

Cable 19-35-9 State Com 2H Well

Case No. 20664 August 8, 2019

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Application

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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. 20664

APPLICATION

Catena Resources Operating, LLC ("Catena"), 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 (Scharb-Bone Spring: 55610) in the 320-acre horizontal spacing unit comprised of the E/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Catena states:

- 1. Catena is a working interest owner in the proposed standard horizontal spacing unit ("HSU") and has the right to drill thereon.
- 2. Catena proposes to dedicate the HSU to its proposed Cable 19-35-9 State 2H Well, to be horizontally drilled from an approximate surface location 192' FSL & 1153' FWL of Section 4 to a bottom hole location 100' FSL & 1650' FWL of Section 16.
- 3. The completed intervals and first and last take points for this well are within the setbacks required by statewide pool rules.
- 4. Catena has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the subject HSU.

- 5. Approval of the standard HSU and the pooling of all mineral interest owners in the Wolfcamp formation underlying the HSU will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Catena to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Catena should be designated the operator of the proposed HSU.

WHEREFORE, Catena requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 25, 2019 and, if not, on August 8, 2019, and, after notice and hearing as required by law, that the Division enter an order:

- A. Creating a 320-acre, more or less, standard horizontal spacing and proration unit comprised of the W/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico;
 - B. Pooling all uncommitted interests in the Bone Spring formation in the HSU;
 - C. Designating the Cable 19-35-9 State 2H Well as the defining well for the HSU;
 - D. Designating Catena as operator of this HSU and the wells to be drilled thereon;
- E. Authorizing Catena to recover its costs of drilling, equipping and completing the wells;
- F. 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
- G. Imposing a 200% penalty for the risk assumed by Catena in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen
John F. McIntyre
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 982-3873
sshaheen@montand.com
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Attorneys for Catena Resources Operating, LLC

Case No. 2664: Amended Application of Catena Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Scharb-Bone Spring: 55610) in the 320-acre spacing unit comprised of the E/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed Cable 19-35-9 State 2H Well, to be horizontally drilled from an approximate surface hole location 192' FSL & 1153' FWL of Section 4 to a bottom hole location 100' FSL & 1650' FWL of Section 16. The completed interval and first and last take points for the Cable 19-35-9 State 2H well will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 19 miles southwest of Hobbs, New Mexico.

Affidavit of Landman

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. 20664

AFFIDAVIT OF ROBERT SWANN

- I, being duly sworn on oath, state the following:
- 1. I am over the age of 18, and have the capacity to execute this Affidavit, which is based on my personal knowledge.
- 2. I am employed as a landman with Catena Resources Operating, LLC ("Catena") and I am familiar with the subject application and the lands involved.
- 3. This affidavit is submitted in connection with the filing by Catena of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
- 4. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. I seek to be qualified by the Oil Conservation Division ("Division") as an expert witness in petroleum land matters. I have not previously made my credentials a matter of record and been qualified as an expert by the Division.
 - I have a degree in Agriculture and Applied Economics from Texas Tech
 University in May, 2008.
 - b. I have been employed by Catena as a landman since 2019. Prior to working at Catena, I have 11 years of experience working in South Texas for STX Petro Properties, LLC, located in Laredo, Texas. I have been working on New Mexico land matters for 1 year.

- 5. The purpose of this application is to force pool working interest owners and uncommitted mineral interest owners into the horizontal spacing and proration unit ("HSU") described below, and in the well to be drilled in the unit.
- 6. Catena seeks an order from the Division pooling all uncommitted interests in the formation (Scharb-Bone Spring: 55610) underlying a standard 320-acre, more or less, HSU comprised of the E/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. This proposed HSU will be dedicated to the **Cable 19-35-9 State 2H** well, which will be the defining well for its respective unit.
- 7. A plat outlining the proposed unit for the Cable 19-35-9 State 2H is attached hereto as Exhibit No. 1. The location of the proposed well is depicted in the draft C-102 attached as Exhibit No. 2. The well will develop the Scharb-Bone Spring formation.
- 8. The parties being pooled and the nature of their interests are found in **Exhibit No. 3** attached hereto, which includes information regarding unleased mineral interest owners. Catena has obtained voluntary agreements with all working interest owners.
- 9. No opposition is expected. The interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests.
 - 10. There are no depth severances in the Scharb-Bone Spring formation.
- 11. The proposed surface hole location of the **Cable 19-35-9 State 2H** is 192' FSL & 1153' FWL of Section 4 to a bottom hole location 100' FSL & 1650' FWL of Section 16. The first take point will be located at approximately 100' FNL & 1650' FWL of Section 9 and the last take point will be located at approximately 100' FSL & 1650' FWL of Section 16.
- 12. I have conducted a diligent search of the public records in Lea County, New Mexico, where the well will be located, and conducted phone directory and computer searches to

obtain contact information for parties entitled to notification. I mailed all parties well proposals, including an Authorization for Expenditure ("AFE").

- 13. Catena has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well.
- 14. **Exhibit No. 4** consists of a sample proposal letter and the AFE for the proposed well. The estimated cost of the well set forth in the AFEs is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.
- 15. Catena has an interest in each tract through which the well will be drilled. Catena's application for permit to drill was approved on June 19, 2019. The API number is 30-025-46139. See Exhibit No. 5.
- 16. Catena requests overhead and administrative rates of \$\$8,000/month for drilling a well and \$800/month for a producing well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of southeastern New Mexico. Catena requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 17. Catena requests the maximum cost, plus 200% risk charge, be assessed against nonconsenting working interest owners.
 - 18. Catena requests that it be designated operator of the well.
- 19. The Exhibits to this Affidavit were prepared by me, or compiled from Catena's business records.
- 20. The granting of this Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 21. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

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Rob	ert Swa	nn		

STATE OF	Texas)
)ss
COUNTY O	F Bexar)

Subscribed to and sworn before me this 1th day of August, 2019.

Name and Address of the Owner, where the owner, which is the owner, where the owner, which is the owner, where the owner, which is the o	The state of the s
WAY PARK	CRYSTAL NICOLE CURIEL
S 1	Notary Public, State of Texas
v //	Comm. Expires 09-08-2022
The Divinia	Notal v ID 129949092

Cuptel Mode Cuil
Notary Public

My Commission expires 09/08/2022.

Affidavit of Geologist

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. 20664

AFFIDAVIT OF VINCE SMITH

I, being duly sworn on oath, state the following:

- 1. I am over the age of 18, and have the capacity to execute this Affidavit, which is based on my personal knowledge.
- 2. I am employed as a petroleum geologist for Catena Resources Operating, LLC ("Catena"). I am familiar with the subject application and the geology involved.
- 3. This affidavit is submitted in connection with the filing by Catena of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
- 4. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters. I seek to be qualified by the Oil Conservation Division ("Division") as an expert witness in petroleum land matters. I have not previously made my credentials a matter of record and been qualified as an expert by the Division.
 - a. I have a degree in Bachelor of Science from Baylor University in May, 2000.
 - b. I have been employed by Catena as a petroleum geologist since 2018. Prior to working at Catena, I have 18 years of experience with Forge Energy, LLC in San Antonio, Texas, which was sold to Oasis Petroleum. I have been working on New Mexico land matters for the last 4 years.

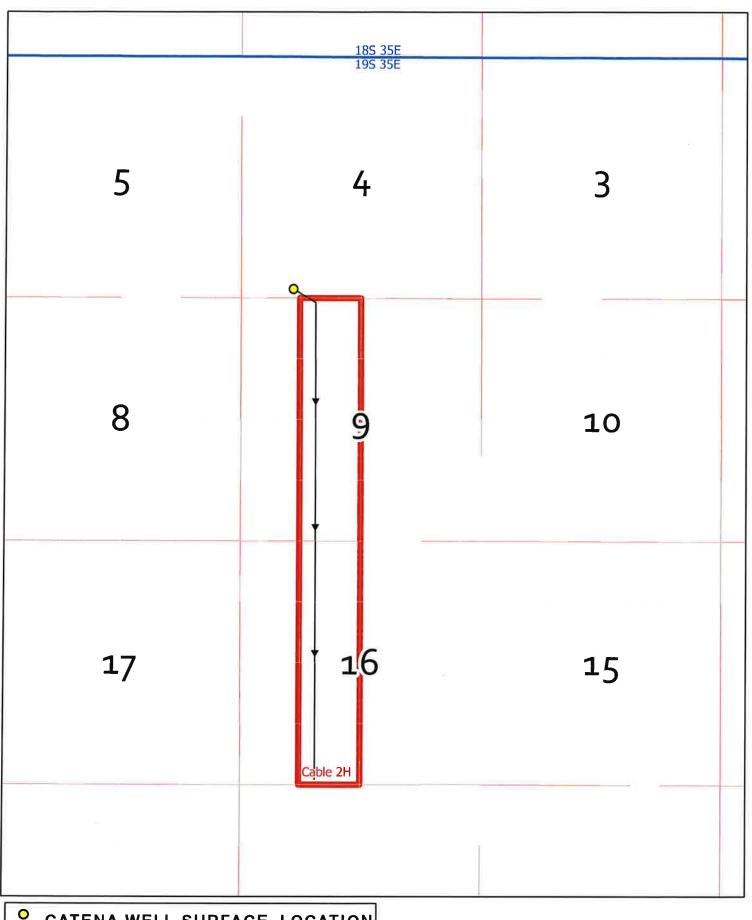
- 5. **Exhibit No. 6** is a Scharb-Bone Spring formation SSTVD structure map. The proposed standard horizontal spacing and proration unit ("HSU") is depicted by a black rectangular box. The contour intervals are 25'. The structure map shows that there is a regional down-dip to the west-southwest. I do not observe any faulting, pinchouts, or other geologic impediments to developing this targeted interval with a horizontal well.
- 6. Exhibit No. 7 is a Scharb-Bone Spring formation stratigraphic cross-section. Each well has a triple combo suite. Track 1 is a gamma ray log with interpreted color fill for lithology and scaled from 0 to 150 API units. Track 2 is the deep resistivity in black and shown on a logarithmic scale from 2 ohm-m to 2000 ohm-m. Light blue shading depicts resistivity less than 50 ohm-m. Track 3 is the porosity track with neutron porosity identified by the blue curve scaled from 30% to -10%. The density porosity curve is the red curve from 30% to -10%. Red shading depicts density porosity greater than 8% on a limestone matrix. The two wells on the right have the petrophysically derived mineralogy in track 4 and the water saturation in track 5. The interpretative color fill for mineralogy volume has green for sand/siltstone (quartz), blue for calcium carbonate, orange for clay, and black for TOC. The water saturation in track 5 shades less than 50% as red and greater than 50% as blue. The cross-section identifies the key tops used to evaluate reservoirs and landing targets for the Cable 19-35-9 State 2H well. The landing target interval is shown on the cross-section by a green shaded box. The reservoir in the Scharb-Bone Spring has a constant thickness and reservoir facies throughout the proposed Horizontal Spacing Units.
- 7. **Exhibit No. 8** is a Gross Isopach map of the Scharb-Bone Spring interval. This map shows the location of the Cable 19-35-9 State 2H spacing unit, outlined by the black rectangular box. The map also shows the surface and bottom hole locations for the Cable 19-35-

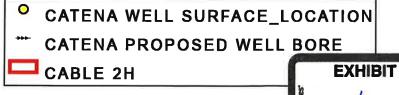
- 9 State 2H. The anticipated gross thickness of the target interval is 85' through the entire Horizontal Spacing Unit. The relative thickness varies across the area as shown on this map to range from 625' 775'. The location of the previous cross-section from A-A' is also shown on this map with a maroon dashed line.
 - 8. Based on my geologic study of the area, I conclude the following:
 - a. The horizontal spacing and proration unit is justified from a geologic standpoint.
 - b. There are no structural impediments or faulting that will interfere with horizontal development.
 - c. Each quarter-quarter section in the unit will contribute more or less equally to production.
 - d. The preferred well orientation in this area is north south. This is because the inferred orientation of the maximum horizontal stress is roughly west to east.
- 9. The Exhibits to this Affidavit were prepared by me, or compiled from Catena's business records.
- 10. The granting of this Application is in the interests of conservation and the prevention of waste.
 - 11. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER AFFIANT SAYETH NAUGHT

	Inco omit
•	Vince Smith
STATE OF <u>Texas</u>)	
STATE OF <u>Texas</u>))ss COUNTY OF <u>Bexar</u>)	œ.
Subscribed to and sworn before me this That of Aug	gust, 2019.
- 100 See	8, — : - : _{af}
CRYSTAL NICOLE CURIEL Notary Public, State of Texas Comm. Expires 09-08-2022	instal nicore Cuil
Notary ID 129949092	otary Public
My Commission expires 09 08 2022	

Exhibits







<u>DISTRICT J</u> 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II 811 S. First St., Artesia, N.M. 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 Phone: (505) 334-8178 Fax: (505) 334-6170

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, N.M. 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	Pool Code	Pool Name
Property Code	⁵ Property Name	• Well Number
	Cable 19 35 09	2H
OGRID No.	⁸ Operator Name	Elevation
328449	Catena Resources Operati	
	10 Surface Legation	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	4	19 S	35 E		192	South	1153	West	Lea

¹¹ Rottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot [dn	Feet from the	North/South line	Feet from the	East/West line	County
N	16	19 S	35 E		100	South	1650	West	Lea
Dedicated Acre	3		18 Joint or	Infill 14 Co	nsolidation Code	15 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED 'ANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

.6		OR A NON-
O = Bc		le Location
△ = Fir	st Take	Point (FTP) Section 4
A	1153'	S 60'07'04" E 573.90'
192' <u>C</u>	1650'	DT 100'
		Section 9
		9.72,
		10,398.77
		l ju
ĺ		
		0.40,56
		ω
		Section 16
	1650'	EL-100 F

SCALE: 1"	=3000'
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SURFACE LOCATION NAD 83 NME SURFACE LOCATION NAD 27 NME Y=613272.8 N Y=613209.1 N X=766634.0 E X=807814.1 E X=766634.0 E LAT.=32.6829412' N LAT.=32.6828177' N LONG.=103.4667393' LAT.=32.6828177° N

FIRST TAKE POINT NAD 83 NME FIRST TAKE POINT NAD 27 NME Y=612986.9 N X=808311.7 E Y=612923.2 N X=767131.6 E LAT.=32.6821442' N LAT.=32.6820207' N LONG.=103.4656212' W LONG.=103.4651299' W 100' FNL, 1650' FWL SEC. 9, T19S, R35E

CORNER COORDINATES TABLE
NAD 27 NME

A - Y= 614314.7 N, X= 765478.8 E
B - Y= 614328.8 N, X= 766805.2 E
C - Y= 613001.8 N, X= 766811.5 E
D - Y= 613019.0 N, X= 766811.5 E
E - Y= 602422.2 N, X= 766926.8 E
F - Y= 602435.3 N, X= 768247.8 E

CORNER COORDINATES TABLE NAD 83 NME

A - Y= 614378.5 N, X= 806658.9 E B - Y= 614392.6 N, X= 807985.3 E C - Y= 613065.6 N, X= 806661.0 E D - Y= 613082.8 N, X= 807991.7 E E - Y= 602495.6 N, X= 808107.3 E F - Y= 602498.7 N, X= 809428.3 E

BOTTOM HOLE LOCATION BOTTOM HOLE LOCATION NAD 83 NME NAD 27 NME Y=602588.9 N Y=602525.5 N

X=808434.1 E X=767253.6 E LAT.=32.6535636 N LAT.=32.6534401 N LONG.=103.4654910 W LONG.=103.4650099 X=767253.6 E LAT.=32.6534401 N

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organisation either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature	Date
Printed Name	

E-mail Address

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by m or under my supervision, and that the same is true and correct to the best of my belief.

4/05/19

Certificate Number

Date of Survey Signature and Se STONAL SUR 17078

EXHIBIT

Cable 1935 92H - Wolfcamp Unit Interest

E2 W2 Sections 9 & 16, Township 19 South, Range 35 East

Entity	Interest Type	Approximate Percentage
Catena Resources Operating, LLC	Working Interest	83.01%
Children's Square, USA.	Uncommitted Mineral Interest	3,13%
Joseph E. & Twila M. Goodding Living Trust dated 7/12/1989 Citizens Trust And Investment Corporation, Trustee	Uncommitted Mineral Interest	2.19%
Ruth Cousins Brink Trust	Uncommitted Mineral Interest	1.25%
The Sisters of the Humilty of Many	Uncommitted Mineral Interest	4,25%
Adriana Elkan Trust, Wells Fargo Bank, N.A., Trustee c/o Oil & Gas Mineral Management	Uncommitted Mineral Interest	5,13%
Alston Elkan Trust, Wells Fargo Bank, N.A., Trustee o/o Oil & Gas Mineral Management	Uncommitted Mineral Interest	8.13%
Desert Waterfall, LLC, Wells Fargo Bank, N.A. Agentic/o Oif & Gas Mineral Management	Uncommitted Mineral Interest	% ଅଟି ।
Harold and Nancy Eikan	Uncommitted Mineral Interest	8.38%



* Final Interest subject to division order title verification

8/8/2019 - Case No. 20664

Exhibit No. 3

ATENDA





May 3, 2019

Via Certified Mail

77

Re:

Cable 19 35 9 1H

193' FSL & 1054' FWL (4) (SL) 100' FSL & 990' FWL (16) (BHL) Sections 4/9/16, 19S, 35E

Lea County, New Mexico

Cable 19 35 9 2H

192' FSL & 1153' FWL (4) (SL) 100' FSL & 1650' FWL (16) (BHL) Sections 4/9/16, 19S, 35E

Lea County, New Mexico

Ladies and Gentlemen.

Catena Resources Operating, LLC ("Catena") as Operator hereby proposes to drill the following horizontal wells:

- Cable 19 35 9 1H located at a surface location 193' FSL & 1054' FWL of the above captioned Section 4 and a bottom hole location 100' FSL & 990' FWL of the above captioned Section 16. We anticipate drilling to an approximate total vertical depth of 10,882' and plan to continue drilling horizontally to the south to the proposed bottom hole location at an approximate total measured depth of 21,325'. The W/2 W/2 of the captioned Section 9 and the W/2 W/2 of the captioned Section 16 will be dedicated to the well as the proration unit.
- 2. Cable 19 35 9 2H located at a surface location 192' FSL & 1153' FWL of the above captioned Section 4 and a bottom hole location 100' FSL & 1650' FWL of the above captioned Section 16. We anticipate drilling to an approximate total vertical depth of 10,283' and plan to continue drilling horizontally to the south to the proposed bottom hole location at an approximate total measured depth of 20,726'. The E/2 W/2 of the captioned Section 9 and the E/2 W/2 of the captioned Section 16 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further consideration are our AFE's dated April 24, 2019 for the proposed wells. If your election is to participate in the drilling and completion of the wells, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this proposal. Catena proposes drilling wells under the terms of the 1989 AAPL JOA, and would be happy to furnish you a copy upon request.

If you do not wish to participate, Catena as operator of the above wells, proposes to acquire your interest via oil and gas lease or term assignment. If interested, please contact Ronnie Dufrene at (337) 371-3601. This offer will terminate on June 2, 2019.

If we are unable to reach an agreement as to leasing, assignment, or your voluntary participation in the wells, Catena will be required to seek an order from the New Mexico Oil Conservation Division forcepooling your interest. If required, Catena will be filing an application for this purpose thirty (30) days after the date of this letter.

Should you have any questions regarding the above, please email me at rswann@catenares.com or call me at (210) 775-6993.

Sincerely,

Catena Resources Operating, LLC

Robert Swann Land Manager

EXI

EXHIBIT

210-319-7557 www.catenares.com info@catenares.com

Nei name	M S	EL COST ESTIN	MTE				AFE NO. 019004
FIELD NAME: LOCATION: COUNTY / ST. OBJECTIVE:	Cable 19-35-9 #ZH Peart 192' FSL, 1153' FW Lea / NM Bone Springs	35-9 #ZH 1153' FWL S4 195-38 ings		DATE: START DATE: COMPLETE DATE: ORIGINAL: SUPPLEMENT:	4/24/2019 7/8/2019 8/15/2019 ×	Prep Days Drillout Days Tube Up Flowback Days	*****
State	2000	\$113,333 \$113,333 \$113,333 \$113,333 \$113,000 \$113,000 \$110,000 \$11	2001 2001 2002 2003 2003 2004	\$20000 \$17,500 \$14,000 \$110,00	33000 33000	\$331,500 \$45,000 \$45,000 \$55,0	\$14,000 \$17,00
ing worting interest owner elects to be covered by Amount:	stor's well o	ontra insurance.					

DISTRICT 1 1625 N. French Dr., Hobbs, N.M. 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

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DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, N.M. 67505 Phone: (505) 478-3460 Fax: (505) 476-3462

19 S

35 E

M

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505

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

☐ AMENDED REPORT

Lea

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number			Pool Code			, ³ Pool Name			
Property Cod	le				⁶ Property	Name			• Well Number
					Cable 19	35 09			2H
OGRID No.			⁶ Operator Name					• Elevation	
328449		Catena Resources Operating, LLC						3872	
					10 Surface	Location			
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes	st line County

1153 11 Rottom Hole Location If Different From Surface

South

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	16	19 S	35 E		100	South	1650	West	Lea
Dedicated Acres	1		¹³ Joint or	Infill 14 Co	onsolidation Code	15 Order No.			

192

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED ANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

6		OR A	
O = Bc	rface Loc ottom Holi est Take I	e Location	
		Section 4	
192' c	1153'	S 60'07'04" E 573.90'	
C.	1650'	07	
		Section 9	
		98.72,	
		101	
		00.40'26" E	
		18 94	
		Section 16	

SURFACE LOCATION NAD 27 NME SURFACE LOCATION NAD 83 NME Y=613209.1 N X=766634.0 E LAT.=32.6828177 N Y=613272.8 N X=807814.1 E LAT.=32.6829412' N LONG.=103.4672307' N W LONG.=103.4667393* FIRST TAKE POINT

FIRST TAKE POINT NAD 83 NME NAD 27 NME Y=612986.9 N X=808311.7 E Y=612923.2 N X=767131.6 E LAT.=32.6821442' N LAT.=32.6820207' N LONG.=103.4656212' W LONG.=103.4651299' W 100' FNL, 1650' FWL SEC. 9, T19S, R35E

CORNER COORDINATES TABLE NAD 27 NME

NAU 2/ NML

- Y= 614314.7 N, X= 765478.8 E

- Y= 614328.8 N, X= 766805.2 E

- Y= 613001.8 N, X= 765480.9 E

- Y= 613019.0 N, X= 766811.5 E

- Y= 602422.2 N, X= 766926.8 E

- Y= 602435.3 N, X= 768247.8 E

CORNER COORDINATES TABLE NAD 83 NME

A - Y= 614378.5 N, X= 806658.9 E B - Y= 614392.6 N, X= 807985.3 E C - Y= 613085.6 N, X= 806661.0 E D - Y= 613082.8 N, X= 807991.7 E E - Y= 602485.6 N, X= 808107.3 E F - Y= 602498.7 N, X= 809428.3 E

BOTTOM HOLE LOCATION BOTTOM HOLE LOCATION NAD 83 NME NAD 27 NME Y=602588.9 N Y=602525.5 N

X=808434.1 E LAT.=32.6535636 N X=767253.6 E LAT.=32.6534401' N LONG.=103.4654910' W LONG.=103.4650099'

17 OPERATOR CERTIFICATION

West

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

lignature	Date
rinted Name	
mod namo	

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

4/05/19

MIGHALL W. Date of Survey Signature and Se SONAL SURVE 17078 Certificate Number

EXHIBIT

Gray Attributes for Second Bone Spring Sand Horizontal Wells Second Bone Spring Sand Subsea TVD

30-025-46139 Catena - Cable 19 35 09 #2H

.5600 12 N -5,628 5,872 4 -5,630 5.535 5.598 5,674 -5,665 œ. 13 -5.797 22 C- 318.8--5.713 -5,730 5,742 5.829 5.833 -5.766 -5,782 5,776 -5.803 -5.857 -5,876 -5.882 -5,701 -5,772 -5,830 5,823 -5,835 -5,827 -5,750 -5,835 5,927 -5,914 -5,806 5,893 5.897 -5.902 -5.953 5.874 -5,907 -5,951 957 21 -6 67 015 -5.871 -5,964 -6102 A' .5,965 -5,947 -6.078 G-6.034 -5.976 -6.049 .s. 52 6 6 500 pt -6,031 -6,139 -6,055 -6,101 State # 2H 320 Acre Unit 5,946 5,951 5,968 -5,961 -6,185 -6.207 17 -6.010 00 -6.143 20 -5,939 -5.945 -5,953 -6,035 -5,965 -5.917 -5.912 -5.904 -5,970 -6.074 -5,949 -5,933 -6,190 -6,054 -6,075 000'9-0'9 -5,950 -5,981 -5,969 -5,935 -6.026 -6,108 -6,100 7 18 19 -5.969 -5.981 -5,958 Cable 19 35 9 -5,996 -6.289 -6.074 .600 -6,270 6.27 6,060 -6.276 -6.242 12 F -6,119 13 24 -5,988 -6,013 696'5-6,020

8/8/2019 - Case No. 20664

 \Box

(C)

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Second Bone Spring Sand Stratigraphic Datum

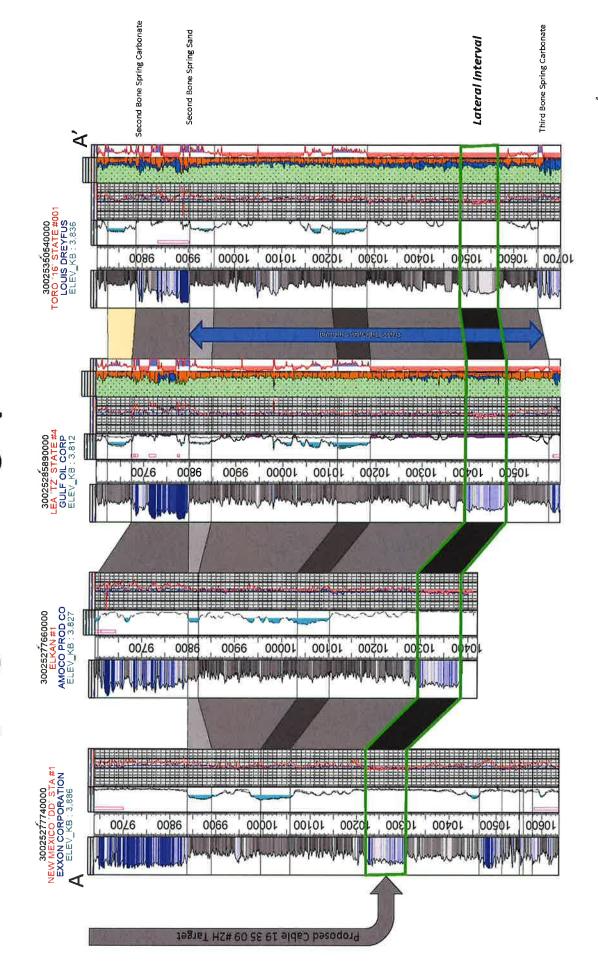
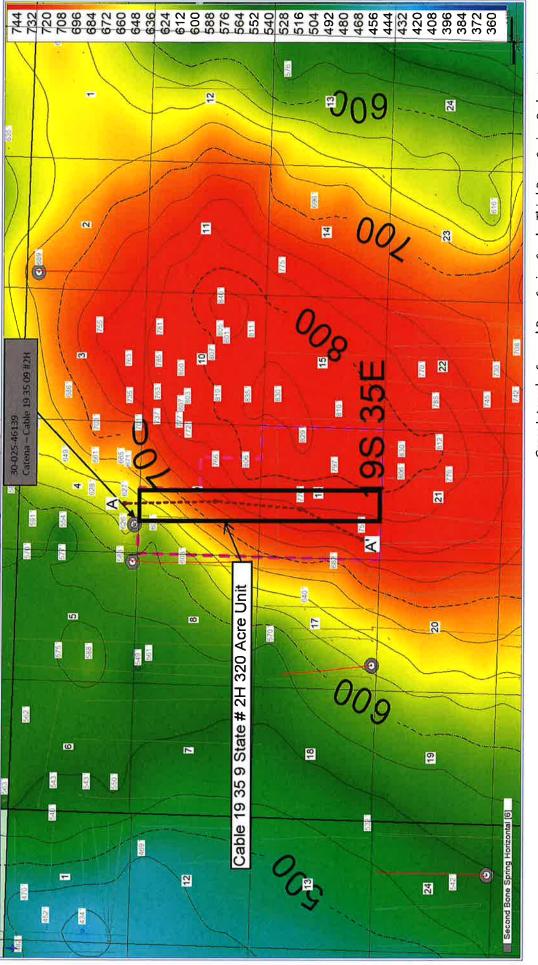


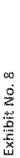
Exhibit No. 7

ທ

Gray Attributes for Second Bone Spring Sand Horizontal Wells **Second Bone Spring Sand Gross Thickness**



Gross Interval = Second Bone Spring Sand ~ Third Bone Spring Carbonate Contour Interval = 25′





Affidavit of Notice

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. 20664

AFFIDAVIT OF NOTICE

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

- I, Sharon T. Shaheen, attorney for CATENA RESOURCES OPERATING, LLC, ("Catena"), the Applicant in the above-captioned matter, being first duly sworn, upon oath state the following:
- 2. I caused notice of the application to be sent by certified mail through the United States Postal Service ("USPS") on June 27, 2019, to all uncommitted interest owners sought to be pooled in this proceeding, but for one, Alston Elkan Trust, Wells Fargo Bank, N.A., Trustee. Notice of the application was sent by certified mail through the USPS to the Alston Elkan Trust on July 16, 2019. Evidence of mailing to all parties and proof of receipt to a majority of the parties is attached hereto as Exhibit A. Notice by publication was directed to all of those parties who did not receive personal notice in the Hobbs Daily News-Sun on July 25, 2019, which is reflected in the Affidavit of Publication attached hereto as Exhibit B. Exhibit B demonstrates to my satisfaction that those owners who did not receive personal notice through the certified mailing were properly served by publication.
- 3. Catena has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the Applications filed herein.

SUBSCRIBED AND SWORN to before me this day of August, 2019.

My Commission Expires:

April 30, 2022



SHARON T. SHAHEEN

Direct: (505) 986-2678

Email: sshaheen@montand.com

www.montand.com

June 27, 2019

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Applications of Catena Resources Operating, LLC, for Compulsory

Pooling, Lea County, New Mexico

Cable 19-35-9 State 1H Well and Cable 19-35-9 State 2H Well

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, Catena Resources Operating, LLC ("Catena") has filed two (2) Applications with the New Mexico Oil Conservation Division for orders regarding the proposed wells described below. You are receiving this notice because you may have an interest in one or both of these wells.

Case No. : Application of Catena Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Scharb-Wolfcamp: 55640) in the 320-acre spacing unit comprised of the W/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed Cable 19-35-9 State 1H Well, to be horizontally drilled from an approximate surface hole location 193' FSL & 1054' FWL of Section 4 to a bottom hole location 100' FSL & 330' FWL of Section 16. The completed interval and first and last take points for the Cable 19-35-9 State 1H Well will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 19 miles southwest of Hobbs, New Mexico.

<u>Case No.</u>: Application of Catena Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Scharb-Bone Spring: 55610) in the 320-acre spacing unit comprised of the E/2

REPLY TO:

325 Paseo de Peralta Santa Fe, New Mexico 87501 Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307 Santa Fe, New Mexico 87504-2307



All Interest Owners June 27, 2019 Page 2

W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed **Cable 19-35-9 State 2H Well**, to be horizontally drilled from an approximate surface hole location 192' FSL & 1153' FWL of Section 4 to a bottom hole location 100' FSL & 1650' FWL of Section 16. The completed interval and first and last take points for the **Cable 19-35-9 State 2H Well** will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 19 miles southwest of Hobbs, New Mexico.

Copies of the Applications for hearing are enclosed herein. Please be aware that Catena previously mailed notices for two other applications requesting compulsory pooling approval from the Division for the Cable 19-35-16 State 1H Well (Case No. 20458) and the Cable 19-35-16 State 2H Well (Case No. 20459). Catena requested dismissal of those applications on June 21, 2019. In their place, Catena has filed the attached Applications for the above referenced Wells.

The attached Applications will be set for hearing before a Division Examiner on August 8, 2019, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by August 1, 2019, in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about these Applications.

Very truly yours,

Sharon T. Shaheen

Tham Shaheen

STS/It Enclosures

cc: Catena Resources Operating, LLC, via email

EXHIBIT A

Round Hill Royalty Limited Partnership P.O. Box 25128 Dallas, TX 75225

Ronald J. Byers Company, LLC 3112 Above Stratford Place Austin, TX 78746

Coert Holdings 1, LLC 20 Horseneck Lane Greenwich, CT 06830

Mary Debora Brady 1804 Lake Crest Lane Plano, TX 75023

John T. Echols P.O. Box 3388 Midland, TX 79702

Sally Rodgers 152 Arroyo Hondo Rd. Santa Fe, NM 87508

Catherine Coll, Trustee of the Testamentary Trust 83 La Barbaria Trail Santa Fe, NM 87505

Melanie Coll De Tempe 5653 Tobias Avenue Van Nuys, CA 91411

- Children's Square, USA
 P.O. Box 8-C
 Council Bluff, Iowa 51502
- The Sisters of the Humility of Mary PO Box 4078
 Davenport, Iowa 52808
- Harold and Nancy Elkan 3731 Shade Tree Terrace Portage, Michigan 49024

Arthur A. Wellman, Jr. 3852 Wildwood Road San Diego, CA 92107

EXHIBIT A

Diamond Lil Properties, LLC P.O. Box 1818 Roswell, NM 88202

Eric J. Coll P.O. Box 1818 Roswell, NM 88202

Jon F. Coll II 7335 Walla Walla San Antonio, TX 78250

GBK International 508 W. Wall St., Suite 1250 Midland, TX 79701

- Joseph E. & Twila M. Goodding Living Trust, Citizens Trust & Investment Corp., Trustee 500 W. Broadway
 Farmington, NM 87401
- Adriana Elkan Trust
 Wells Fargo Bank, NA, Trustee
 c/o Oil & Gas Mineral Management
 P.O. Box 1959
 Midland, TX 79702-1959

Spirit Trail, LLC P.O. Box 1818 Roswell, NM 88202

Clarke C. Coll P.O. Box 1818 Roswell, NM 88202

Max W. Coll III 7625-2 El Centro Blvd. Las Cruces, NM 88012

Amcon Resources, Inc. P.O. Box 3025 Oklahoma City, OK 73112

 Ruth Cousins Brink Trust 4738 Boulean Road Saint Paul, MN 55110

EXHIBIT A

Desert Waterfall, LLC
 Wells Fargo Bank, NA Agent
 c/o Oil & Gas Mineral Management.
 P.O. Box 1959
 Midland, TX 79702-1959

New Mexico State Land Office Oil, Gas, and Minerals Division P.O. Box 1148 Santa Fe, NM 87504-1148

Rowan Family Minerals, LLC P.O. Box 109 Andrews, TX 79714

The Brady Family Trust P.O. Box 3029 Fayetteville, AR 72702

David Pillow 18 Cedar Tree Terrace Ocala, FL 34472

Rebecca Lovellette 624 Sasser Dr. Bedford, IN 47421 U.S. Postal Service TM
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Certified Mail Fea

Extra Services & Fees (check box, add fap as appropriate)
Return Receipt (electronic)
Return Receipt (el

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature Agent Agent Addressee Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
Children's Square, USA P.O. Box 8-C Council Bluff, Iowa 51502	3. Service Type Certified Mail Registered Insured Mail C.O.D.
	4. Restricted Delivery? (Extra Fee) ☐ Yes
2. 7015 1730 0000 9813 40	394
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540

4870	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only
표	For delivery information, visit our website at www.usps.com®.
9813	Certified Mail Fee
0000	Extra Services & Fees (check box, add (or as appropriate) Septum Receipt (Inardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required
1730	Adult Signature Restricted Delivery \$
7015	Sent Harold and Nancy Elkan Sirie 3731 Shade Tree Terrace Portage, Michigan 49024
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

A Desire Name of the latest terms of the lates
A. Signature X/ANCY E LAW Agent Address B. Received by (Printed Name) C. Date of Deliver C. Date of Deliver
D. Is delivery address different from Item 1?
3. Service Type Certified Mail Registered Insured Mall C.O.D.
4. Restricted Delivery? (Extra Fee) ☐ Yes
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- 1	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only
는 C	For delivery information, visit our website at www.usps.com®.
7015 1730 0000 9813	Certified Mail Fee Stra Services & Fees (check box, add fee as uppropriate) Return Receipt (leactcopy) Return Receipt (leactronic) Certified Mail Restricted Delivery Adult Signature Restricted Delivery Postage Strate Adriana Elkan Trust Wells Fargo Bank, NA, Trustee c/o Oil & Gas Mineral Management Sirie P.O. Box 1959 Midland, TX 79702-1959
	PS Instructions

1	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	A. Signature X
	Adriana Elkan Trust Wells Fargo Bank, NA, Trustee e/o Cil & Gas Mineral Management P.O. Box 1959 Midland, TX 79702-1959	3. Service Type
- 1	Midiand, 13c 197021	Certified Mail Registered Receipt for Merchandi



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mallplece, or on the front if space permits. 1. Article Addressed to: Alston Elkan Trust, Wells Fargo Bank, N.A., Trustee c/o Oil & Gas Mineral Management P.O Box 1959 Midland, TX 79702-1959	A. Signature X
9590 9403 0913 5223 4440 77 2. Article Number (Transfer from service label) 7017 3040 0000 8684 6385	3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Insured Mail ☐ Insured Mail Restricted Delivery ☐ Regularize Confirmation ☐ Signature Confirmation ☐ Restricted Delivery ☐ Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt



First-Class Mail Postage & Fees Paid USPS Permit No. G-10

9590 9403 0913 5223 4440 77

United States Postal Service

Sender: Please print your name, address, and ZIP+4® in this box

STS



MONTGOMERY & ANDREWS

LAW FIRM

P.O. Box 2307 Santa Fe, New Mexico 87504-2307

15321-1801 07/16/19 Cable 19-35-9 24 Well

116	U.S. Postal Service™ CERTIFIED MAIL® REC Domestic Mail Only	EIPT
m	For delivery information, visit our website	at www.usps.com®
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0000	Extra Services & Fees (check box, add fee as appropriate) Beturn Receipt (hardcopy) Return Receipt (electronic) Certified Mall Restricted Delivery Adult Signature Required	JUN Here USPO 2019
1730	Adult Signature Restricted Delivery Postage T Desert Waterfall, LLC	OSPO 87504
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 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailplece, or on the front if space permits. 	A. Signature X
Desert Waterfall, LLC Wells Fargo Bank, NA Agent cic Oil & Gas Mineral Management. P.O. Box 1959 Midland, TX 79702-1959	D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No 3. Service Type Certified Mall Registered Express Mall Return Receipt for Merchandise
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New Mexico State Land Office Oil, Gas, and Minerals Division P.O. Box 1148 Santa Fe, NM 87504-1148	3. Service Type 2. Certified Mail Registered Insured Mail C.O.D.
	4. Restricted Delivery? (Extra:Fee)
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(Transf. 7015 1730 0000 483	L3 3989 etum Receipt 1025

958	U.S. Postal Service [™] CERTIFIED MAIL [®] RECEIPT Domestic Mail Only
m	For delivery information, visit our website at www.usps.com*.
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0000	Return Receipt (hardcopy) Return Receipt (electronic) Certified Mall Restricted Delivery
1730	Adult Signature Restricted Delivery \$ Postage T David Pillow
7015	18 Cedar Tree Terrace Ocala, FL 34472
	PS Form 3800, April 2015 FSN7/530-02-000-904/ See neversarior instructions

COMPLETE THIS SECTION ON DELIVERY	SENDER: COMPLETE THIS SECTION	
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3. Service Type Zi-Certified Mall	David Pillow 18 Cedar Tree Terrace Ocala, FL 34472	
Registered Return Receipt for Merchandise C.O.D.		
4. Restricted Delivery? (Extra Fee) ☐ Yes		
	2. 7015 1730 0000 9813 PS Form 3811, February 2004 Domestic	



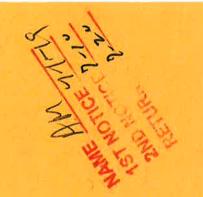
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MONTGOMERY & ANDREWS LAW FIRM

Santa Fe, New Mexico 87504-2307 P.O. Box 2307

Rebecca Lovellette Bedford, IN 47421 624 Sasser Dr.

Total Control Control

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
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1. Article Addressed to:	D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No	
Ruth Cousins Brink Trust 4738 Boulean Road Saint Paul, MN 55110		
	3. Service Type Certified Mail Registered Insured Mail C.O.D.	
	4. Restricted Delivery? (Extra Fee) ☐ Yes	
Article 7015 1730 0000 785		
S Form 3811, February 2004 Domestic Ro	etum Receipt 102595-02-M-1	



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Santa Fe, New Mexico 87504-2307

P.O. Box 2307

Ruth Cousins Brink Trust 4738 Boulean Road Saint Padl, MN 55110 07/03/19

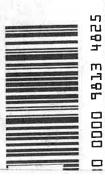
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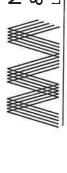
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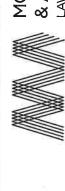




Santa Fe, New Mexico 87504-2307 P.O. Box 2307

508 W. Wall St., Suite 1250 Midland, TX 79701 **GBK** International

















MONTGOMERY & ANDREWS

LAW FIRM

P.O. Box 2307 Santa Fe, New Mexico 87504-2307

The Sisters of the Humility of Mary PO Box 4078 Davenport, Iowa 52808

NIXIE

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RETURN TO SENDER ATTEMPTED - NOT KNOWN UNABLE TO FORWARD

BC: 87594230707 20838193182-01951

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	PS Form Seud, April 2010 Fait 1930 02 000 0011	for Instructions

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 25, 2019 and ending with the issue dated July 25, 2019.

Sworn and subscribed to before me this 25th day of July 2019.

Business Manager

My commission expires Services (MC), and extended on property

January 29, 2023 (Seal)

OFFICIAL SEAL Gussie Black Notary Public State of New Mexico
My Commission Expires 292

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

LEGAL

LEGAL

LEGAL NOTICE JULY 25, 2019

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns: Round Hill Royalty Limited Partnership; Coert Holdings 1, LLC; Mary Debora Brady; John T. Echols; Sally Rodgers; Catherine Coll, Trustee of the Testamentary Trust; Melanie Coll De Tempe; Children's Square, USA; Harry and Nancy Elkan; Arthur A. Wellman, Jr.; Diamond Lil Properties, LLC; Eric J. Coll; Jon F. Coll II; Joseph E. & Twila M. Goodding Living Trust, Citizens Trust & investment Corp., Trustee; Adriana Elkan Trust, Wells Fargo Bank, NA, Trustee, c/o Oil & Gas Mineral Management; Alston Elkan Trust, Wells Fargo Bank, N.A., Trustee, c/o Oil & Gas Mineral Management: Spirit Trail, LLC; Clarke C. Coll; Max W. Coll III; Amcon Resources, Inc.; Desert Waterfall, LLC, Wells Fargo Bank, NA, Agent, c/o Oil & Gas Mineral Management; New Mexico State Land Office, Oil, Gas, and Minerals Division; Rowan Family Minerals, LLC; The Brady Family Trust; David Pillow; Rebecca Lovellette; Ruth Cousins Brink Trust; Ronald J. Byers Company, LLC; GBK International; The Sisters of the Humility of Mary.

Catena Resources Operating, LLC, has filed two (2) applications with the New Mexico Oli Conservation Division as follows:

Case No. 20663: Application of Catena Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Scharb-Wolfcamp: 55640) in the 320-acre spacing unit comprised of the W/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed Cable 19-35-9 State 1H Well, to be horizontally drilled from an approximate surface hole location 193' FSL & 1054' FWL of Section 4 to a bottom hole location 100' FSL & 330' FWL of Section 16. The completed interval and first and last take points for the Cable 19-35-9 State 1H well will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 19 miles southwest of Hobbs, New Mexico.

Case No. 20664: Application of Catena Resources Operating, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the Wolfcamp formation (Scharb-Bone Spring: 55610) in the 320-acre spacing unit comprised of the E/2 W/2 of Sections 9 and 16, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico. Said horizontal spacing unit is to be dedicated to the proposed Cable 19-35-9 State 2H Well, to be horizontally drilled from an approximate surface hole location 192' FSL & 1153' FWL of Section 4 to a bottom hole location 100' FSL & 1650' FWL of Section 16. The completed interval and first and last take points for the Cable 19-35-9 State 2H well will meet statewide setback requirements for horizontal wells. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs, the designation of Applicant as Operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 19 miles southwest of Hobbs, New Mexico.

Hearing on this application will proceed before a Division Examiner on August 8, 2019, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. For further information, contact the applicant's attorney, Sharon T. Shaheen, Montgomery & Andrews, P.A., 325 Paseo de Peralta, Santa Fe, NM 87501, (505) 986-2678.

01101398

00231219

SETH C. MCMILLAN MONTGOMERY & ANDREWS, P.A. P.O. BOX OFFICE BOX 2307 A/C 451986 SANTA FE., NM 87504-2307

