

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING OCTOBER 08, 2020**

CASE No. 21459

MARINER 193507 #1H WELL

LEA COUNTY, NEW MEXICO



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. 21459

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 landman have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by Catena in this case, and I am familiar with the status of the lands in the subject area.

4. The uncommitted parties have not indicated any opposition to this pooling application proceeding by affidavit, and I do not expect any opposition at the hearing.

5. Catena seek an order pooling all uncommitted interests in the Wolfcamp formation [Scharb; Wolfcamp Pool (55640)] underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 6 and 7, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

6. Catena seeks to initially dedicate this spacing unit to the proposed **Mariner 193507 1H well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 18 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 6. The completed interval for the

proposed well will remain within 330 feet of the W/2 E/2 of Sections 6 and 7 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, and fee 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 directories 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.

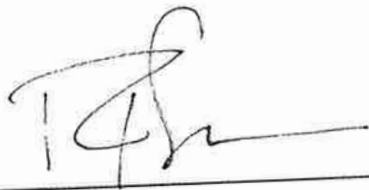
13. **Exhibit A-5** contains a chronology of the contacts with the uncommitted mineral owners Catena was able to locate. Catena has made a good faith effort to obtain voluntary joinder of these owners in the proposed wells.

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 6th day of October 2020 by
Robert Swann.





NOTARY PUBLIC

My Commission Expires:
12/05/2023