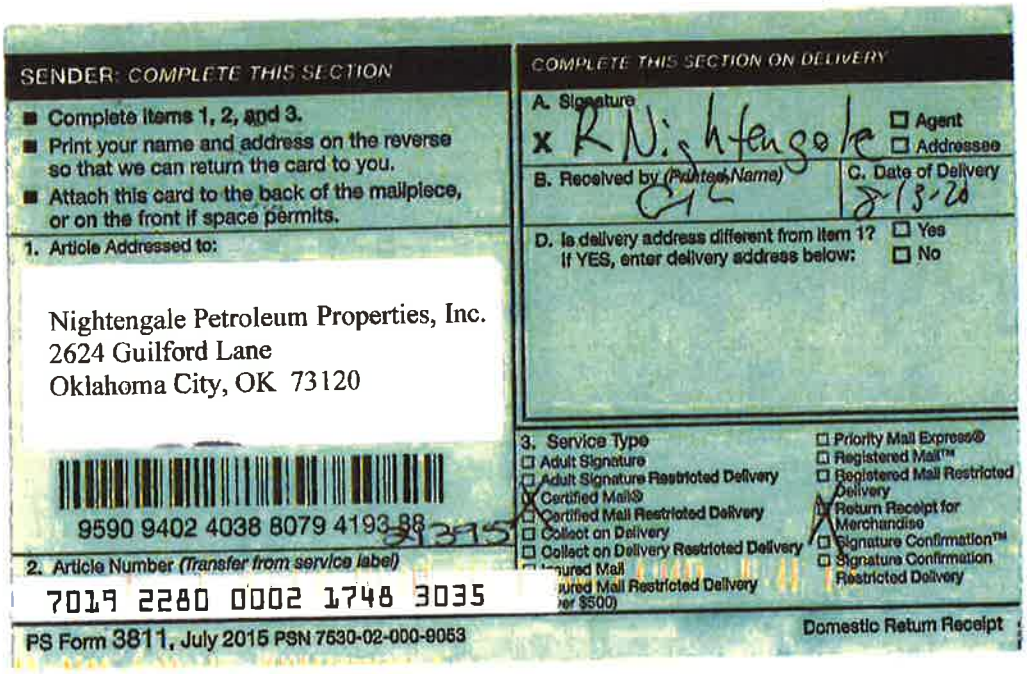
City, State, ZIP+4®

Postmark Here

Nightengale Petroleum Properties, Inc.
2624 Guilford Lane
Oklahoma City, OK 73120

PS Form 3800, April 20[illegible]

7019 2280 0002 1748 3035



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Nightengale Petroleum Properties, Inc.
2624 Guilford Lane
Oklahoma City, OK 73120

9590 9402 4038 8079 4193 88

2. Article Number (Transfer from service label)
7019 2280 0002 1748 3035

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X R Nightengale ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery
8-13-20

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

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- ☐ Return Receipt for Merchandise
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- ☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

PADILLA LAW FIRM, P.A.
STREET ADDRESS
1512 S. ST. FRANCIS DRIVE
SANTA FE, NM 87505
MAILING ADDRESS
P.O. BOX 2523
SANTA FE, NEW MEXICO 87504-2523
EMAIL ADDRESS
padillalaw@qwestoffice.net

TELEPHONE
505-988-7577

FACSIMILE
505-988-7592

August 17, 2020

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Consul Properties, LLC
6608 N. Western Avenue PMB 401
Oklahoma City, OK 73116

Re: NMOCD Case Number#21395, In the Matter of the Application of Colgate Operating, LLC, for compulsory pooling in Eddy County, New Mexico.

Ladies and Gentlemen:

This letter will advise that Colgate Operating, LLC has filed an application with the New Mexico Oil Conservation Division seeking an order for compulsory pooling, in Eddy County, New Mexico as referenced above. Copy of the application is enclosed.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on September 10, 2020 at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html. Nonetheless, to stay informed as to any changes for hearing procedures you should consult the OCD website for further instructions. You are not required to attend these hearings, but as an owner of an interest or offset operator that may be affected, you may appear and present testimony. Failure to appear at the time and become a party of record will preclude you from challenging these applications at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 1211.

Very truly yours,

ERNEST L. PADILLA

ELP:jbg
cc: Colgate Operating, LLC

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Consul Properties, LLC
6608 N. Western Avenue PMB 401
Oklahoma City, OK 73116

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505-988-7577

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August 17, 2020

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

RSC Resources LP
PO Box 8329
Horseshoe Bay, TX 78657

Re: NMOCD Case Number#21395, In the Matter of the Application of Colgate Operating, LLC, for compulsory pooling in Eddy County, New Mexico.

Ladies and Gentlemen:

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Very truly yours,

ERNEST L. PADILLA

ELP:jbg
cc: Colgate Operating, LLC

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Adult Signature Required $
Adult Signature Restricted Delivery $
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Total Postage and
$
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City, State, ZIP+4®
PS Form 3800, A
Postmark Here
RSC Resources LP
PO Box 8329
Horseshoe Bay, TX 78657

Carlsbad Current Argus.

Affidavit of Publication
Ad # 0004355718
This is not an invoice

PADILLA LAW FIRM
POBOX 2523

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

09/02/2020

Legal Clerk

Subscribed and sworn before me this September 2, 2020:

State of WI, County of Brown
NOTARY PUBLIC

9-25-23
My commission expires

SHELLY HORA
Notary Public
State of Wisconsin

Ad # 0004355718
PO #: 4355718
# of Affidavits 1

This is not an invoice

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

The State of New Mexico through its Oil Conservation Division hereby gives noti to law and the Rules and Regulations of the Division. During the COVID-19 Pu Emergency, state buildings are closed to the public and hearings will be conduc ly. The hearing will be conducted on September 10, 2020 at 8:15 a.m. To partic electronic hearing, see the instructions posted on the OCD Hearings website: htt nrd.state.nm.us/OCD/announcements.html. Nonetheless, to stay informed as to for hearing procedures you should consult the OCD website for further instructic not required to attend these hearings, but as an owner of an interest or offs that may be affected, you may appear and present testimony. Failure to appear and become a party of record will preclude you from challenging these applicati er time. If you intend to attend the hearing and present testimony or evidenc enter your appearance and serve the Division, counsel for the Applicant, and o with a pre-hearing statement at least four business days before the scheduled H in accordance with Division Rule 1211.

STATE OF NEW MEXICO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian not so stated.)

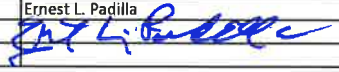
TO: Consul Properties, LLC and RSC Resources LP

Case No. 21395: Application of Colgate Operating, LLC, for compulsory po standard spacing and proration unit, Eddy County, New Mexico: Applicant see pooling all mineral interests within the Palmillo Bone Spring (Pool Code 96413), the S/2 N/2 of Section 22, Township 19 South, Range 28 East, NMPM, Eddy C Mexico, on the following wells listed below. These wells are located approximat southwest of Loco Hills, New Mexico

1. **Toro 22 Fed State Com 122H**
SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM.
BHL: Unit H 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

2. **Toro 22 Fed State Com 132H**
SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM.
BHL: Unit H 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
#4355718, Current Argus, September 2, 2020

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMAION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 21395	**Applicant's Response**
Date: September 8, 2020	
Applicant	Colgate Operating, LLC
Designated Operator & OGRID (affiliation if applicable)	371449
Applicant's Counsel	Ernest L. Padilla
Case Title:	Application of Colgage Operating, LLC Case No. 21339
	for compulsory pooling in Eddy County, New Mexico
Entries of Appearance/Intervenors	
Well Family	Toro 22 Fed State Com
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 Formation (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	S/2 N/2 of Section 22
Description: TRS/County	S/2 N/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)	
	Toro 22 Fed State Com 122H SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM BHL: Unit H 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 **Toro 22 Fed State Com 132H** SHL: Unit E of Section 22, Township 19 South, Range 28 East, NMPM BHL: Unit H 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
Horizontal Well First and Last Take Points	Exhibit A pages 4, 5, 6, 7 and 11
Completion Target (Formation, TVD and MD)	Exhibit A pages 4, 5, 6,7 and 11
	Identify the Exhibit and Page for Information below this line
AFE Capex and Operating Costs	
Drilling Supervision/Month $	$8000/$800
Production Supervision/Month $	Exhibit A pages 14 and 15
Justification for Supervision Costs	Exhibit A pages 14 and 15
Request Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C page 2
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C pages 8 through 22
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C page 23
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A pages 4, 5, 6,7,8 and 9
Tract List (including lease numbers and owners)	Exhibit A pages 8 and 9
Pooled Parties (including ownership type)	Exhibit A pages 8
Unlocatable Parties to be Pooled	Exhibit C pages 19, 20, 21 and 22
Ownership Depth Severance (including percentage above & below)	None
Joinder	
Sample Copy of Proposed Letter	Exhibit A pages 11, 12 and 13
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A pages 8 and 9
Chronology of Contact with Non-Joined Working Interests	Exhibit A page 10
Overhead Rates in Proposal Letter	Exhibit A pages 3 and 12
Cost Estimates to Drill and Complete	Exhibit A pages 14 and 15
Cost Estimate to Equip Well	Exhibit A pages 14 and 15
Cost Estimate for Production Facilities	Exhibit A pages 14 and 15
Geology	

Summary (including special considerations)	Exhibit B pages 1 and 2
Spacing Unit Schematic	None
Gunbarrel/Lateral Trajectory Schematic	Exhibit B page 4
Well Orientation (with rationale)	None
Target Formation	Exhibit B pages 11, 12 and 13
HSU Cross Section	Exhibit B pages 11, 12 and 13
Depth Severance Discussion	None
Forms, Figures and Tables	None
C-102	Exhibit A pages 4, 5, 6 and 7
Tracts	Exhibit A page 8
Summary of Interests, Unit Recapitulation (Tracts)	none
General Location Map (including basin)	Exhibit B page 5
Well Orientation (with rationale)	east west, prevailing in area
Structure Contour Map - Subsea Depth	Exhibit B page 7
Cross Section Location Map (including wells)	Exhibit B page 6
Cross Section (including Landing Zone)	Exhibit B pages 11, 12 and 13
Additional Information **CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.**	
Printed Name: (Attorney or Party Representative):	Ernest L. Padilla
Signed Name: (Attorney or Party Representative):	
Date: September 8, 2020	