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

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

Case No. 21460

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

Case No. 21483

CATENA RESOURCES OPEARATING, LLC'S PREHEARING STATMENT

This Pre-hearing Statement is submitted by Catena Resources Operating, LLC by and through its undersigned counsel, Ernest L. Padilla, PADILLA LAW FIRM, P.A., as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT: Catena Resources Operating, LLC

ATTORNEY: Ernest L. Padilla

Padilla Law Firm, P.A.

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Santa Fe, New Mexico 87504

(505) 988-7577

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OPPOSITION OR OTHER PARTY: COG Operating, LLC

ATTORNEY: Ocean Munds-Dry

> 1048 Paseo de Peralta Santa Fe, NM 87501 (505) 780-8000

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OPPOSITION OR OTHER PARTY: Matador Production Company

MRC Permian Company

ATTORNEY: James Bruce

Post Office Box 1056

Santa Fe New Mexico 87504 (505)

(505) 982-2043 jamesbruc@aol.com

STATEMENT OF CASE

APPLICANT:

Applicant seeks a compulsory pooling order:

- (1) to pool the Wolfcamp formation underlying the E/2 of Sections 8 and 17 and dedicating this horizontal spacing unit to the proposed **Rambo 1H**, to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 20 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 8.
- (2) to pool the Scharb Bone Spring Pool underlying the E/2 E/2 of Sections 8 and 17 and dedicating this horizontal spacing unit to the proposed **Rambo 2H**, to be horizontally drilled from a surface location in Unit B of Section 20 to a bottom hole location in Unit A in Section 8, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

PROPOSED EVIDENCE

<u>APPLICANT</u>

WITNESSES Christopher Canon (Land)	EST. TIME 15 Minutes	EXHIBITS approximately 8
Brian Moore (Geology)	15 Minutes	approximately 5

PROCEDURAL MATTERS

Matador has filed competing applications in Cases 21578 and 21579. Catena and Matador are close to a resolution of their competing positions. Matador will continue its cases. Catena will not seek to pool the Matador interests. Because there is an unleased 40-acre tract within the Catena proposed spacing which will be on the State Land Office's May lease sale, Catena will ask that an order be deferred until after the SLO lease sale and an oil and gas lease issued as a result of the sale. Should Catena fail to acquire the lease, then it will necessarily have to comply with well proposals and notice requirements of the Division and thereafter seek to reopen the case as to a successful bidder.

Matador has dropped its objection to an affidavit case. All other parties do not oppose an affidavit case, therefore, Catena will present these cases by affidavit.

Respectfully submitted:

PADILLA LAW FIRM, P.A.

/s/ Ernest L. Padilla

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing pleading was electronically mailed to the following:

James Bruce <u>jamesbruc@aol.com</u> Ocean Munds-Dry <u>omunds-dry@concho.com</u>

on this 15th day of April, 2021.

/s/ Ernest L. Padilla
Ernest L. Padilla