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

APPLICATION OF CATENA RESOURCES OPERATING, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 22630

PRE-HEARING STATEMENT

Catena Resources Operating, LLC ("Applicant") submits its Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Catena Resources Operating, LLC

ATTORNEYS

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STATEMENT OF THE CASE

Applicant applies for an order pooling all uncommitted mineral interests in the Wolfcamp formation underlying a 640-acre, more or less, standard horizontal spacing unit ("Unit") comprised of the E/2 of Section 5, Township 19 South, Range 35 East and the E/2 of Section 32, Township 18 South, Range 35 East, Lea County, New Mexico. The Unit will be dedicated to the Foxtail E2 05 32 W1 State Com 1H well ("Well"), which will be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 8 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 32. The completed interval of the Well will be within 330' of the quarter-quarter section line separating the W/2 E/2 and E/2 E/2 of Sections 5 and 32 to allow for the creation of a standard

640-acre horizontal spacing unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of Applicant as the operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells are located approximately 20 miles west of Hobbs, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Cato Clark	Landman	Affidavit	Approx. 7
Evan Kochelek	Geologist	Affidavit	Approx. 6

PROCEDURAL MATTERS

Applicant will present this matter by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 94888

QUESTIONS

Operator:	OGRID:
Spur Energy Partners LLC	328947
9655 Katy Freeway	Action Number:
Houston, TX 77024	94888
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony			
Please assist us by provide the following information about your testimony.			
Number of witnesses	Not answered.		
Testimony time (in minutes)	Not answered.		