IN THE MATTER OF THE APPLICATION OF CATAMOUNT ENERGY PARTNERS LLC FOR AN ORDER POOLING NONCONSENTING INTERESTS IN THE FRUITLAND COAL SEAMS COVERING CERTAIN LANDS IN SECTION 20U OF TOWNSHIP 34 NORTH, RANGE 6 WEST, N.M.P.M., LA PLATA COUNTY, COLORADO.

Cause No. 112

Docket No.

Intake No.

## APPLICATION

Catamount Energy Partners LLC ("Catamount" or "Applicant"), 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" or "COGCC") for an order pooling all interests in an approximate 320-acre drilling and spacing unit established in the S<sup>1</sup>/<sub>2</sub> of Section 20U, Township 34 North, Range 6 West, N.M.P.M. (S.U.L.), La Plata County, Colorado for the development and production from the Fruitland coal seams. In support thereof, the Applicant states as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.

2. Applicant owns a leasehold interest in the following lands ("Application Lands"):

Township 34 North, Range 6 West, N.M.P.M. (S.U.L.) Section 20U: S<sup>1</sup>/<sub>2</sub>

La Plata County, Colorado.

A reference map of the Application Lands is attached hereto.

1. On June 17, 1988, the Commission issued Order No. 112-60, which established 320-acre drilling and spacing units for production of gas from the Fruitland coal seams, with the permitted well to be located no closer than 990 feet from any outer boundary of the unit, nor closer than 130 feet from any interior quarter section line. The Application Lands are subject to this Order.

2. On December 9, 2008, the Commission issued Order No. 112-215, which allowed up to four (4) wells to be drilled in each 320-acre drilling and spacing units subject to the Order for the production of gas from the Fruitland coal seams, with the permitted wells to be

located no closer than six hundred sixty (660) feet from the unit boundary, with no interior section line setback. The Order further requires that the wells drilled pursuant to this Order must comply with the provisions of the MOU between BP America Production Company and La Plata County. The Application Lands are subject to this Order.

3. Applicant plans to drill and complete the Elsa 34-6-19 #1 well with an anticipated spud date in November 2014, in the S½ of Section 20U, Township 34 North, Range 6 West, N.M.P.M. (S.U.L.), La Plata County, Colorado with a surface location of 1,303 feet FSL and 290 feet FEL in the E½SE¼ of Section 19U, Township 34 North, Range 6 West, N.M.P.M. (S.U.L.), and an initial bottomhole location of 1,980 feet FSL and 800 feet FWL in the NW¼SW¼ of Section 20U, Township 34 North, Range 6 West, N.M.P.M. (S.U.L.) (the "Pilot Hole"). Applicant will thereafter drill three staked laterals from the Pilot Hole to the following target depth and bottomhole locations: (1) TD of 7,350 feet MD, BHL of 1,980 feet FSL and 660 feet, Section 20U, Township 34N, Range 6 West, N.M.P.M. (S.U.L.); (2) TD of 7,250 feet MD, BHL of 1,980 feet FSL and 660 feet, Section 20U, Township 34N, Range 6 West, N.M.P.M. (S.U.L.); and (3) TD of 7,120 feet MD, BHL of 1,980 feet FSL and 660 feet, Section 20U, Township 34N, Range 6 West, Section 20U, Township 34N, Range 6 West, N.M.P.M. (S.U.L.); and (3) TD of 7,120 feet MD, BHL of 1,980 feet FSL and 660 feet, Section 20U, Township 34N, Range 6 West, N.M.P.M. (S.U.L.); The above-described horizontal well is designed to test and produce gas and associated substances from the Fruitland coal seams underlying the Application Lands.

4. Pursuant to the relevant provisions of Section 34-60-116(6) & (7), C.R.S., and COGCC Rule 530, Applicant seeks an order pooling all interests in the Application Lands for the development and operation of the Fruitland coal seams.

5. Applicant certifies that, at least 30 days prior to the date of the scheduled protest deadline for this Application, each owner which Applicant was able to locate, not already leased or voluntarily pooled, will be provided with the well proposal and information required by Rule 530 and tendered a reasonable offer to lease (if an unleased mineral owner), or participate and bear costs associated with the drilling and completion of the Elsa 34-6-19 #1 well.

6. Applicant requests that a pooling order be entered as a result of this Application and that it be made effective as of the earlier of the date of this Application, or the date costs specified in Section 34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Elsa 34-6-19 #1 well.

7. The granting of this Application would be in accord with the Oil and Gas Conservation Act, found at Section 34-60-101, *et seq.*, C.R.S., and Commission rules.

8. The names and addresses of the interested parties (persons who own an interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) are attached hereto and marked <u>Exhibit A.</u> Applicant certifies that copies of this Application will be served on all locatable interested parties within seven (7) days of the date hereof, as required by Commission Rule 507.b(2), and that at least thirty (30) days prior to the date of the scheduled protest deadline for this Application, each such owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the respective wells, and will be provided with the information required by Rule 530.

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:

A. Pooling all interests in the Application Lands for the development and operation of the Fruitland coal seams.

B. Providing that the pooling order is made effective as of the date of this Application, or the date that the costs specified in Section 34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Applicant's proposed Fruitland coal seams well on the Application Lands, whichever is earlier.

C. Providing that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized well, are pooled by operation of statute, pursuant to Section 34-60-116(7), C.R.S., and made subject to the cost recovery provisions thereof.

D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated this  $26^{\text{th}}$  day of August, 2014.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

Stephen J. Sullivan Joseph C. Pierzchala Welborn Sullivan Meck & Tooley, P.C. Attorney for Applicant 1125 - 17th Street, Suite 2200 Denver, CO 80202 303-830-2500 ssullivan@wsmtlaw.com jpierzchala@wsmtlaw.com

Applicant's Address:

1801 Broadway, Suite 1000 Denver, CO 80202 Attn: Jared Rush, Senior Landman Phone: 720-484-2354

#### VERIFICATION

STATE OF COLORADO

) ) ss. )

CITY & COUNTY OF DENVER

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

Jared Rush, Senior Landman

Subscribed and sworn to before me this  $23^{h}$  day of August, 2014 by Jared Rush, Regional Landman for Catamount Energy Partners LLC.

Witness my hand and official seal.



<u>Hiwet Tekle</u> Notary Public

Notary Public My Commission Expires: 07/25/2015

#### Exhibit A

BP America Production Company Amoco Production Company Attn: Kiki Moseley 501 Westlake Park Boulevard, Room 3.338A Houston, TX 77079

Estate of Lorence L. Smith, dec 685 1/2 Browning P.O. Box 1183 Ignacio, CO 81137

Cheryl M. Smith P.O. Box 1183 Ignacio, CO 81137

Possible heirs of Lorence L. Smith:

Cheryl M. Smith P.O. Box 1183 Ignacio, CO 81137

Kenneth Smith P.O. Box 635 Ignacio, CO 81137

Lois B. Moss 7115 Poppy Place NW Albuquerque, NM 87121

William Smith 2109 50 Pristi Space CY Johnstown, CO 80534

Lee Mack Smith 703 CR 516 Ignacio, CO 81137

Possible Heirs of R. D. Crowell:

Kenneth William Price aka Kenneth W. Price 3089 West Shore Dr. Helena, MT 59602 Marilyn Adele Price Olson aka Marilyn A. Olson 6644 N. Citrus Rd. Waddell, AZ 85355

Others:

L. D. Kempton Unable to Locate

R.D. Crowell Unable to Locate

LaFon Royalties LLC 1475 N. Ward Circle Franktown, CO 80116

R.D. Hott Living Trust P.O. Box 295 Pagosa Springs, CO 81147

R.D. Hott Living Trust P.O. Box 2889 Pagosa Springs, CO 81147

IN THE MATTER OF THE APPLICATION OF CATAMOUNT ENERGY PARTNERS LLC FOR AN ORDER POOLING NONCONSENTING INTERESTS IN THE FRUITLAND COAL SEAMS COVERING CERTAIN LANDS IN SECTION 20U OF TOWNSHIP 34 NORTH, RANGE 6 WEST, N.M.P.M., LA PLATA COUNTY, COLORADO.

Cause No. 112

Docket No.

Intake No.

#### AFFIDAVIT OF MAILING

\$ \$ \$ \$

)

STATE OF COLORADO

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 August \_\_\_\_, 2014, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on <u>Exhibit A</u> to the Application.

Joseph C. Pierzchala

Subscribed and sworn to before me August \_\_\_, 2014.

Witness my hand and official seal.

Notary Public My commission expires:

IN THE MATTER OF THE APPLICATION OF CATAMOUNT ENERGY PARTNERS LLC FOR AN ORDER POOLING NONCONSENTING INTERESTS IN THE FRUITLAND COAL SEAMS **COVERING CERTAIN LANDS IN SECTION 20U** OF TOWNSHIP 34 NORTH, RANGE 6 WEST, N.M.P.M., LA PLATA COUNTY, COLORADO.

Cause No. 112

Docket No.

Intake No. 19

## AFFIDAVIT OF MAILING

§ 800

STATE OF COLORADO

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 August 29, 2014, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Joseph C. Prerzchala

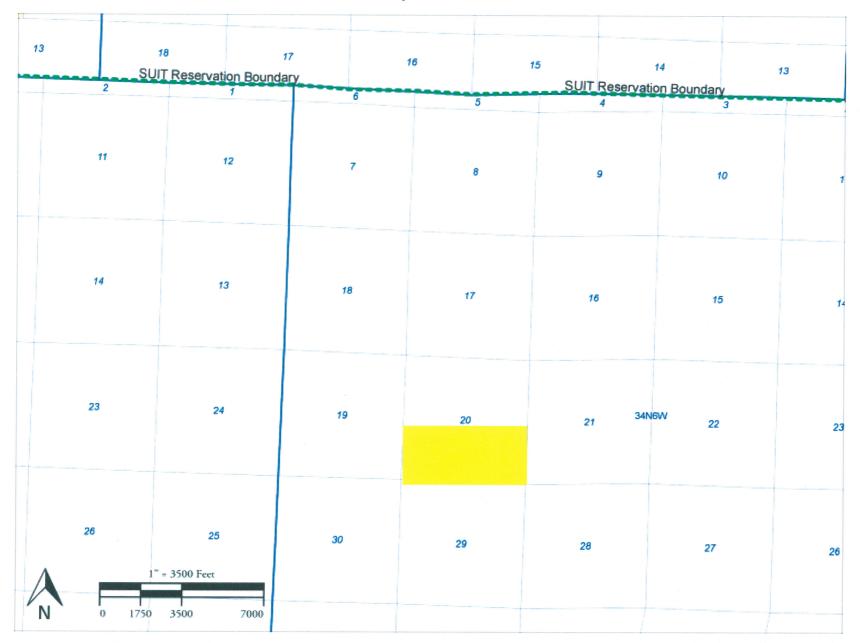
Subscribed and sworn to before me August 29, 2014.

Witness my hand and official seal.

Notary Public My commission expires: 6/29/2017

EDITH I SHEARER NOTARY PUBLIC STATE OF COLORADO Notary ID 20054025662 My Commission Expires 06/29/2017

Reference Map - S/2 S20U T34N R6W



IN THE MATTER OF THE APPLICATION OF CATAMOUNT ENERGY PARTNERS LLC FOR AN ORDER POOLING NONCONSENTING INTERESTS IN THE FRUITLAND COAL SEAMS COVERING CERTAIN LANDS IN SECTION 20U OF TOWNSHIP 34 NORTH, RANGE 6 WEST, N.M.P.M., LA PLATA COUNTY, COLORADO.

Cause No. 112

Docket No.

Intake No 19

#### AMENDED AFFIDAVIT OF MAILING

§ §

§

STATE OF COLORADO

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 September 5, 2014, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on **Revised** Exhibit A to the Application.

Joseph C Pierzchala

Subscribed and sworn to before me September 5, 2014.

Witness my hand and official seal.

My Commission Expires 06/29/2017

EDITH I SHEARER **NOTARY PUBLIC** STATE OF COLORADO Notary ID 20054025662

h D. Sheet.

Notary Public My commission expires: <u>06/29/2017</u>

# REVISED Exhibit A

BP America Production Company Amoco Production Company Attn: Kiki Moseley 501 Westlake Park Boulevard, Room 3.338A Houston, TX 77079

Estate of Lorence L. Smith, dec 685 1/2 Browning P.O. Box 1183 Ignacio, CO 81137

Cheryl M. Smith P.O. Box 1183 Ignacio, CO 81137

Possible heirs of Lorence L. Smith:

Cheryl M. Smith P.O. Box 1183 Ignacio, CO 81137

Kenneth Smith P.O. Box 635 Ignacio, CO 81137

Lois B. Moss 7115 Poppy Place NW Albuquerque, NM 87121

William Smith 2109 50 Pristi Space CY Johnstown, CO 80534

Lee Mack Smith 703 CR 516 Ignacio, CO 81137

Possible Heirs of R. D. Crowell:

Kenneth William Price aka Kenneth W. Price 3089 West Shore Dr. Helena, MT 59602

1

Marilyn Adele Price Olson aka Marilyn A. Olson 6644 N. Citrus Rd. Waddell, AZ 85355

Others:

L. D. Kempton Unable to Locate

R.D. Crowell Unable to Locate

LaFon Royalties LLC 1475 N. Ward Circle Franktown, CO 80116

R.D. Hott Living Trust P.O. Box 295 Pagosa Springs, CO 81147

R.D. Hott Living Trust P.O. Box 2889 Pagosa Springs, CO 81147

Pat Gallagher Bureau of Land Management Colorado State Office 2850 Youngfield Street Lakewood, CO 80215-7093