

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

IN THE MATTER OF THE AMENDED)	Cause No. 112
APPLICATION OF CATAMOUNT ENERGY)	
PARTNERS LLC FOR AN ORDER)	Docket No. 170700474
ESTABLISHING WELL LOCATION RULES)	
FOR CERTAIN LANDS IN TOWNSHIPS 33)	Type: SPACING
AND 34 NORTH, RANGE 5 WEST, N.M.P.M.)	
(S.U.L.) , FRUITLAND COAL SEAMS,)	
ARCHULETA COUNTY, COLORADO.)	

AMENDED APPLICATION

Catamount Energy Partners LLC ("Catamount" or "Applicant"), Operator No. 10464, by its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order **excepting the federal Pargin Mountain Unit Participating Area "B" from Commission Order Nos. 112-60 and 112-61** for the development and operations of the Fruitland Coal Seams covering certain lands in Archuleta County, Colorado. In support of its **Amended** Application, Applicant states as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.

2. Applicant is the operator of the federal Pargin Mountain Unit, Fruitland Formation Participating Area B, which includes the following lands ("Application Lands"):

Township 33 North, Range 5 West, N.M.P.M (S.U.L.)
Section 2: Lots 3 and 4
Section 3: Lot 1

Township 34 North, Range 5 West, N.M.P.M (S.U.L.)
Section 34: **N¹/₂NE¹/₄, NE¹/₄NW¹/₄, S¹/₂N¹/₂, S¹/₂**
Section 35: **SW¹/₄SE¹/₄, W¹/₂NW¹/₄, SW¹/₄**

Archuleta County, Colorado.

A reference map of the Application Lands is attached hereto.

3. The Pargin Mountain Unit was approved by the Bureau of Land Management effective July 29, 1986, with Amoco Production Company as the original unit operator. Applicant is the current designated successor operator. The initial Fruitland Formation Participating Area (P.A.) "A" was approved effective June 30, 1988 containing 200 acres, and the Fruitland Formation P.A. "B" was approved effective

December 1, 1995, containing 1,000.56 acres. Effective June 30, 1998 (the 10th anniversary of the initial P.A.), the unit contracted to the boundaries of the two P.A.'s. P.A. "B", as contracted, consists of the Application Lands identified.

4. On June 17, 1988, the Commission entered Order No. 112-60, which approved the Fruitland Coal Seams as a separate source of supply and established 320-acre drilling and spacing units with one vertical well at a designated location for each unit located no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line. The Application Lands were made subject to this Order.

5. On August 15, 1988, the Commission entered Order No. 112-61, which amended parts of Order No. 112-60 and established additional rules for the production of coalbed methane. The Application Lands were made subject to this Order.

6. On November, 21, 1988, the Commission entered Order No. 112-62, which excluded the Pargin Federal Unit from area spaced in Order No. 112-60, and ordered that if the federal unit is reduced or rescinded, the Commission shall give notice of hearing to space these lands under the appropriate Order of Cause No. 112. Section 34, Township 34 North, Range 5 West, N.M.P.M. (S.U.L.) of the Application Lands is subject to this Order.

7. For lands not spaced or not otherwise subject to an existing Commission order, Commission Rule 318 prescribes the required well setbacks. Pursuant to Commission Rule 318.d.(3), the well location rules otherwise applicable under Rule 318 do not apply to unit operations approved by federal authorities except that no well in excess of two thousand five hundred (2,500) feet in depth shall be located less than six hundred (600) feet from the exterior or interior (if there be one) boundary of the unit area and no well less than two thousand five hundred (2,500) feet in depth shall be located less than two hundred (200) feet from the exterior or interior (if there be one) boundary of the unit area unless otherwise authorized by the order of the Commission after proper notice to owners outside the unit area.

8. Applicant intends to re-enter the Tabor #1 well (API #05-007-06220) located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 3, Township 33 North, Range 5 West, N.M.P.M., to drill stacked horizontal wellbores to develop the Fruitland Coal Seams, at a depth less than 2,500 feet, within the Application Lands for the production of gas and associated hydrocarbons. The setback requirements established under Order Nos. 112-60 and 112-62 preclude efficient and economic development of the Fruitland Coal Seams within the Application Lands using horizontal wellbores and create waste. Applicant has successfully drilled and produced horizontal wellbores for the development and operation of the Fruitland Coal Seams in lands in the vicinity of the Application Lands. See, e.g., Elsa 34-6-19 #1 (API Nos. 05-067-09922-01 through -04) and Lynch 34-6-18 #1 (API Nos. 05-067-09920-01 through -03). The results of those wells support the relief requested herein.

9. To promote efficient drainage within Fruitland Coal Seams for the production of gas and associated hydrocarbons from the Application Lands **and prevent waste, Applicant requests that the Commission exclude the Application Lands a/k/a Pargin Mountain Unit Participating Area "B" from Order Nos. 112-60 and 112-61 so that the Application Lands are made subject to Commission Rule 318.d.(3),** such that any horizontal wellbores drilled within the unit at a depth less than 2,500 feet should be located no closer than 200 feet from the exterior unit boundaries, and any horizontal wellbores drilled within the unit at a depth greater than 2,500 feet should be located no closer than 600 feet from the exterior unit boundaries with no interior quarter-section setbacks, without exception being granted by the Director.

10. The above-proposed well location rules will allow more efficient drainage of the Fruitland Coal Seams within the Application Lands, will prevent waste, will protect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoir.

11. 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 this **Amended** Application shall be served on each interested party within seven days after filing of the original application as required by Rules 503.e and 507.b.(3).

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 13th day of June, 2017.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: 

Joseph C. Pierzchala

Geoffrey W. Storm

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

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303-830-2500

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gstorm@wsmtlaw.com

Applicant's Address:
Catamount Energy Partners LLC
1801 Broadway, Suite 1000
Denver, CO 80202
Attn: Denise Greer, Landman
Phone: 720-484-2351

VERIFICATION

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

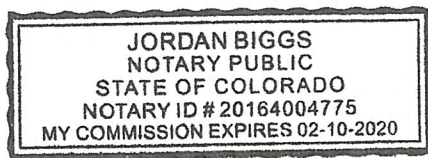
Denise Greer, Landman with Catamount Energy Partners LLC, upon oath deposes and says that she has read the foregoing Amended Application and that the statements contained therein are true to the best of her knowledge, information and belief.

CATAMOUNT ENERGY PARTNERS LLC

Denise Greer
Denise Greer, Landman

Subscribed and sworn to before me this 13 day of June, 2017 by Denise Greer, Landman for Catamount Energy Partners LLC

Witness my hand and official seal.



Jordan Biggs
Notary Public

My Commission Expires: 2-10-2020

EXHIBIT A

INTERESTED PARTIES

Archuleta County Development Services

John C. Shepard AICP
P.O. Box 1507
Pagosa Springs, CO 81147

Colorado Department of Public Health and Environment

Mark McMillan
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Colorado Parks and Wildlife

Jon Holst
Southwest Region Office
415 Turner Dr.
Durango, CO 81303

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EXHIBIT A CONTINUED ON NEXT PAGE

EXHIBIT A

INTERESTED PARTIES

Catamount Energy Partners LLC
1801 Broadway, Suite 1000
Denver, CO 80202

Four Rivers Resources LLC
2602 McKinney Ave., Suite 400
Dallas, TX 75204

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

Petrox Resources Inc.
39868 Hwy 13
Meeker, CO 81641

Bureau of Land Management
2850 Youngfield St.
Lakewood, CO 80215

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

Vin Zant Brothers Trust
James Vin Zant Trustee
1246 Armstrong Court
Derby, KS 67037

Helen Tabor
c/o John Gallegos Jr. Executor
P O Box 1687
Arboles, CO 81121

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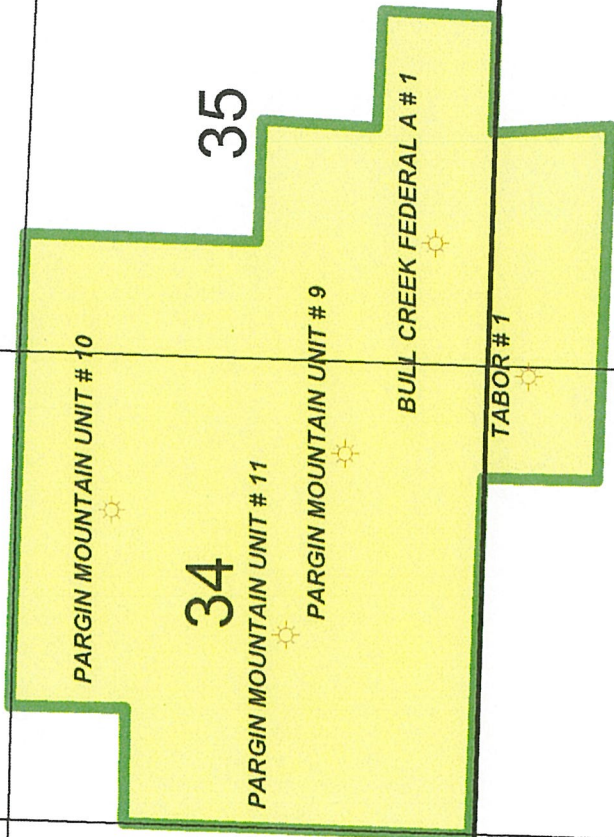
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AFFIDAVIT OF MAILING

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:

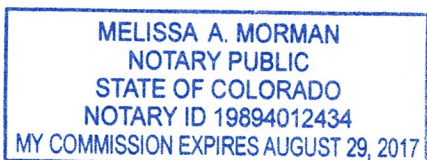
That I am the attorney for Catamount Energy Partners, LLC and that on or before June 14, 2017, I caused a copy of the attached Amended Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.




Joseph C. Pierzchala

Subscribed and sworn to before me June 14, 2017.

Witness my hand and official seal.





Notary Public

My commission expires: 8/29/2017