

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

**APPLICATION OF CATAMOUNT ENERGY PARTNERS, LLC,
FOR APPROVAL OF A NON-STANDARD HORIZONTAL
WELL SPACING UNIT AND COMPULSORY POOLING,
SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.**

CASE NO. _____

APPLICATION

Catamount Energy Partners, LLC (“Catamount” or “Applicant”) (OGRID No. 308973), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17 and § 70-2-18, for an order (a) creating a 1890-acre, more or less, non-standard horizontal well spacing unit in the Mancos formation [Basin Mancos Pool (97232)] underlying Lots 1-4, S2N2 and SE4 of irregular Section 9, Lots 1-4, S2N2 and S2 of irregular Sections 10 and 11, and Lots 1-4, S2N2, SW4 and the NW4SE4 of irregular Section 12, Township 32 North, Range 6 West, NMPM, San Juan and Rio Arriba Counties, New Mexico, and (b) pooling the uncommitted mineral interest owners in this proposed non-standard horizontal well spacing unit.¹ In support of its application, Applicant states:

1. Applicant is a working interest owner in the proposed horizontal well spacing unit and has the right to drill thereon.
2. Applicant seeks to initially dedicate the above-referenced spacing unit to the following proposed wells:
 - **Miller Mesa 32-6-10 1H** well to be drilled from a surface location in the SWNE equivalent of irregular Section 10 with a first take point in SENE of irregular

¹ This acreage borders the State of Colorado.

Section 10 and at last take point in Lot 4 (NW4NW4 equivalent) of irregular Section 9;

- **Miller Mesa 32-6-11 1H** well to be drilled from a surface location in the SWNE equivalent of irregular Section 10 with a first take point in Lot 4 (NW4NW4 equivalent) of irregular Section 11 and at last take point in Lot 1 (NE4NE4 equivalent) of irregular Section 12; and
- **NLN 32-6-9 2H** well to be drilled from a surface location in the SW4 of Section 9, with a first take point in the NW4SE4 (Unit J) of Section 9 and at last take point the NW4SE4 (Unit J) of Section 12.

3. The approval of the non-standard spacing unit is necessary to minimize costs and surface disturbance, and to accommodate the Allison Federal Unit extending into the SW4 of Section 9, development under Navajo Lake, the land configuration associated with irregular Sections 9, 10, 11 and 12 bordering the State of Colorado, and unleased federal acreage in the NE4SE4 and the S2SE4 of irregular Section 12.

4. This acreage is within the Basin Manco (Gas) Pool [97232] created by Division Order R-12984 providing for 320-acre spacing.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

6. Approval of this application will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 3, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the non-standard horizontal well spacing unit and pooling all uncommitted interests in the horizontal spacing unit;
- B. Approving the initial wells in the spacing unit;
- C. Designating Applicant as the operator of this spacing unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the 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.

Respectfully submitted,

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**ATTORNEYS FOR CATAMOUNT ENERGY PARTNERS,
LLC.**

CASE _____ : **Application of Catamount Energy Partners, LLC, for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, San Juan and Rio Arriba Counties, New Mexico.** Applicant in the above-styled cause seeks an order (a) creating a 1890-acre, more or less, non-standard horizontal well spacing unit in the Mancos formation [Basin Mancos (Gas) Pool (97232)] underlying Lots 1-4, S2N2 and SE4 of irregular Section 9, Lots 1-4, S2N2 and S2 of irregular Sections 10 and 11, and Lots 1-4, S2N2, SW4 and the NW4SE4 of irregular Section 12, Township 32 North, Range 6 West, NMPM, San Juan and Rio Arriba Counties, New Mexico, and (b) pooling the uncommitted mineral owners in this proposed non-standard horizontal well spacing unit. Applicant seeks to initially dedicate the above-referenced spacing unit to the following proposed wells:

- **Miller Mesa 32-6-10 1H** well to be drilled from a surface location in the N2N2 equivalent of irregular Section 10 with a first take point in SENE of irregular Section 10 and at last take point in Lot 4 (NW4NW4 equivalent) of irregular Section 9;
- **Miller Mesa 32-6-11 1H** well to be drilled from a surface location in the N2N2 equivalent of irregular Section 10 with a first take point in Lot 4 (NW4NW4 equivalent) of irregular Section 11 and at last take point in Lot 1 (NE4NE4 equivalent) of irregular Section 12; and
- **NLN 32-6-9 2H** well to be drilled from a surface location in the SW4 of Section 9, with a first take point in the NW4SE4 (Unit J) of Section 9 and at last take point the NW4SE4 (Unit J) of Section 12.

Also, to be considered will be the necessity of the non-standard spacing unit, the cost of drilling and completing the proposed wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 19 miles northeast of the town of Navajo Dam, New Mexico.