

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

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATIONS OF CATENA RESOURCES  
OPERATING, LLC FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**Case Nos. 21347 - 21350**

**PRE-HEARING STATEMENT**

This pre-hearing statement is submitted by Ascent Energy, LLC (“Ascent”) as required by the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Catena Resources Operating, LLC

**APPLICANT’S ATTORNEY**

Holland & Hart LLP

**OPPONENT**

Ascent Energy, LLC

**OPPONENT’S ATTORNEY**

James Bruce  
P.O. Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attention: Lee Zink

**STATEMENT OF THE CASES**

**APPLICANT**

In these cases, Applicant seeks orders pooling the following acreage:

1. In Case No. 21347, the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 36, Township 18 South, Range 34 East, NMPM and the E/2 of Section 1, Township 19 South, Range 34 East, NMPM.
2. In Case No. 21348, the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 of Section 36, Township 18 South, Range 34 East, NMPM and the E/2 of Section 1, Township 19 South, Range 34 East, NMPM.

3. In Case No. 21349, the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2 of Section 36, Township 18 South, Range 34 East, NMPM and the W/2 of Section 1, Township 19 South, Range 34 East, NMPM.

4. In Case No. 21350, the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2 of Section 36, Township 18 South, Range 34 East, NMPM and the W/2 of Section 1, Township 19 South, Range 34 East, NMPM.

### OPPONENT

Ascent owns a majority working interest in the S/2 of Section 1, Township 19 South, Range 34 East, NMPM. Ascent operates the Mongoose Fee Well No. 001H (API No. 30-025-40727), which is a 3<sup>rd</sup> Bone Spring well with a well unit comprising the N/2S/2 of Section 1. Catena's proposed wells are standup wells and intersect Ascent's Mongoose well. Its proposed wellbores are only ~150' deeper than the Mongoose well's completed interval, and will cause substantial adverse effects on Ascent's operations. There is a substantial risk of Catena frac'ing into Ascent's Mongoose well, causing waste and impairing correlative rights.

Division Order No. R-13653 pools the Bone Spring formation underlying of the N/2S/2 of Section 1. The Mongoose Fee Well No. 001H was drilled under this order, and Ascent is the successor operator under this order. The Division should not enter an order effectively revoking this order.

Also, Ascent has its own plans to develop the S/2 of Section 1, and objects to its acreage being included in Catena's proposed well units.

Ascent does not know if Catena has properly notified all interest owners in the Mongoose well, so that they may protect their correlative rights.

Finally, the notice in the docket for Case No. 21350 is apparently wrong: It states that the Wolfcamp formation is being pooled, while the application states that the Bone Spring formation is being pooled. Thus, correct public notice of that application has not been given.

### **PROPOSED EVIDENCE**

#### APPLICANT

WITNESSES

EST. TIME

EXHIBITS

#### OPPONENT

WITNESSES

EST. TIME

EXHIBITS

Lee Zink  
(landman)

20 min.

Approx. 10

William Metz  
(geologist)

15 min.

Approx. 9

Alex Yancey  
(engineer)

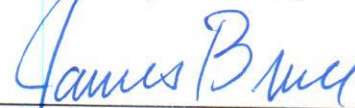
20 min.

Approx. 6

### PROCEDURAL MATTERS

Ascent objects to this matter being heard, by affidavit or live testimony. The matter should be set for a scheduling conference, and a special hearing date be set.

Respectfully submitted,



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James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for Ascent Energy, LLC

### CERTIFICATE OF SERVICE

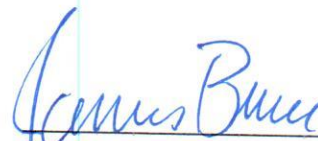
I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 29<sup>th</sup> day of July, 2020 by e-mail:

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James Bruce