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

APPLICATION OF LONGFELLOW ENERGY, L.P. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No.	
Case 110.	

## **APPLICATION**

Longfellow Energy, LP, OGRID No. 372210 ("Longfellow" or "Applicant"), through its undersigned counsel Spencer Fane, LLP (Sharon T. Shaheen), hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the Yeso formation (Cedar Lake; Glorieta-Yeso [96831]) in a standard ~320-acre, more or less, horizontal spacing and proration unit ("HSU") with proximity tracts comprised of the S/2 of Section 31, Township 16 South, Range 31 East in Eddy County, New Mexico. In support of its application, Longfellow states as follows:

- 1. Longfellow is a working interest owner in the proposed HSU and has the right to drill thereon.
  - 2. Longfellow seeks to dedicate the following  $9 \sim 1.0$ -mile wells to the proposed HSU:
  - Petty Federal Com 31CD 001H well, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,717' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,628' FSL of Section 31-16S-31E;
  - Petty Federal Com 31CD 002H well, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,697' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,319' FSL of Section 31-16S-31E;
  - Petty Federal Com 31CD 003H well, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,677' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,159' FSL of Section 31-16S-31E;
  - Petty Federal Com 31CD 004H well, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,657' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 1,785' FSL of Section 31-16S-31E;

- Petty Federal Com 31CD 005H well, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,637' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 1,410' FSL of Section 31-16S-31E;
- Petty Federal Com 31CD 006H well, to be horizontally drilled from a surface hole location approximately 1,085' FWL and 676' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 1,250' FSL of Section 31-16S-31E;
- Petty Federal Com 31CD 007H well, to be horizontally drilled from a surface hole location approximately 1,086' FWL and 656' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 875' FSL of Section 31-16S-31E;
- Petty Federal Com 31CD 008H well, to be horizontally drilled from a surface hole location approximately 1,086' FWL and 636' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 500' FSL of Section 31-16S-31E; and
- Petty Federal Com 31CD 009H well, to be horizontally drilled from a surface hole location approximately 1,087' FWL and 616' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 340' FSL of Section 31-16S-31E.
- 3. The Petty Federal Com 31CD 006H well is a proximity well.
- 4. The completed interval of the Petty Federal Com 31 CD 001H well will be a non-standard location. Longfellow will seek administrative approval of the non-standard location. With the proximity tracts, the completed intervals of all other wells will meet the standard setback requirements. The first and last take points of all wells will meet the standard setback requirements.
- 5. Longfellow 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 HSU.
- 6. Approval of the proposed HSU and the pooling of all mineral interest owners in the Yeso formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 7. In order to permit Longfellow 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 Longfellow should be designated the operator of the HSU.

WHEREFORE, Longfellow requests that this application be set for hearing before an examiner of the Oil Conservation Division on September 11, 2025, and that, after notice and hearing as required by law, the Division enter an order:

A. Approving a standard 320-acre, more or less, HSU, with proximity tracts, comprised of the S/2 of Section 31, Township 16 South, Range 31 East in Eddy County, New Mexico;

B. Pooling all mineral interests in the Yeso formation underlying the HSU;

C. Allowing the drilling of the following nine ~1.0-mile wells in the proposed HSU: Petty Federal Com 31 CD 001; Petty Federal Com 31 CD 002; Petty Federal Com 31 CD 003; Petty Federal Com 31 CD 004; Petty Federal Com 31 CD 005; Petty Federal Com 31 CD 006; Petty Federal Com 31 CD 007; Petty Federal Com 31 CD 008; and Petty Federal Com 31 CD 009.

D. Designating Longfellow as operator of the HSU and the wells to be drilled thereon;

E. Authorizing Longfellow to recover its costs of drilling, equipping, and completing the wells;

F. Approving the operating charges and costs of supervision while drilling of \$12,000/month and, after completion, \$1,200/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Longfellow in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

SPENCER FANE, LLP

/s/ Sharon T. Shaheen
Sharon T. Shaheen
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 986-2678
sshaheen@spencerfane.com
ec: dortiz@spencerfane.com

Attorneys for Longfellow Operating Partners, LLC

Application of Longfellow Operating Partners, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division approving a standard ~320-acre horizontal spacing and proration unit ("HSU"), with proximity tracts, comprised of the S/2 of Section 31, Township 16 South, Range 31 East in Eddy County, New Mexico and pooling all mineral interests in the Yeso formation (Cedar Lake; Glorieta-Yeso [96831]) underlying the HSU. Applicant proposes to drill the following 1.0-mile wells in the HSU: Petty Federal Com 31CD 001H well, to be horizontally drilled from a surface hole location ("SHL") ~441' FWL and 1,717' FSL of Section 32-16S-31E and a bottomhole location ("BHL") ~20' FWL & 2,628' FSL of Section 31-16S-31E ("001H"); Petty Federal Com 31CD 002H well, to be horizontally drilled from a SHL ~441' FWL and 1,697' FSL of Section 32-16S-31E and a BHL ~20' FWL & 2,319' FSL of Section 31-16S-31E; Petty Federal Com 31CD 003H well, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,677' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,159' FSL of Section 31-16S-31E; Petty Federal Com 31CD 004H well, to be horizontally drilled from a SHL ~441' FWL and 1,657' FSL of Section 32-16S-31E and a BHL ~20' FWL & 1,785' FSL of Section 31-16S-31E; Petty Federal Com 31CD 005H well, to be horizontally drilled from a SHL ~441' FWL and 1,637' FSL of Section 32-16S-31E and a BHL ~20' FWL & 1,410' FSL of Section 31-16S-31E; Petty Federal Com 31CD 006H well, to be horizontally drilled from a SHL ~1,085' FWL and 676' FSL of Section 32-16S-31E and a BHL ~20' FWL & 1,250' FSL of Section 31-16S-31E; Petty Federal Com 31CD 007H well, to be horizontally drilled from a SHL ~1,086' FWL and 656' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 875' FSL of Section 31-16S-31E; Petty Federal Com 31CD 008H well, to be horizontally drilled from a SHL~1,086' FWL and 636' FSL of Section 32-16S-31E and a BHL ~20' FWL & 500' FSL of Section 31-16S-31E; and Petty Federal Com 31CD 009H well, to be horizontally drilled from a SHL ~1,087' FWL and 616' FSL of Section 32-16S-31E and a BHL ~20' FWL & 340' FSL of Section 31-16S-31E. The completed interval of the 001H is in a non-standard location ("NSL"). Applicant will seek administrative approval of the NSL. With the proximity tracts, the completed intervals of the other wells will meet standard setback requirements. The first and last take points of all wells will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and wells to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 6 miles Northeast of Loco Hills, New Mexico.