## BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 06, 2020

**CASE No. 21353** 

ALPHA 183533 1H WELL

LEA COUNTY, NEW MEXICO



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

**CASE NOS. 21353** 

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COMPULSORY POOLING APPLICA	ATION CHECKLIST
ALL INFORMATION IN THE APPLICATION MUST	BE SUPPORTED BY SIGNED AFFIDAVITS
Case: 21353	APPLICANT'S RESPONSE
Date: August 4, 2020	
Applicant	Catena Resources Operating, LLC
The state of the s	
Designated Operator & OGRID (affiliation if applicable)	Catena Resources Operating, LLC (OGRID No. 328449)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CATENA RESOURCES OPERATING, LLC
	FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Marathon Oil Permian, LLC
Well Family	Alpha 183533 1H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp Formation
Pool Name and Pool Code:	Scharb;Wolfcamp (55640)
Well Location Setback Rules:	Statewide horizontal oil well rules
Spacing Unit Size:	480-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal well spacing unit
Size (Acres)	480 acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	North to South
Description: TRS/County	SW/4 of Section 33, T-18-S, R-35-E and W/2 of Section 4, T
	19-S, R-35-E, NMPM, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	None
Proximity Tracts: If yes, description	E/2 SW/4 of Section 33 ad E/2 W/2 of Section 4
Proximity Defining Well: if yes, description	Alpha 183533 1H
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Alpha 183533 1H (API # Pending)
т.	SHL: 2450' FSL & 1270' FWL (Unit L), Sec. 33, T18S, R35E
	BHL: 100' FSL & 1270' FWL (Unit M), Sec. 4, T19S, R35E
	Completion target: Wolfcamp
	Well orientation: North to South
	Completion location: expected to be standard
Havinandal Wall Find on the AT L. D. C.	
Horizontal Well First and Last Take Points	See Exhibit A-1
Completion Target (Formation, TVD and MD)	See Exhibit B
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800

Requested Risk Charge  Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20 days before hearing) Proof of Mailed Notice of Hearing (10 days before hearing) Exhibit C Proof of Mailed Notice of Hearing (10 days before hearing) Dwnership Determination Land Ownership Determination Land Ownership Schematic of the Spacing Unit Exhibit A-3 Tract List (including lease numbers and owners) Pooled Parties (including ownership type) Linicatable Parties to be Pooled Ownership Depth Severance (including percentage above & below) N/A  Joinder Sample Copy of Proposal Letter List of Interest Owners (ie Exhibit A of JOA) Exhibit A-3 Exhibit A-3 Exhibit A-4 List of Interest Owners (ie Exhibit A of JOA) Exhibit A-5 Exhibit A-6 Coxt Estimate to Drill and Complete Exhibit A-4 Coxt Estimate for Production Facilities Exhibit A-4  Coxt Estimate for Production Facilities Exhibit A-4  Coxt Estimate To Production Facilities Exhibit A-6 Exhibit A-7  Exhibit A-8  Exhibit A-8  Exhibit A-9  Exhibit B-9  Spacing Unit Schematic Exhibit A-9  Exhibit B-1  Exhibit B-2  Cylor Proposal Letter Exhibit B-2  Exhibit B-3  Exhibit B-1  Exhibit B-1  Exhibit B-2  Exhibit B-1  Exhib	Justification for Supervision Costs	See Exhibit A
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Tract List (including lease numbers and owners)  Pooled Parties (including ownership type)  Listhbit A-3  Unlocatable Parties to be Pooled  Ownership Depth Severance (including percentage above & below)  N/A  Joinder  Sample Copy of Proposal Letter  List of Interest Owners (ie Exhibit A of JOA)  Chronology of Contact with Non-Joined Working Interests  Overhead Rates in Proposal Letter  Exhibit A-3  Overhead Rates in Proposal Letter  Exhibit A-4  Cost Estimate to Drill and Complete  Cost Estimate to Full and Complete  Cost Estimate for Production Facilities  Exhibit A-4  Cost Estimate for Production Facilities  Exhibit A-4  Geology  Summary (including special considerations)  Spacing Unit Schematic  Exhibit A-2  Gunbarrel/Lateral Trajectory Schematic  Exhibit A-2  Well Orientation (with rationale)  Exhibit B-3  Target Formation  Exhibit B-1  Forms, Figures and Tables  C-102  Exhibit A-1  Exhibit A-2  Exhibit A-3  General Location Map (including basin)  Exhibit A-2  Exhibit A-3  General Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Michael H. Feldewert	Ownership Determination	
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below)  Joinder  Sample Copy of Proposal Letter  List of Interest Owners (ie Exhibit A of JOA)  Exhibit A-3  Chronology of Contact with Non-Joined Working Interests  Overhead Rates In Proposal Letter  Cost Estimate to Drill and Complete  Exhibit A-4  Cost Estimate to Equip Well  Exhibit A-4  Cost Estimate for Production Facilities  Geology  Summary (including special considerations)  Spacing Unit Schematic  Gunbarrel/Lateral Trajectory Schematic  Well Orientation (with rationale)  HSU Cross Section  Exhibit B  HSU Cross Section  Exhibit B  HSU Cross Section  Depth Severance Discussion  N/A  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Exhibit B-1  Cross Section Location Map (including wells)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Altrorrey or Party Representative):	Unlocatable Parties to be Pooled	Exhibit D
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Sample Copy of Proposal Letter List of Interest Owners (ie Exhibit A of JOA) Chronology of Contact with Non-Joined Working Interests Overhead Rates In Proposal Letter Cost Estimate to Drill and Complete Exhibit A-4 Cost Estimate to Drill and Complete Exhibit A-4 Cost Estimate to Equip Well Cost Estimate for Production Facilities Exhibit A-4 Cost Estimate for Production Facilities Exhibit B-4  Spacing Unit Schematic Exhibit B-5 Spacing Unit Schematic Exhibit A-2 Gunbarrel/Lateral Trajectory Schematic Exhibit A-2 Well Orientation (with rationale) Exhibit B-3 Target Formation Exhibit B-3 Target Formation Exhibit B-1 Exhibit B-2 Depth Severance Discussion N/A Forms, Figures and Tables C-102 Exhibit A-1 Tracts Exhibit A-3 Summary of Interests, Unit Recapitulation (Tracts) Exhibit A-3 Summary of Interests, Unit Recapitulation (Tracts) Exhibit A-3 Summary of Interests, Unit Recapitulation (Tracts) Exhibit A-2 Structure Contour Map (including basin) Exhibit A-2 Structure Contour Map - Subsea Depth Exhibit B-1 Cross Section Location Map (including wells) Exhibit B-1 Cross Section Location Map (including wells) Exhibit B-1 Cross Section Location Map (including wells) Exhibit B-2 Additional Information Special Provisions/Stipulations None CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. Printed Name (Attorney or Party Representative): Michael H. Feldewert	below)	N/A
List of Interest Owners (ie Exhibit A of JOA) Chronology of Contact with Non-Joined Working Interests  Overhead Rates in Proposal Letter Cost Estimate to Drill and Complete Exhibit A-4  Cost Estimate to Equip Well Exhibit A-4  Cost Estimate for Production Facilities Exhibit A-4  Cost Estimate for Production Facilities Exhibit A-4  Cost Estimate for Production Facilities Exhibit A-4  Geology  Summary (including special considerations) Exhibit B  Spacing Unit Schematic Exhibit A-2  Gunbarrel/Lateral Trajectory Schematic Exhibit A-2  Well Orientation (with rationale) Exhibit B-3  Target Formation Exhibit B  HSU Cross Section Depth Severance Discussion N/A  Forms, Figures and Tables C-102 Exhibit A-1  Tracts Summary of Interests, Unit Recapitulation (Tracts) Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts) Exhibit A-2  Well Bore Location Map (including basin) Exhibit A-2  Structure Contour Map - Subsea Depth Exhibit B-1  Cross Section Location Map (including wells) Exhibit B-1  Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert  Michael H. Feldewert	Joinder	
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Cost Estimate for Production Facilities  Geology  Summary (including special considerations)  Spacing Unit Schematic  Gunbarrel/Lateral Trajectory Schematic  Exhibit A-2  Gunbarrel/Lateral Trajectory Schematic  Exhibit B-3  Target Formation  HSU Cross Section  Depth Severance Discussion  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Exhibit B-1  Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Michael H. Feldewert	Cost Estimate to Drill and Complete	Exhibit A-4
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Summary (including special considerations)  Spacing Unit Schematic  Gunbarrel/Lateral Trajectory Schematic  Well Orientation (with rationale)  Target Formation  Exhibit B  HSU Cross Section  Depth Severance Discussion  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-2  Well Bore Location Map (including basin)  Exhibit A-2  Structure Contour Map - Subsea Depth  Exhibit B-1  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Michael H. Feldewert	Cost Estimate for Production Facilities	Exhibit A-4
Spacing Unit Schematic  Gunbarrel/Lateral Trajectory Schematic  Well Orientation (with rationale)  Target Formation  Exhibit B-3  Target Formation  Exhibit B  HSU Cross Section  Depth Severance Discussion  N/A  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Michael H. Feldewert	Geology	
Gunbarrel/Lateral Trajectory Schematic  Well Orientation (with rationale)  Target Formation  Exhibit B  HSU Cross Section  Depth Severance Discussion  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Exhibit B-1  Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Michael H. Feldewert	Summary (including special considerations)	Exhibit B
Well Orientation (with rationale)  Target Formation  HSU Cross Section  Depth Severance Discussion  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  General Location Map (including basin)  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Spacing Unit Schematic	Exhibit A-2
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Depth Severance Discussion  Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map = Exhibit A-2  Structure Contour Map - Subsea Depth  Exhibit B-1  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Target Formation	Exhibit B
Forms, Figures and Tables  C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	HSU Cross Section	Exhibit B-2
C-102  Exhibit A-1  Tracts  Exhibit A-3  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Depth Severance Discussion	N/A
Tracts  Summary of Interests, Unit Recapitulation (Tracts)  Exhibit A-3  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Forms, Figures and Tables	
Summary of Interests, Unit Recapitulation (Tracts)  General Location Map (including basin)  Exhibit A-2  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	C-102	Exhibit A-1
General Location Map (including basin)  Well Bore Location Map  Exhibit A-2  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Exhibit B-1  Cross Section (including Landing Zone)  Exhibit B-2  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Tracts	Exhibit A-3
Well Bore Location Map  Structure Contour Map - Subsea Depth  Cross Section Location Map (including wells)  Cross Section (including Landing Zone)  Exhibit B-1  Exhibit B-2  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert		Exhibit A-3
Structure Contour Map - Subsea Depth Cross Section Location Map (including wells) Cross Section (including Landing Zone) Exhibit B-1  Cross Section (including Landing Zone) Exhibit B-2  Additional Information Special Provisions/Stipulations None  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	General Location Map (including basin)	Exhibit A-2
Cross Section Location Map (including wells)  Exhibit B-1  Exhibit B-2  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Well Bore Location Map	Exhibit A-2
Cross Section (including Landing Zone)  Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Structure Contour Map - Subsea Depth	Exhibit B-1
Additional Information  Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert		Exhibit B-1
Special Provisions/Stipulations  CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Signed Name (Attorney or Party Representative):	Cross Section (including Landing Zone)	Exhibit B-2
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.  Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Additional Information	
Printed Name (Attorney or Party Representative):  Michael H. Feldewert	Special Provisions/Stipulations	None
Printed Name (Attorney or Party Representative):  Michael H. Feldewert	CERTIFICATION: I hereby certify that the information provide	ded in this checklist is complete and accurate.
Signed Name (Attorney or Party Representative):  Date:  4-Aug-2		
Date: ALLIG-2	Signed Name (Attorney or Party Representative):	601
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Date:	Missly Felleson 4-Aug-20

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

CASE NO. 21353

### **APPLICATION**

Catena Resources Operating, LLC ("Applicant") (OGRID No. 328449), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the SW/4 of Section 33, Township 18 South, Range 35 East, and the W/2 of Section 4, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. In support 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 initially dedicate the above-referenced spacing unit to the proposed **Alpha 183533 1H Well** to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 33 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4.
- 3. The completed interval for the proposed well will remain within 330 feet of the E/2 SW/4 of Section 33 and E/2 W/2 of Section 4 to include this offsetting acreage in a standard horizontal well spacing unit.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

- 5. The 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 the proposed well and horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 23, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

**HOLLAND & HART LLP** 

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
mhfrldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR CATENA RESOURCES OPERATING, LLC

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

**CASE NOS. 21353** 

AFFIDAVIT OF ROBERT SWANN

Robert Swann, of lawful age and being first duly sworn, declares as follows:

1. My name is Robert Swann. I am a Land Manager with Catena Resources Operating.

LLC ("Catena").

2. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum land matters. My credentials as a petroleum land manager have been

accepted by the Division and made a matter of record.

I am familiar with the application filed by Catena in this case, and I am familiar 3.

with the status of the lands in the subject area.

4. The uncommitted parties have not indicated any opposition to this pooling

application, and therefore I do not expect any opposition at the hearing

5. Catena seek an order pooling all uncommitted interests in the Wofcamp formation

[Scharb; Wolfcamp Pool (55640)] underlying a standard 480-acre horizontal spacing unit

comprised of the comprised of the SW/4 of Section 33, Township 18 South, Range 35 East, and

the W/2 of Section 4, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

Catena seeks to initially dedicate this spacing unit to the proposed Alpha 183533 6.

1H well to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section

33 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4. The completed interval for

1

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A

Submitted by: Catena Resources Operating, LLC Hearing Date: August 06, 2020

the proposed well will remain within 330 feet of the E/2 SW/4 of Section 33 and E/2 W/2 of Section 4 to include this offsetting acreage in a standard horizontal well spacing unit.

- 7. **Exhibit A-1** contains the Form C-102 for the proposed well.
- 8. **Exhibit A-2** is a general location map outlining the acreage being pooled and the lateral trajectory of the proposed well. The acreage is comprised of state lands.
- 9. **Exhibit A-3** identifies the tracts of land comprising the proposed spacing unit, the working interest ownership in each tract and their respective interest in the horizontal spacing unit. The mineral owners that remain to be pooled are highlighted on Exhibit A-3.
- 10. No ownership depth severances exist within in the Wolfcamp formation underlying the subject acreage.
- 11. Catena has conducted a diligent search of company records, county records, telephone directors and conducted computer searches to locate contact information for each of the mineral owners that it seeks to pool.
- 12. **Exhibit A-4** contains a sample of the letter and AFE for the proposed well sent to the working interest owners that Catena has been able to locate. The costs reflected on the AFE are consistent with what Catena and other operators have incurred for drilling similar horizontal wells in the area in this formation.
- 13. **Exhibit A-5** contains a chronology of the contacts with the uncommitted mineral owners Catena was able to locate. Catena has made a good faith effort to obtain voluntary joinder of these owners in the proposed wells.
- 14. Catena requests overhead and administrative rates of \$8,000 per month for drilling and \$800 per month for a producing well. These rates are consistent with the rates charged by Catena and other operators for similar wells in this area.

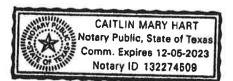
- 15. I have provided the law firm of Holland and Hart, LLP, with the names and addresses (where available) of the mineral owners that Catena seeks to pool and instructed that they be notified of this hearing.
- 16. Exhibits A-1 through A-5 were prepared by me or compiled under my direction from company business records.

**FURTHER AFFIANT SAYETH NAUGHT** 

ROBERT SWANN

STATE OF TEXAS	)
	)
COUNTY OF BEXAR	)

SUBSCRIBED and SWORN to before me this 4th day of AUDUST 2020 by Robert Swann.



NOTARY PUBLIC

My Commission Expires:

15155310\_v1

District I
1025 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88240
Phone: (575) 748-1283 Fux: (575) 748-9720
District III
1000 Rto Brazos Road, Aziec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IX
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

E BHL & LTP

100' FSL 1270' FWL S-4, 195,35E **SWSW** 

NWNW

**SESW** 

NENW

SWSE

**NWNE** 

SESE

NENE

**SWSW** 

NWNW

## State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Numb	er	2	Pool Code 55640				<sup>3</sup> Pool Nam Scharb; Wolfe			
4 Propert	y Code				<sup>5</sup> Property N Alpha 183:				- 111	* Weil 2	
†OGRI					" Operator N					* Elev	ation
3284	49	L			a Resources Or						
					Surface Lo						
L or let no.	Section		"	Lot Idn F	eet from the	North/South li		eet from the	East/Wes	- 1	County
	33	18 S	35 E		2450	Sou		1270'		West	Leu
					cation If I	Different Fr	om Su	rface			
l. or let no.	Section	Township	-0.00 March 1995	Lot Idn F	cel from the	North/South II		ret from the	Enst/West		County
	4	19 S	35 E		100	Sou	(b)	1270'	Ľ	West	l,ea
Dedicated Acre 9,400	s ''' Joint o	Infill 12 Con	solidation Code	<sup>18</sup> Order No.					318		
C .	FSL FWL 18S,35E	SWNW	NENW	NWNE	NENE	SWNW	NENW  SENW	to the best of my owns a working the proposed bot	knowledge and be naterosor unleased tions hale locion o	clief, and that th d mineral intere r has a right to	n is true and comp as organization ei ist in the land such drill this Abat this such a nuneral or
NWSE	NESE	NWSW	NESW	3 FTP 2540' 1270' 5-33.		NWSW	NESW	Signature	d by the division	1	mpulsar paaling 8/4/20 Date
SWSE	SESE	swsw	sesw 18S (	SWSE	SESE	swsw	SESW	Printed Name	RT Sn	mas	res.co
L 2	L 1	L 4	19: 335		L 1	L 4	L 3	E-mail Address			
SWNE	SENE	swnw	SENW	SWNE	SENE	SWNW	SENW		ify that the w	ell location	CATION shown ontdipl surveys made
5 NWSE	NESE	NWSW	NESW	NWSE	NESE	NWSW	NESW	me or under and correct to			he same is tru

### **BEFORE THE OIL CONSERVATION DIVISION**

Date of Survey

Certificate Number

SESW

NENV

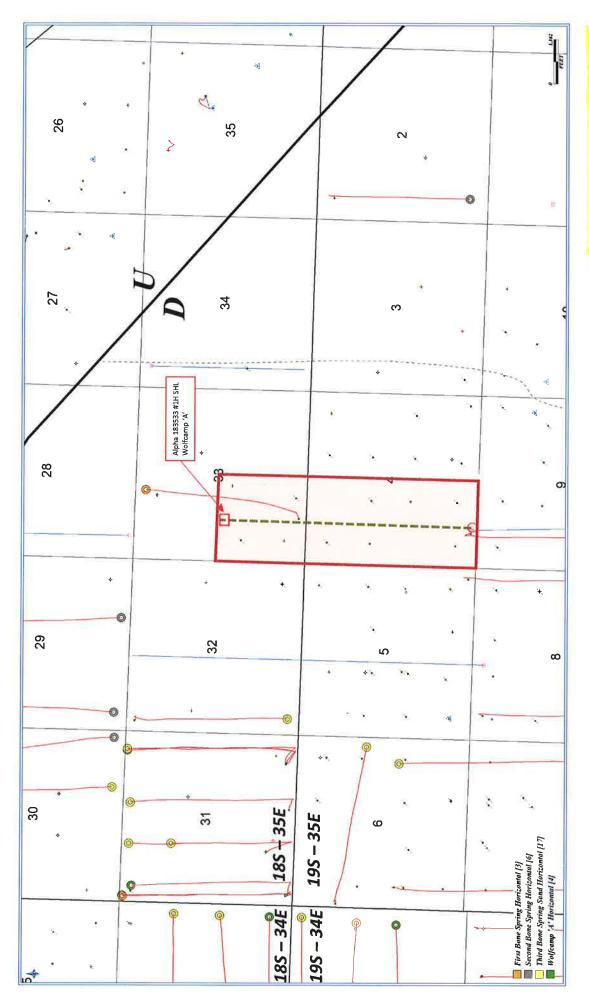
Signature and Seal of Professional Surveyor:

Santa Fe, New Mexico
Exhibit No. A1

Submitted by: Catena Resources Operating, LLC

Hearing Date: August 06, 2020 Case No. 21353

## Alpha 183533 #1H Locator Map





BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A2
Submitted by: Catena Resources Operating, LLC
Hearing Date: August 06, 2020
Case No. 21353

## Catena Resources Operating, LLC Alpha 183533 1H - Wolfcamp Case No. 21353

3			_				
:NW	SWNE	SENE	SWNW	SENW	SWNE	SENE	SWNW
:SW	NWSE	NESE	NWSW	NESW	3	NESE	NWSW
:SW	SWSE	SESE	swsw	SESW	SWSE	sese 18S 35E	swsw
L 3	L 1 L 2 I	L 1	L 4	L 3	L 2	19S 35E	L 4
:NW	   SWNE 	SENE	sww	s <b>ø</b> w	SWNE	SENE	SWNW
ESW	NWSE	NESE	N <mark>IS</mark> W	N <b>6</b> V	NWSE	NESE	NWSW
ESW	SWSE	SESE	sww	s <mark>€</mark> w	SWSE	SESE	swsw
ENW	NWNE	NENE	NWNW	NENW	NWNE	NENE	NWNW
ENW	SWNE	SENE	SWNW	SENW	   SWN   Submitte	RE THE OIL CONSERVA Santa Fe, New M Exhibit No. A ed by: Catena Resourd Hearing Date: August Case No. 2135	exico  3  ces Operating, LLC  : 06, 2020

Unit Size	Alpha 183533	1H Wolfern	on Coso No. 7	1252
479.4	Wihiia 103333	TH - Wollcan	np - case No. 2	.1555
WI Owner	Tract	Tract	Tract	Tract
Wildwier	No	Gross	WI	NMA
Catena Resources Operating	1	160	93.75%	150.000
Catena Resources Operating	3	40	100.00%	40.000
Catena Resources Operating	4	40	100.00%	40.000
Catena Resources Operating	7	40	100.00%	40.000
Catena Resources Operating	8	40	100.00%	40.000
T.H. McElvain Oil & Gas, LLLP	1	160	6.25%	10.000
Marathon Oil Permian LLC	2	79.4	100.00%	79.400
Marathon Oil Permian LLC	5	40	100.00%	40.000
Marathon Oil Permian LLC	6	40	100.00%	40.000
Tract Tota	İs			479.400

WI Owner	Unit WI	Unit NMA
Catena Resources Operating	64.66%	310.000
T.H. McElvain Oil & Gas, LLLP	2.09%	10.000
Marathon Oil Permian LLC	33.25%	159.400
Unit Totals	100.00%	479.400



June 10, 2020 Via Certified Mail

Marathon Oil Company P.O. Box 2069 Houston, TX 77252 713-629-6600

Re:

18402 US Hwy 281 N

San Antonio, TX 78259

Suite 258

Alpha 183533 1H Well Proposal

**Wolfcamp Formation** 

SW/4 of Section 33 T18S, 35E, and W/2 of Section 4, T19S, R35E

Lea County, New Mexico

Alpha 183533 2H Well Proposal

**Wolfcamp Formation** 

SW/4 of Section 33 T18S, 35E, and W/2 of Section 4, T19S, R35E

Lea County, New Mexico

Ladies and Gentlemen,

Catena Resources Operating, LLC ("Catena") as Operator hereby proposes to drill the following wells to a depth sufficient to test the Wolfcamp and Bone Spring formations:

Well Name	SHL Section 33	BHL Section 4	Spacing Unit 480 Acres	Target TVD	Estimated TMD
Alpha 183533 1H Wolfcamp Formation	FSL: 2450' FWL: 1270'	FSL: 100' FWL: 1270'	SW/4 of Section 33, T18S, 35E and W/2 of Section 4, T19S, R35E	10,590′	18,246'
Alpha 183533 2H Bone Spring Formation	FSL: 2450' FWL: 1370'	FSL: 100' FEL: 1270'	SW/4 of Section 33, T18S, 35E and W/2 of Section 4, T19S, R35E	9,180'	16,836'

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered.

Regarding the above, enclosed for your further handling are our AFE's dated April 16, 2020 for the proposed wells. The AFE's represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred. In the event you elect to participate in the proposed wells, please execute



the enclosed AFE's and return to me. We are happy to furnish you with a proposed Joint Operating Agreement upon request. Please respond within 30 days of receiving this notice. If you do not wish to participate, Catena proposes to acquire your interest via term assignment subject to due diligence and title verification satisfactory to Catena.

Should you have any questions regarding the above, please email me at <a href="mailto:rswann@catenares.com">rswann@catenares.com</a> or call me at (210) 775-6993.

Sincerely,

Catena Resources Operating, LLC

Robert Swann

Land Manager

AFE NO.

			WELL COST ES	TIMATE				AFE NO.
PATENA	WELL NAME:	Alpha 18			DATE:		Apr-20	
7 RESOURCES	FIELD NAME:				START DATE:	10-1	чрг-20	
	LOCATION: COUNTY/ST:	1,5 sec. I Lea Cour			COMPLETE DATE: ORIGINAL:	×		
	OBJECTIVE:	Wolfoam	P		SUPPLEMENT:			
INTANGBLE COSTS		ACCT	DRILLING*	ACCT CODE	COMPLETION - 320XX	ACCT	FACILITIES -	TOTAL
Legal Fees / Title Opinion		31001	310XX \$50,000	32001	50	33001	330XX	\$50,000
Surveys / Staking / Permits / Bonds / Regulatory ROW / Surface Damages		31002 31003	\$25,700 \$60,000	32002 32003	\$0 \$0	33002	\$0	\$25,700
Roads & Location / Reserve Pit - Construction		31004	\$90,000	32004	\$0		\$0 \$0	\$60,000 \$90,000
Roads & Location / Reserve Pit - Reclaimation Frac Pond		31005 31006	-	32005 32008	\$0 \$0		\$0 \$0	\$0
Cate Guard		31007		32007	\$0		80	50
Mouse / Rathole / Conductor Mobilization / Demobilization		31008 31009	\$19,000 \$230,676	32008	\$0 \$0		\$0 \$0	\$19,000 \$230,676
Drilling - Daywork Drilling - Footage		31010	\$574,646		\$0 \$0		\$0 \$0	\$574,646 \$0
Drilling - Turnkey		31012			\$0		\$0	\$0
Completion / Snubbing / Workover Unit Trailer House / Communications		31013	\$43,672	32009 32010	\$40,000 \$24,200		\$0 \$0	\$40,000 \$67,772
Drill Bits Directional Equipment / Oyro Surveys		31016 31016	\$103,000	32011 32012	\$0 \$0		\$0	\$103,000
Downhole Tool / Stabilization Rental		31017	\$266,326 \$67,076	32013	\$34,000		\$0 \$0	\$266,326 \$51,075
Mud / Chemicals Fuel / Power		31018 31019	\$222,668 \$116,482	32014 32015	\$601,600 \$471,800	-	\$0 \$0	\$824,058 \$688,282
Water Supply Well, equipment		31020	\$3,603	32016	\$0		50	
Water / Water Hauling Offsite Water & Cuttings Disposal		31021 31022	\$284,770	32017 32018	\$816,550 \$30,600		\$0 \$0	\$816,550 \$316,270
Transportation / Hauling Inspection / Tubular Testing		31023	\$31,000	32019	\$0	33009	\$16,000	\$46,000
Laydown Machine / Casing Crew / Tongs		31024 31025	\$101,000 \$62,190	32020 32021	50		\$0 \$0	\$101,000 \$62,190
Cementing, Float Equipment & Services Mud Logging		31026 31027	\$85,072 \$35,343	32022	\$0 \$0		50 50	\$65,072 \$35,343
Logging - Open Hole		31028	\$40,040	32023	\$0		\$0	\$0
Logging - Cased Hole Coring & Analysis, Drill Stem Test		31029 31030		32024	\$13,000	_	\$0 \$0	\$13,000 \$0
Perforating Wireline / Slickline Services		31031 31032		32025	\$421,200	$\blacksquare$	\$0	\$421,200
Equipment Rental		31032	\$163,809	32026 32027	\$16,000 \$236,000		\$0 \$0	\$15,000 \$399,809
Pumping Services/Rental Acidizing & Fracturing		31034 31036		32028 32029	\$21,000		50	** *** ***
Coll Tubing Unit		31036		32030	\$2,479,000 \$120,000		\$0 \$0	\$2,479,000
Flow Testing, Swabbing Fishing / Sidetrack Services		31037 31038		32031 32032	\$95,876		\$0 \$0	\$95,875 \$0
Nipple Up / BOPE Testing		31039	\$6,400	32033	\$23,000		\$0	\$29,400
Overhead Wellsite Consulting Services/Supervision		31040 31041	\$8,000 \$170,528	32034 32035	\$19,500 \$163,950	33003	\$20,000	\$27,500 \$344,578
Engineering / Geological / Lab Service Tracers and di Roustabout / Contract Labor	agnostics	31042 31043	\$25,000 \$8,480	32036 32037	\$35,600	33004	\$16,000	\$76,500
Walding Services		31044	\$5,120	32038	\$0		\$160,000	\$168,480 \$6,120
Insurance Miscellaneous		31046 31046	\$10,000	32039 32040	\$0 \$0	33005 33006	\$0 \$0	\$10,000
P&A Costs		31047		32041	\$0		\$0	
P&A Costs Safety / EH&S 5.5% Contingency (8% Taxes on Casing included in ca	sing cost)	31047 31048 31049	\$141,973			33007		\$6,610 \$463,673
P&A Costs Safety / EH&S 5.5% Contingency (8% Taxes on Casing included in oa NON-Op Drilling Intangible	sing cost)	31047 31048 31049 31060	\$141,973	32041 32042 32043 32044	\$6,610	33007	\$0 \$0 \$10,600	\$6,610
P&A Costs Safety / EH&S 5.5% Contingency (8% Taxes on Casing included in ca	ising cost)	31047 31048 31049	\$141,973 \$2,981,422	32041 32042 32043	\$0 \$6,610 \$311,200 \$0		\$0 \$0 \$10,600	\$6,610 \$463,673
P&A Costs Safety / EH&S 5.5% Contingency (8% Taxes on Casing included in ca NON-Op Drilling intangible Pipeline installation / Interconnect	ising cost)	31047 31048 31049 31050 31051		32041 32042 32043 32044	\$0 \$6,610 \$311,200 \$0 \$0 \$6,969,386	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$9,171,307
P&A Costs Safety / EH&S 5.5% Contingency (6% Taxes on Casing included in oa NON-Op Drilling Intangible Pipeline Installation / Interconnect TOTAL INTANGBLE COSTS TANGIBLE COSTS Size	ising cost)	31047 31048 31049 31050 31061 ACCT CODE	\$2,981,422	32041 32042 32043 32044 32045	\$0 \$5,610 \$311,200 \$0 \$0	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600	\$6,610 \$463,673 \$0
P&A Costs Safety / EM&S 5.5% Contingency (8% Taxes on Casing Included in oa NON-Op Drilling Intengiske Pipeline Installation / Interconnect TOTAL (NTANGBLE COSTS TANGIBLE COSTS Size Conductor		31047 31048 31049 31050 31051 ACCT CODE	\$2,981,422 DRILLING - 311XX	32041 32042 32043 32044 32045	\$0 \$6,610 \$311,200 \$0 \$0 \$6,969,386	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$9,171,307 TOTAL
P&A Costs Safety / EM&S 5.5% Contingency (8% Taxes on Casing included in oa NON-Op Drilling intengiske Pipeline installation / Interconnect TOTAL INTANGBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 113.3%** 113.3%** 9 5.6%**		31047 31048 31049 31050 31051 ACCT CODE 31101 31102 31103	\$2,981,422	32041 32042 32043 32044 32045	\$0 \$6,610 \$311,200 \$0 \$0 \$6,969,386	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$9,171,307 TOTAL \$68,600 \$113,200
P&A Costs Safety / EMS 5.5% Contingency (6% Taxes on Casing included in oa NON-Op Drilling intangisle Pipeline installation / Interconnect  TOTAL INTANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing 13.3/8"		31047 31048 31049 31050 31051 ACCT CODE 31101 31102	\$2,981,422 DRILLING - 311XX	32041 32042 32043 32044 32045	\$0,810 \$311,200 \$30 \$0 \$5,969,385 COMPLETION - 321XX	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$9,171,307 TOTAL \$68,600 \$113,200
P&A Costs Safety / EMS 5.5% Contingency (8% Taxes on Casing Included in oa NON-Op Drilling Infangible Pipeline installation / Indiarconnect TOTAL INTANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing 113.38" 13 intermediate Casing / Liner Production Casing / Liner Production Casing / Liner Production Casing / Liner Casing Telesco	Feet \$/Ft	31047 31048 31049 31050 31051 ACCT CODE 31101 31102 31103	\$2,981,422 DRILLING - 311XX	32041 32042 32043 32044 32045 ACCT CODE	\$0 \$6,610 \$311,200 \$0 \$0 \$6,969,386	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$9,171,307 TOTAL \$68,600 \$113,200
P&A Costs Safety / EMS 5.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangible Pipeline installation / Interconnect TOTAL INTANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing Surface Casing 113.38" 131.intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner Casing Te Back Liner Hanger Assembly Tubing 2.876	Feet \$/Ft	31047 31048 31049 31050 31051 ACCT CODE 31101 31102 31103	\$2,981,422 DRILLING - 311XX	32041 32042 32043 32044 32046 ACCT CODE	\$0,810 \$511,200 \$511,200 \$0 \$6,969,385 COMPLETION - 321XX	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$9,171,307 TOTAL \$68,600 \$113,200
P&A Costs Safety / EMS 5.5% Contingency (6% Taxes on Casing Included in oa NON-Op Drilling Intangible Pipeline Installation / Interconnect  TOTAL INTANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing 1st Intermediate Casing / Liner Production Casing / Liner Production Casing / Liner Production Casing / Liner Production Casing / Liner Liner Hanger Assembly Tubing 2.876 Casing Equipment - OHMS / Etc.	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32046 ACCT CODE 32101 32102 32103 32104 32106	\$6,810 \$311,200 \$0 \$0 \$5,969,385 COMPLETION - 321XX	33007 33008	\$0 \$0 \$10,600 \$0 \$0 \$220,600 FACILITIES -	\$6,610 \$463,673 \$0 \$0,171,307 TOTAL \$68,600 \$113,200 \$430,000
P&A Costs Safety / EMS 5.5% Contingency (8% Taxes on Casing Included in oa NON-Op Drilling Intangible Pipeline Installation / Intarconnect  TOTAL INTANGBLE COSTS  TANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing 1st intermediate Casing / Liner Production Casing / Liner Casing Te Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Eta Wellhead Equipment Pumpling Unit / Prime Mover / Base	Feet \$/P1	31047 31048 31049 31050 31051 ACCT CODE 31101 31102 31103	\$2,981,422 DRILLING - 311XX	32041 32042 32043 32044 32046 AGCT CODE 32101 32102 32103 32104 32106 32106 32107	\$40,810 \$511,200 \$0,810 \$0,85,969,385 COMPLETION - 321XX \$430,000 \$61,425 \$51,200 \$27,000 \$0	33007 33008 ACCT CODE	\$0 \$10,600 \$10,600 \$2 \$220,600 FACILITIES - 331XX	\$6,610 \$463,673 \$0 \$0,171,307 TOTAL \$68,600 \$113,200 \$430,000 \$51,426 \$31,200 \$79,000
P&A Costs Safety / EMS 6.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangible Pipeline installation / Interconnect TOTAL INTANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing 113.38** 131.18erendiate Casing / Liner 2nd intermediate Casing / Liner 2nd intermediate Casing / Liner Production Gasing / Liner Casing To Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Eto. Wellihead Equipment	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32048 AGCT CODE 32101 32102 32103 32104 32106 32106	\$4,810 \$311,200 \$311,200 \$6,969,385 COMPLETION - 321XX \$430,000 \$61,425 \$31,200 \$27,000	33007 33008 ACCT CODE	\$0 \$10,600 \$10,600 \$20 \$20,600 FACILITIES - 331XX	\$6,610 \$463,673 \$0 \$9,171,307 TOTAL \$68,000 \$113,200 \$430,000 \$61,426 \$31,200 \$79,000
P&A Costs Safety / EM&S 5.5% Contingency (8% Taxes on Casing Included in ca NCM-Op Drilling Intengible Pipeline Installation / Interconnect TOTAL INTANGIBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 1st Intermediate Casing / Liner 2nd intermediate Casing / Liner 2sing Equipment - OHMS / Eta. Wellhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Artificial Lin Other - Cas Lift Wellhead Equipment Completions - Production Tree	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32046 32046 32046 32101 32102 32103 32104 32106 32108 32108 32108 32108 32108 32108 32108 32108 32108	\$430,000 \$430,000 \$50,000 \$6,969,386 \$6,969,386 \$6,969,386 \$60,000 \$430,000 \$51,25 \$51,200 \$514,000 \$442,000	33007 33008 ACCT CODE 33101 33102 33103 33104	\$0 \$10,600 \$0,800 \$20,400 FACILITIES - 331XX	\$6,610 \$463,673 \$0 \$0,171,307 TOTAL \$66,600 \$113,200 \$430,000 \$51,426 \$31,200 \$0 \$14,000 \$14,000 \$14,000
P&A Costs Safety / EM&S 5.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangiste Pipeline Installation / Interconnect TOTAL INTANGBLE COSTS  TANGIBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 1st Intermediate Casing / Liner 2nd intermediate Casing / Liner 3	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32045 ACCT CODE 32101 32102 32103 32106 32106 32107 32108 32107 32108 32101 32	\$40,810 \$311,200 \$311,200 \$0 \$5,969,386 COMPLETION - 321XX \$430,000 \$41,426 \$31,200 \$27,000 \$14,000 \$44,000 \$44,000 \$44,000 \$40,000 \$4	33007 33008 ACCT CODE 33101 33102 33103 33104 33106 33108	\$0 \$10,600 \$0 \$20,400 FACILITIES - 331XX	\$6,610 \$463,673 \$0 \$0,171,307 TOTAL \$66,600 \$113,200 \$430,000 \$79,000 \$79,000 \$14,000 \$14,000 \$14,000 \$42,000 \$42,000
P&A Costs Safety / EMS 6.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangible Pipeline installation / Interconnect  TOTAL INTANGBLE COSTS  TANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing Surface Casing 113.38** 131.18er 2nd Intermediate Casing / Liner 2nd Intermediate Casing / Liner Production Casing / Liner 2nd Intermediate Casing / Liner Casing Te Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Etc. Wellhead Equipment Pumping Unit / Prime Mover / Base Reds / Pony Rods / Sinker Bars Artificial Lift Other - Gas Lift Wellhead Equipment Completions - Production Tree Tanks / Tank Steps / Statire Gas Treating / Dehydration Equipment Saparation Equipment, Setsor Freater	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32042 32042 32043 32044 32046 32046 AGCT CODE 32101 32102 32103 32104 32106 32106 32107 32108 32108 32109 32111 32112 32111 32112 32112	\$430,000 \$430,000 \$5311,200 \$60 \$6,999,385 \$6,999,385 \$6,999,385 \$60,000 \$430,000 \$27,000 \$27,000 \$14,000 \$42,000 \$10 \$50 \$50 \$50 \$50	33007 33008 ACCT CODE 33101 33102 33103 33104 33108 33108	\$0 \$10,600 \$0 \$20,600 FACILITIES - 331XX	\$6,610 \$463,673 \$0,171,307 TOTAL \$66,600 \$113,200 \$430,000 \$514,200 \$79,000 \$0 \$14,000 \$142,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000
P&A Costs Safety / EM&S 6.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangible Pipeline installation / Interconnect  TOTAL INTANGBLE COSTS  TANGIBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 113.38** 113.38** 113.38** 113.38** 113.38** 113.38** 113.38** 113.38** 113.38** 113.38** 113.38** 114.18** 2.87 East	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32048 AGCT CODE 32101 32102 32103 32104 32106 32106 32108 32108 32110 32111 32111 32111 32111 32111 32111 32113 32114	\$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$4430,000 \$4430,000 \$4430,000 \$4430,000 \$4430,000 \$4430,000 \$4430,000	33007 33008 ACCT CODE 33101 33102 33103 33104 33108 33108 33109 33109	\$0 \$10,600 \$0 \$20,600 \$220,600 FACILITIES - 331XX	\$6,610 \$463,673 \$0,171,307 TOTAL \$68,000 \$113,200 \$430,000 \$61,426 \$31,200 \$79,000 \$14,000 \$442,000 \$66,000 \$60,000 \$6
P&A Costs Safety / EMS 5.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangible Pipeline installation / Interconnect  TOTAL INTANGBLE COSTS  TANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing / Site 13 3/8" 13t Intermediate Casing / Liner Production Casing / Liner Assing Teach Uniner Production Casing / Liner Assing Equipment - OHMS / Eta Wellhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Artificial Lin Cher - Cas Lift Wellhead Equipment Completions - Production Tree Tanks / Tank Steps / Stairs Gas Treating / Dehydration Equipment Separation Equipment, Heater Treater	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32045 AGCT CODE 32101 32102 32103 32104 32106 32107 32108 32109 32110 32111 32112 32113	\$430,000 \$430,000 \$5,969,385 \$0 \$6,969,385 \$0 \$430,000 \$430,000 \$51,000 \$51,000 \$14,000 \$42,000 \$14,000 \$42,000 \$0 \$0 \$14,000	33007 33008 ACCT CODE 33101 33102 33103 33104 33108 33107 33108	\$0 \$10,600 \$220,600 \$220,600 FACILITIES - 331XX \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$6,610 \$463,673 \$0 \$0,171,307 TOTAL \$68,600 \$113,200 \$430,000 \$31,200 \$79,000 \$14,000 \$42,000 \$42,000 \$66,000 \$0 \$31,200 \$142,000
P&A Costs Safety / EMS 5.5% Contingency (8% Taxes on Casing Included in oa NON-Op Drilling Intengible Pipeline installation / Interconnect  TOTAL INTANGBLE COSTS  TANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing   Liner 13.38" 1st intermediate Casing / Liner Production Casing / Liner Production Casing / Liner Production Casing / Liner Casing Te Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Eto. Wellhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Sinker Bars Artificial Lin Cher - Cas Lift Wellhead Equipment Completions - Production Tree Tanks / Tank Steps / Statis Cas Treating / Dehydration Equipment Surface Pumps Filters Surface Pumps Filters Surface Piping / Manifolds / Headers Flowlines / Connections / Valves	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32042 32042 32043 32044 32045 32045 32045 32045 32101 32102 32103 32104 32106 32106 32107 32108 32108 32111 32111 32111 32112 32113 32114 32116 32117 32118	\$430,000 \$430,000 \$5,009,386 \$0,000 \$6,009,386 \$0,000 \$430,000 \$1,250 \$0,000 \$1,400 \$0,000 \$0	33007 33008 ACCT CODE 33101 33102 33103 33106 33108 33109 33110 33111 33111	\$0 \$10,600 \$220,600 \$220,600 FACILITIES - 331XX \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$6,610 \$463,673 \$0,171,307 TOTAL \$66,600 \$113,200 \$430,000 \$430,000 \$14,000 \$14,000 \$42,000 \$42,000 \$42,000 \$43,000 \$45,000 \$4
P&A Costs Safety / EM&S 6.5% Contingency (8% Taxes on Casing Included in ca NCN-Op Drilling Intangible Pipeline installation / Interconnect TOTAL INTANGBLE COSTS  TANGIBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 13.38* 13.18* 13.38* 13.18*	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32042 32042 32043 32044 32048 32048 AGCT CODE 32101 32102 32103 32104 32106 32106 32107 32110 32111	\$430,000 \$430,000 \$5,969,385 COMPLETION - 321XX \$430,000 \$430,000 \$41,000 \$27,000 \$10 \$14,000 \$42,000 \$40,000	33101 33102 33103 33102 33103 33104 33105 33106 33107 33108 33109 33109	\$0 \$10,600 \$20,600 \$220,600 \$220,600 \$220,600 \$3,000 \$40,000 \$	\$6,610 \$463,673 \$0,171,307 TOTAL \$68,600 \$113,200 \$430,000 \$51,426 \$31,200 \$0 \$14,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$48,200 \$3,000 \$48,200 \$
P&A Costs Safety / EM&S 6.5% Contingency (8% Taxes on Casing Included in ca NCN-Op Drilling Intangible Pipeline Installation / Interconnect TOTAL INTANGBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 1st Intermediate Casing / Liner 2nd intermediate Casing / Liner 2nd intermediate Casing / Liner Production Casing / Liner 2nd intermediate Casing / Liner 2strong te Back Liner Hanger Assembly Tubing Casing Equipment - OHMS / Eta. Wellhead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Slinker Bars Artificial Lift Other - Cas Lift Wellhead Equipment Completions - Production Tree Tanks / Tank Steps / Staffs Cas Treating Dehydration Equipment Separation Equipment, Heater Treater Surface Pumps Filtors Buildings Interconnect Piping / Manifolds / Headers Flowlines / Connections / Valves Automation / Instruments / Controls / Analyzers Electrical Equipment / Generators Compressor & Related Equipment	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32048 32048 32048 32101 32102 32103 32103 32106 32108 32108 32108 32110 32111 3211 32111 32111 32111 32111 32111 32111 32111 32111 32111 32111 3	\$430,000 \$430,000 \$430,000 \$6,969,386 COMPLETION - 321XX \$430,000 \$430,000 \$514,000 \$27,000 \$10 \$0 \$14,000 \$42,000 \$10 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	33101 33102 33103 33102 33103 33104 33108 33108 33108 33113 33113 33113 33113	\$0 \$10,600 \$20,400 \$220,400 \$220,400 \$220,400 \$331XX \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$6,610 \$463,673 \$0,171,307 TOTAL \$68,600 \$113,200 \$430,000 \$430,000 \$114,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$44,600 \$
P&A Costs Safety / EM&S 5.5% Contingency (8% Taxes on Casing Included in ca NCM-Op Drilling Intangiste Pipeline Installation / Interconnect  TOTAL INTANGBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 1st Intermediate Casing / Liner 2nd intermediate Casing / Liner 2sing Equipment Casing / Liner 2sing Equipment - OHMS / Etc. Wellhead Equipment Wellhead Equipment 2sing Casing Casing 2sing Casi	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32041 32042 32043 32044 32048 32048 32048 32101 32102 32103 32103 32104 32108 32108 32108 32108 32108 32110 32111 32112 32114 32116 32116 32117 32118 32114 32116 32117 32118	\$430,000 \$430,000 \$430,000 \$5,969,386 COMPLETION - 321XX \$430,000 \$430,000 \$514,000 \$514,000 \$514,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	33101 33102 33103 33102 33103 33104 33106 33109 33109 33109 33110 33111 33111 33111 33111 33111 33111	\$0 \$10,600 \$0 \$20,400 \$220,400 \$220,400 \$220,400 \$331XX \$100,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$6,610 \$463,673 \$0 \$0,171,307 TOTAL \$66,600 \$113,200 \$0 \$430,000 \$79,000 \$0 \$14,000 \$42,000 \$42,000 \$42,000 \$42,000 \$50,000 \$50,000 \$50,000 \$16,000 \$16,000 \$16,000 \$16,000 \$16,000 \$10,000 \$10,000
P&A Costs Safety / EM&S 5.5% Contingency (8% Taxes on Casing Included in ca NCM-Op Drilling Intangiste Pipeline Installation / Interconnect  TOTAL INTANGBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 1st Intermediate Casing / Liner 2nd intermediate Casing / Liner 2sing Equipment Casing / Liner 2sing Equipment - OHMS / Etc. Wellhead Equipment Wellhead Equipment 2sing Casing Casing 2sing Casi	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32042 32042 32043 32044 32048 32048 ACCT CODE 32101 32102 32103 32104 32106 32106 32107 32110 32111 32111 32112 32113 32114 32116 32116 32117 32118 32118 32118 32119 32119 32119 32110 32111 32112 32113	\$430,000 \$430,000 \$40,000 \$6,909,385 \$430,000 \$41,425 \$31,200 \$27,000 \$10,000 \$14,000 \$42,000 \$10,000	33007  33008  ACCT CODE  33101 33102 33103 33104 33108 33109 33110 33111 33112 33113 33114 33116 33116	\$0 \$10,600 \$0 \$20,600 \$220,600 FACILITIES - 331XX \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50	\$6,610 \$463,673 \$0,171,307 TOTAL \$66,600 \$113,200 \$430,000 \$430,000 \$442,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$42,000 \$44,000 \$
P&A Costs Safety / EM&S 6.5% Contingency (8% Taxes on Casing Included in ca NON-Op Drilling Intangible Pipeline installation / Indraconnect TOTAL INTANGBLE COSTS  TANGBLE COSTS  TANGBLE COSTS  Conductor Surface Casing 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 113.38° 114 Intermediate Casing / Liner 2nd intermediate Casing / Liner Production Casing / Liner 2nd intermediate Casing / Liner 2.876 Casing Te Back Liner Hanger Assembly Tubing 2.876 Casing Equipment - OHMS / Etc. Wellihead Equipment Pumping Unit / Prime Mover / Base Rods / Pony Rods / Slinker Bars Artificial Lift Other - Cas Lift Wellihead Equipment Completions - Production Tree 1anks / Tank Steps / Stairs Cas Treating / Dehydration Equipment Suprace Pumps Filtors Buildings Interconnect Piping / Manifolds / Headers Flowlines / Connections / Valves Automation / Instruments / Controls / Analyzers Electrical Equipment / Controls / Analyzers Electrical Equipment / Controls / Controls / Analyzers Electrical Equipment / Controls / Pups, TAC Sarety / EH&B & Equipment NoN-OP Dilling Intangible	Feet \$/P1	31047 21048 31049 31050 31051 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32042 32042 32043 32044 32048 32048 32048 32104 32102 32103 32104 32106 32106 32107 32108 32108 32108 32110 32111 32112 32113 32114 32116 32117 32118 32118 32118 32118 32118 32124 32123 32124 32123 32124 32123 32124 32123	\$430,000 \$430,000	33007  33008  ACCT CODE  33101 33102 33103 33104 33105 33108 33107 33110 33111 33112 33113 33114 33118 33118 33118 33118	\$0 \$10,600 \$0 \$20,600 \$220,600 \$220,600 \$220,600 \$331XX \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$6,610 \$463,673 \$0,171,307 TOTAL \$66,000 \$113,200 \$0,200 \$430,000 \$14,000 \$42,000 \$60,
P&A Costs Safety / EM&S 6.5% Contingency (8% Taxes on Casing Included in ca NCN-Op Drilling Intangible Pipaline installation / Interconnect TOTAL INTANGBLE COSTS  TANGIBLE COSTS  TANGIBLE COSTS  Conductor Surface Casing 113.38** 131.18**	Feet \$/P1	31047 21048 31049 31050 31051 ACCT CODE 31101 31102 31103 31104	\$2,981,422 DRILLING - 311X) \$68,600 \$113,200	32042 32042 32043 32044 32045 32045 32045 32045 32101 32102 32103 32104 32106 32106 32108 32107 32110 32111 32112 32111 32112 32111 32116 32116 32116 32116 32116 32117 32118 32118 32118 32118 32123 32123 32123 32124 32123	\$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$430,000 \$527,000 \$530 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$5	33101 33102 33102 33103 33104 33106 33108 33108 33108 33108 33108 33108 33108 33117 33118 33118	\$0 \$10,600 \$20,600 \$220,600 \$220,600 \$220,600 \$31XX \$31XX \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$6,610 \$463,673 \$0,171,307 TOTAL \$68,000 \$113,200 \$0 \$430,000 \$142,000 \$142,000 \$142,000 \$430,000 \$142,000 \$142,000 \$142,000 \$142,000 \$142,000 \$142,000 \$142,000 \$143,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000 \$144,000
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Signature:\_\_\_

loint Owner Interest:\_\_

### Catena Resources Operating, LLC – Discussion Timeline

## Wells Alpha 183533 1H

Catena's conversations with Marathon began on December 6, 2019. From that time on, multiple emails, phone calls, proposals and letters were exchanged. The main contact at Marathon is Jeff Broussard and as of August 3, 2020, dealings with Marathon are ongoing.

Santa Fe, New Mexico
Exhibit No. A5

Submitted by: Catena Resources Operating, LLC
Hearing Date: August 06, 2020

Case No. 21353

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

**CASE NOS. 21353** 

**AFFIDAVIT OF VINCE SMITH** 

Vince Smith, of lawful age and being first duly sworn, declares as follows:

1. My name is Vince Smith. I work for Catena Resources Operating, LLC ("Catena")

as a Geologist.

2. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted

by the Division and made a matter of record.

3. I am familiar with the application filed by Catena in this matter and I have

conducted a geologic study of the lands in the subject area.

4. Catena is initially targeting the 'A' interval of the Wolfcamp formation. Exhibit

B-1 is a subsea structure map that I prepared for this interval with 25-foot contours. The proposed

horizontal well spacing unit is highlighted in red and the initial well is depicted with a dashed line.

The structure map shows the Wolfcamp formation dipping gently to the south. The dark line between

the notations "D" and "U" represents a deeper structure that caused the shallower formations to sit

high. The notations "D" and "U" refer to "downthrown" and "upthrown" side of the deep structure

faulting. The structure appears consistent across the proposed spacing unit and I do not observe

any faulting, pinch outs, or other geologic impediments to drilling horizontal wells in this area.

5. Exhibit B-1 also shows a cross-section line in red running north to south reflecting

four wells penetrating the Wolfcamp formation that I used to construct a stratigraphic cross-section

BEFORE THE OIL CONSERVATION DIVISION

Case No. 21353

from A to A'. These wells contain good logs and I consider them representative of the geology in

the subject area.

6. Exhibit B-2 is a stratigraphic cross-section that I prepared using the logs from the

wells noted on Exhibit B-1. Each well in the cross-section contains the gamma ray in the first

track, resistivity in the second track and porosity curves in the third track. The initial target interval

is labeled and marked. The cross-section demonstrates that the targeted interval is continuous

across the proposed spacing unit.

7. Based on my geologic study, the Wolfcamp formation underlying the subject area

is suitable for development by horizontal wells and the acreage comprising the proposed spacing

unit will be productive and contribute proportionately to the production from the well.

8. **Exhibit B-3** shows the orientation of the wells drilled in the Wolfcamp and Bone

Spring formation in the surrounding area. The stand-up orientation of the proposed well is the

preferred orientation for horizontal well development in this area and is appropriate to efficiently

and effectively develop the subject acreage.

9. In my opinion, the granting of Catena's application is in the best interest of

conservation, the prevention of waste, and protection of correlative rights.

10. Exhibits B-1 through B-3 were either prepared by me or compiled under my

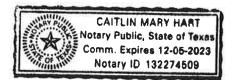
direction and supervision.

FURTHER AFFIANT SAYETH NOT

VINCE CMITH

STATE OF TEXAS	)
COUNTY OF BEXAP	)

SUBSCRIBED and SWORN to before me this 4 day of 2020 by Vince Smith.



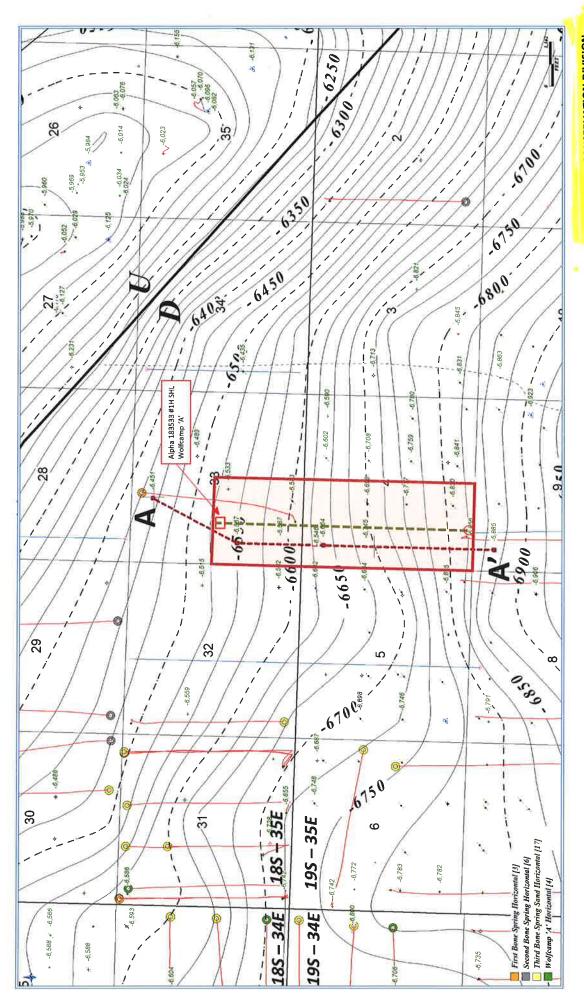
My Commission Expires:

12/05/2023

3

## Wolfcamp 'A'

Subsea Structure

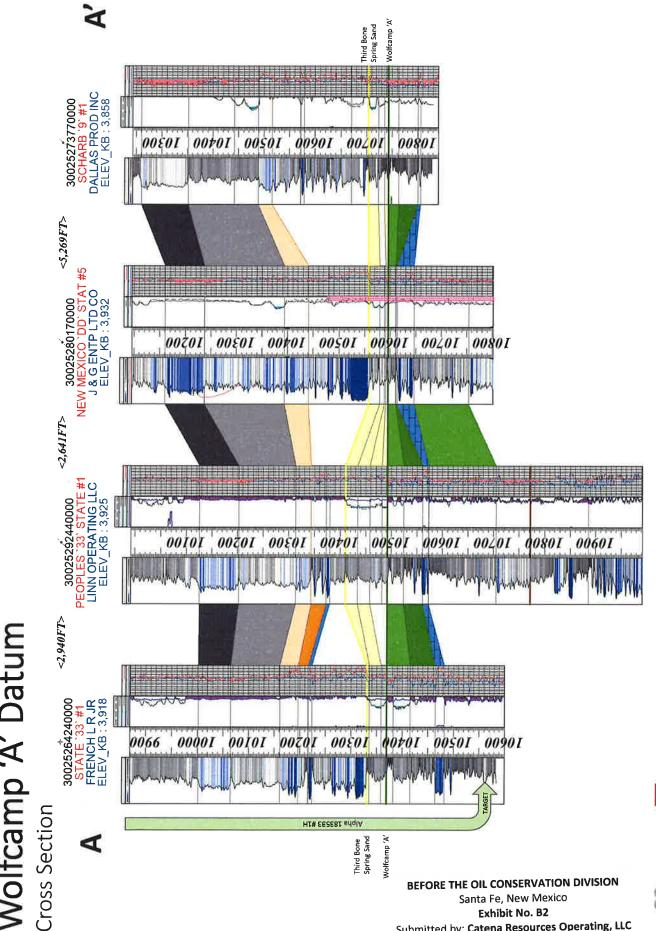


Contour Interval = 25'

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B1
Submitted by: Catena Resources Operating, LLC
H Hearing Date: August 06, 2020
Case No. 21353



# Wolfcamp 'A' Datum



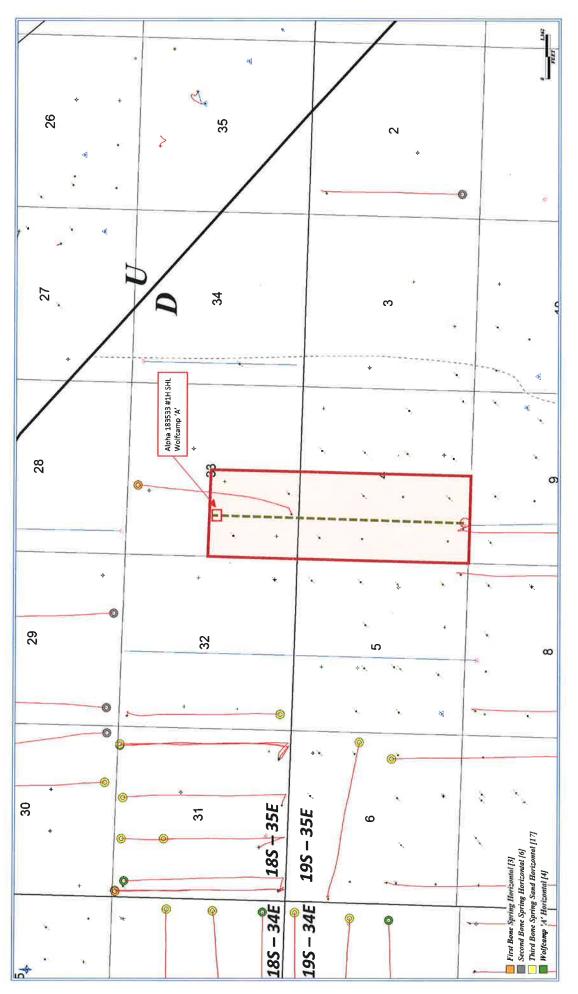


Submitted by: Catena Resources Operating, LLC

Hearing Date: August 06, 2020 Case No. 21353

# Alpha 183533 #1H

Locator Map





# BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. B3

Submitted by: Catena Resources Operating, LLC
Hearing Date: August 06, 2020

ing Date: August 06, 2020 Case No. 21353

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

**CASE NO. 21353** 

## **AFFIDAVIT**

STATE OF NEW MEXICO ) ss. COUNTY OF SANTA FE )

Michael H. Feldewert, attorney in fact and authorized representative of Catena Resources Operating, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 4th day of August, 2020 by Michael H. Feldewert.

My Commission Expires:

Nov.12,2023

OFFICIAL SEAL
Carla Garcia
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires: 12, 2023

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. C

Submitted by: Catena Resources Operating, LLC
Hearing Date: August 06, 2020

Case No. 21353



Michael H. Feldewert Phone (505) 988-4421

Fax (505) 983-6043 mfeldewert@hollanhart.com

July 17, 2020

## VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re:

Application of Catena Resources Operating, LLC for Compulsory Pooling, Lea

County, New Mexico. Alpha 183533 1H Well

Ladies & Gentlemen:

This letter is to advise you that COG Operating Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on August 6, 2020, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from subsequently challenging this matter.

During the COVID-19 Pubic Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the Oil Conservation Division "OCD Hearings" website at http://www.emnrd.state.nm.us/OCD/announcements.html.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Robert Swann at (210) 775-6993 or at rswann@catenares.com.

Sincerely,

Michael H. Feldewert

Juston Feller

ATTORNEY FOR CATENA RESOURCES OPERATING,

LLC

## Catena - Alpha 1H-2h Case Nos. 21353-21354 Postal Delivery Report

9414811898765825959704 Marathon Oil Permian LLC	P.O. Box 2069	Houston TX	ĭ	77252 Your item was delivered at Jul 22 in HOUSTON, TX 77210.
9414811898765825959797 Loy G. Fletcher	P.O. Box 852	Artesia NM	Σ	88211 Returned
9414811898765825959742 Exxon Corporation	5959 Las Colinas Blvd	Irving TX	⊭	75039 In Transit, Arriving Late at Jul 26 in , .
9414811898765825959780 Linn Energy Holdings, LLC	600 Travis Street, Suite 5100	Houston TX	¥	77002 Your item was delivered at Jul 21 in HOUSTON, TX 77002.
9414811898765825959735 Maynard Oil Company	8080 N. Central Expressional Suite 660 Dallac TX	Dallac	ř	75206 Awaiting Delivery Scan at Inl 23 in

## Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I. Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated July 21, 2020 and ending with the issue dated July 21, 2020.

Publisher

Sworn and subscribed to before me this 21st day of July 2020.

Business Manager

My commission expires



OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico My Commission Expires.

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

## LEGAL NOTICE July 21, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The remote electronic public hearing will be conducted remotely on the following case. The hearing will be conducted on Thursday, August 6, 2020, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than Monday, July 27, 2020.

Persons may view and participate in the hearings through the following link and as indicated below:

Meeting number: 968 329 152 Password: YQe6KZBe3n6 https://nmemnrd.webex.com/nmemnrd/j.php?MTID=mb3ddb90721ccc1720770 9b8c71dc2ac1

Join by video system
Dial 968329152@nmemnrd.webex.com
You can also dial 173.243.2,68 and enter your meeting number.

Join by phone +1-408-418-9388 United States Toll Access code: 968 329 152

> STATE OF NEW MEXICO TO: 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 whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Marathon Oil Permian LLC; Loy G. Fletcher, his heirs and devisees; Exxon Corporation; Linn Energy Holdings, LLC; Maynard Oil Company; and Paul Butts, Jr., his heirs and devisees.

Case No. 21353: Application of Catena Resources Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the SW/4 of Section 33, Township 18 South, Range 35 East, and the W/2 of Section 4, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be initially dedicated to the proposed Alpha 183533 1H Well to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 33 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 4. The completed interval for the proposed well will remain within 330 feet of the E/2 SW/4 of Section 33 and E/2 W/2 of Section 4 to include this offsetting acreage in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the well and the proposed horizontal spacing unit, and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles West of Hobbs, New Mexico. Mexico. #35660

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**HOLLAND & HART LLC** PO BOX 2208 SANTA FE,, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D

Submitted by: Catena Resources Operating, LLC Hearing Date: August 06, 2020

Case No. 21353