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 FOR A MULTI-LATERAL WELL AND COMPULSORY POOLING, SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.

CASE NO. 22973

APPLICANT'S PRE- HEARING STATEMENT

Catamount Energy Partners, LLC ("Catamount" or "Applicant") (OGRID No. 308973) submits this pre-hearing statement as required by the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

Catamount Energy Partners, LLC

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APPLICANT'S STATEMENT OF CASE

Applicant seeks an order (a) creating a 987.58-acre, more or less, non-standard horizontal well spacing unit in the Fruitland Coal formation [Basin Fruitland Coal (Gas) Pool (Pool Code 71629)] underlying all of irregular Section 11 and the W/2 equivalent, the NE/4 equivalent and the NW/4SE/4 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. Applicant seeks to initially dedicate the above-referenced spacing unit to the **Navajo Lake 32-6-11 No. 1** well, a multi-lateral horizontal well to be drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 10 with a completed horizonal wellbore and three laterals that commence in the W/2 W/2 of irregular Section 11 and extend to bottom hole locations in the SE/4NE/4 (Unit H), the NW/4 SE/4 (Unit J) and the SE/4 SW/4 (Unit N) of irregular Section 12. Applicant has modified the bottomhole location of the northernmost lateral to comply with the standard setbacks required by the Division's statewide rules for horizontal wells in gas pools.

Applicant seeks approval of the non-standard spacing unit to accommodate development under Navajo Lake, to address the unique land configurations associated with irregular Sections 11 and 12, to address unleased federal acreage in the NE/4SE/4 and the S/2SE/4 of irregular Section 12, and to minimize cost and surface disturbance. Division rules allow multiple laterals of a horizontal well to be dedicated to the same spacing unit when they are to be in the same pool or formation. *See* NMAC 19.15.16.15.B(7)(a).

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS	
Denise Greer, Landman	Affidavit	Approx. 5	
Rusty Kelly, Geology	Affidavit	Approx. 3	

¹ The border of San Juan and Rio Arriba Counties is located within Section 11.

PROCEDURAL MATTERS

Applicant intends to present this case by affidavit if it remains unopposed at the time of hearing

Respectfully submitted,

HOLLAND & HART LLP

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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 129631

QUESTIONS

Operator:	OGRID:
CATAMOUNT ENERGY PARTNERS LLC	308973
1001 17TH STREET STE 1160	Action Number:
DENVER, CO 80202	129631
	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.	