

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF)	
CATAMOUNT ENERGY PARTNERS LLC FOR)	
AN ORDER DESIGNATING A 320-ACRE)	
DRILLING AND SPACING UNIT PURSUANT TO)	Cause NO. 112
ORDER NO. 112-85, ALLOWING AN)	
ADDITIONAL WELL, AND ESTABLISHING	j ,	Docket NO. 150900522
WELL LOCATION RULES APPLICABLE TO	j j	
THE DRILLING AND PRODUCING OF WELLS)	Type: SPACING
FROM THE FRUITLAND COAL SEAMS	j)	• •
COVERING LANDS IN SECTION 32,) ·	
TOWNSHIP 33 NORTH, RANGE 5 WEST,	,)	·
N.M.P.M., ARCHULETA COUNTY, COLORADO.	•	

APPLICATION

Catamount Energy Partners LLC (Operator No. 10464) ("Applicant" or "Catamount"), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order designating a 320-acre drilling and spacing unit pursuant to Order No. 112-85, allowing an additional well, and establishing well location rules applicable to the drilling of wells and producing of gas and associated hydrocarbons from the Fruitland Coal Seams covering certain lands in Archuleta County, Colorado. In support of its Application, Applicant states as follows:

1. Applicant owns leasehold interests in the following lands ("Application Lands"):

Township 33 North, Range 5 West, N.M.P.M. Section 32: E½

A reference map of the Application Lands is attached hereto.

2. On June 17, 1988, the Commission entered Order No. 112-60, which established 320-acre drilling and spacing units covering certain lands in Archuleta County, Colorado, with the units consisting of the $N\frac{1}{2}$ and $S\frac{1}{2}$ or the $E\frac{1}{2}$ and $W\frac{1}{2}$ of each section with the permitted well located, when north of the north line of Township 32 North, in the $NE\frac{1}{4}$ and $SE\frac{1}{4}$ of the section, and south of the north line of Township 32 North, in the $NE\frac{1}{4}$ and $SE\frac{1}{4}$ of the section, and no closer than 990 feet to any outer boundary of the unit and no closer than 130 feet to any interior quarter section line for the production of gas from the Fruitland Coal Seams. The Application Lands are subject to this Order.

- 3. On August 15, 1988, the Commission entered Order No. 112-60, which amended parts of Order No. 112-60 and established additional rules for the production of coalbed methane. The Application Lands are subject to this Order.
- 4. On December 17, 1990, the Commission entered Order No. 112-85 (corrected November 1999), which approved two additional field rules established for all wells producing from the Dakota, Mesaverde, Fruitland Pictured Cliffs, and Fruitland Coal formations to further protect the health, safety and welfare of citizens in the area. The Application Lands are subject to this Order.
- 5. The Fruitland Coal Seams are a common source of supply under the Application Lands.
- 6. To promote efficient drainage of the Fruitland Coal Seams within the Application Lands and to avoid waste, the Commission should, pursuant to Order No. 112-85, designate a drilling and spacing unit of approximately 320 acres covering the Application Lands, modify Order No. 112-85 as it pertains to the Application Lands to allow two horizontal wells within the unit, and reduce the existing unit boundary setback and vacate the interior quarter section line setback.
- 7. Applicant requests that the order authorize the drilling and completion of one (1) horizontal Fruitland Coal Seams well in the approximate 320-acre drilling and spacing unit described above, with the option to drill and complete up to a total of two (2) wells in the drilling and spacing unit with the surface location to be located at a legal location in the above-described drilling and spacing unit or on adjacent lands. Applicant further requests that the treated interval of each wellbore be no closer than 660 feet from the unit boundary with no interior quarter-section setbacks.
- 8. The above-proposed drilling and spacing unit, increased well density, and modified setbacks will allow efficient drainage of the Fruitland Coal Seams, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of gas and associated hydrocarbons from the Fruitland Coal Seams. The proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing unit. Applicant further maintains that a horizontal well drilled in the above-proposed drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.
- 9. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of the original Application shall be served on each interested party as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that, upon such hearing, this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this 16 day of July, 2015

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

Joseph C Pierzchala Chelsey J. Russell

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

1125 - 17th Street, Suite 2200

Denver, CO 80202 303-830-2500

Applicant's Address:

1801 Broadway, Suite 1000 Denver, CO 80202

Attn: Jared Rush, Senior Landman

Phone: 720-484-2354

VERIFICATION

Jared Rush, Senior Landman with Catamount Energy Partners LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

CATAMOUNT ENERGY PARTNERS LLC

Subscribed and sworn to before me this 15 day of July, 2015 by Jared Rush, Regional Landman for Catamount Energy Partners LLC.

Witness my hand and official seal.

STATE OF COLORADO NOTARY ID #20144038280 MY COMMISSION EXPIRES 09/30/2018

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Notary Public

My Commission Expires: <u>09</u>-30-2018

EXHIBIT A

INTERESTED PARTIES

Petrox Resources, Inc. P.O. Box 2600 Meeker, CO 81641

Exok, Inc. 6410-B North Santa Fe Oklahoma City, OK 73116

Southern Ute Indian Tribe P.O. Box 737 Ignacio, CO 81137

Red Willow Production Company P.O. Box 369 Ignacio, CO 81137

Southland Royalty Company LLC 400 West 7th Street Fort Worth, TX 76102

Burlington Resources Oil & Gas Company LP PO Box 2197 3WL 15006 Houston, TX 77252

BP America Production Company 501 Westlake Park Blvd. Houston, TX 77079

Finney Land Co P.O. Box 2471 Durango, CO 81302

Peter D. Gajentan 1104 Thornwood Dr. Oldsmar, FL 34677

Steven D. Bryant 2005 Kiawah Circle Edmond, OK 73003

Clark Mineral Trust, LLC P.O. Box 2600 Meeker, CO 81641 David Brown 970 South Taft Lakewood, CO 80228

William J. & Diane E. Macguffie 615 E. Tamarack Dr. Bayfield, CO 81122

Archuleta County Board of County Commissioners P.O. Box 1507 Pagosa Springs, CO 81147

Verdia McGuire P.O. Box 971 Canon City, CO 81212

Christopher Ray Hunt 833 South Paradise Drive Gilbert, AZ 85223

Joseph Ray Hunt 833 South Paradise Drive Gilbert, AZ 85223

Morrill E. Turner, deceased unknown

Rhodes Family Trust dtd March 16, 2004 2050 Sierra Way San Luis Obispo, CA 93401

Velma Olson 632 Pike Ave Canon City, CO 81212

Verdia McGuire P.O. Box 971 Canon City, CO 81212 Marie J. Salego 102 N 30th Dr Phoenix, AZ 85009

Frank Gilbert Martinez 102 N 30th Dr Phoenix, AZ 85009

Nick Joe Martinez, Jr. 600 North Belardo Rd #2 Palm Springs, CA 92262

Eric Woodsworth 3333 E Florida Ave Apt 114 Denver, CO 80210

Robyn Woodworth 369 School Street Shelburne, VT 0

Judith C. McDaniel 160 E 38th St. Apt 34H New York, NY 10016 Frederick M. McDaniel 1119 Verde Drive, Suite F Colorado Springs, CO 80910

Joan M. Kuhn 50 Brookstone Ct. #C Durango, CO 81301

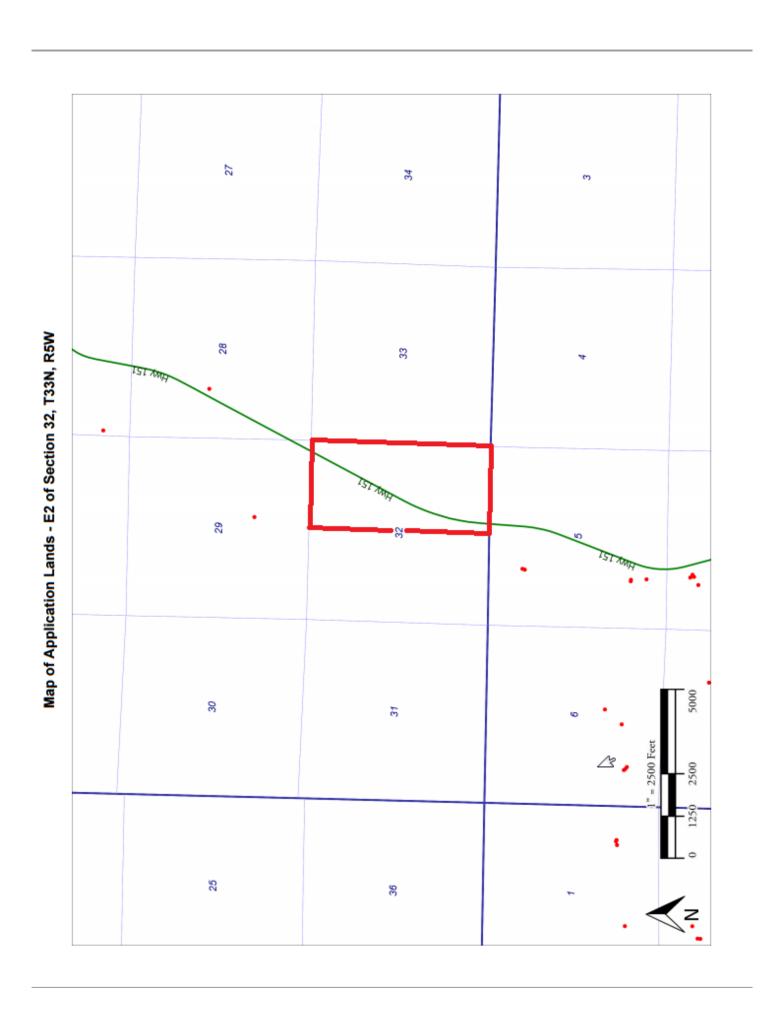
Kent Kuster
Oil & Gas Consultant Coordinator
CDPHE
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Jon Holst
Southwest Region Office
Energy Liaison – Colorado Parks and
Wildlife
415 Turner Drive
Durango, CO 81303

Bentley Henderson Archuleta County 449 San Juan Street Pagosa Springs, CO 81147

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AFFIDAVIT OF MAILING

STATE OF COLORADO 888 CITY AND COUNTY OF DENVER

I, Joseph C. Pierzchala, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Catamount Energy Partners LLC and that on or before July 17. 2015, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties on the Exhibit A to the Application.

Subscribed and sworn to before me July 20

Witness my hand and official seal.

MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2017

My commission expires: 8/29/2017