



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
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May 26, 2021

Submitted via OCD's electronic filing system

Leonard Lowe
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Longfellow Energy, L.P.
Request for Administrative Approval of Non-Standard Location

Ozzy Fed Com 18C 003H
N/2 S/2 Section 18, T17S, R29E
Eddy County, New Mexico
Empire; Glorieta-Yeso Pool (Pool Code 96210)
API# 30-015-48330

Dear Mr. Lowe,

Pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13(C)-(D) NMAC, Longfellow Energy, L.P. ("Longfellow") requests administrative approval of a non-standard location for the above-referenced oil well in an approximately 147-acre spacing unit, more or less, within an irregular section, as described more fully below.

The standard setback in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit is 330 feet for an oil well. 19.15.16.15(C)(1)(a) NMAC. The completed interval of the above-referenced well, however, will be 205 feet at its closest point from the southern boundary of the spacing unit. Longfellow is requesting approval to decrease the setback for the completed interval of the above-referenced well.

The proposed surface and bottom hole locations and first and last take points are as follows:

1. SHL: 1565' FSL and 675' FEL of Section 13-T17S-R28E
2. FTP: 1525' FSL and 100' FWL of Section 18-T17S-R29E
3. LTP: 1540' FSL and 100' FEL of Section 18-T17S-R29E

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Mr. Lowe
May 26, 2021
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4. BHL: 1540' FSL and 20' FEL of Section 18-T17S-R29E

It is Longfellow's responsibility as a prudent operator to maximize the recovery of oil and gas reserves left in the ground. Approval of the unorthodox completed interval will allow Longfellow to use its preferred well spacing plan for horizontal wells in this area and thereby maximize recovery and prevent waste.

Attached is the C-102 form and map indicating the offset tracts to assist the Division in its review of Longfellow's request. Longfellow has sent notice to all affected persons on the enclosed spreadsheet by certified mail, return receipt requested, with a copy of this request, the plat, and the C-102. The notice also informs the affected persons that, if they object to the aforementioned requests, they must file the objection in writing with the Division within 20 days from the date the Division receives this administrative approval request. I attach a sample of the notice letter and a spreadsheet with the types of interests and names of the affected parties, the location of each parties' interest, the date the letter was sent, and the mail tracking number for the mailings that went out today.

Please let me know if you have any questions or concerns. Thank you for your assistance in this matter.

Very truly yours,

/s/Sharon T. Shaheen

Sharon T. Shaheen

Enclosures

cc: Ryan Reynolds, *via email*
Longfellow Energy, LP

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|--|
| ¹ API Number 30-015-48330 | ² Pool Code 96210 | ³ Pool Name EMPIRE; GLORIETA-YESO |
| ⁴ Property Code 330802 | ⁵ Property Name OZZY FEDERAL COM 18C | |
| ⁷ OGRID No. 372210 | ⁸ Operator Name LONGFELLOW ENERGY, LP | ⁶ Well Number 003H |
| | | ⁹ Elevation 3697.7 |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|-----------|-------------|-------------|---------|---------------|------------------|---------------|----------------|-------------|
| I | 13 | 17 S | 28 E | | 1565 | SOUTH | 675 | EAST | EDDY |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--|-------------------------------|--|-------------------------|---------|---------------|------------------|---------------|----------------|-------------|
| I | 18 | 17 S | 29 E | | 1540 | SOUTH | 20 | EAST | EDDY |
| ¹² Dedicated Acres 146.92 | ¹³ Joint or Infill | ¹⁴ Consolidation Code C | ¹⁵ Order No. | | | | | | |

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

| | |
|--|--|
| <p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Brian Wood</i> Date: 9-15-20</p> <p>Printed Name: BRIAN WOOD</p> <p>E-mail Address: brian@permitswest.com</p> <p>E-mail Address: 505 466-8120</p> | |
| <p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: AUGUST 11, 2020</p> <p>Signature and Seal: <i>Michael F. Jaramila</i></p> <p>Certificate Number: 12797</p> <p>Professional Surveyor License No. 8391</p> | |

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 9-13-20

X Original

Operator & OGRID No.: Longfellow Energy, LP (372210)

☐ Amended - Reason for Amendment:

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

| Well Name & Number | API | SHL (ULSTR) | SHL Footages | Expected MCF/D | Flare or Vent | Comments |
|-------------------------|---------|--------------|----------------------|----------------|---------------|--------------------------------------|
| Ozzy Federal Com 18C 1H | 30-015- | I-13-17s-28e | 1615' FSL & 675' FEL | 225 | <30 days | flare until well clean, then connect |
| Ozzy Federal Com 18C 2H | 30-015- | I-13-17s-28e | 1590' FSL & 675' FEL | 225 | <30 days | flare until well clean, then connect |
| Ozzy Federal Com 18C 3H | 30-015- | I-13-17s-28e | 1ea5' FSL & 675' FEL | 225 | <30 days | flare until well clean, then connect |

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is not yet dedicated, but will be connected to a 3rd party gathering system located in Eddy County, New Mexico. Gas will most likely be piped 100 yards east to Longfellow's Phillips AID State 4 (I-13-17s-28e) which is connected with DCP Operating Company, LP (36785). Operator will provide (periodically) to Gas Transporter a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, Operator and Gas Transporter have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at an unknown Processing Plant located in Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Gas Transporter system at that time. Based on current information, it is Operator's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

NSL AFFECTED PARTY LIST
OZZY FED COM 18C 003H

| | A | B | C | D | E | F | G |
|---|--------|-------------------------------|-------------------------------|--------------------|--|-----------|--------------------------|
| 1 | Type | Affected Party | Address | City, State Zip | Location | Date Sent | Mail Tracking Number |
| 2 | WIO | Longfellow Energy (Applicant) | 8115 Preston Road, Suite 800 | Dallas, TX 75225 | S/2 S/2 18 17S 29E | Applicant | |
| 3 | WIO | ConocoPhillips | 600 W. Illinois Ave. | Midland, TX 79701 | Lot 4; SE/4 SE/4 18 17S 29E | 5/26/2021 | 7015 1730 0000 9774 5220 |
| 4 | WIO | Viersen Oil & Gas | 7130 S. Lewis Ave., Suite 200 | Tulsa, OK 74136 | SE/4 SW/4 18 17S 29E | 5/26/2021 | 7015 1730 0000 9774 5237 |
| 5 | Lessor | Bureau of Land Management | 620 E Greene St. | Carlsbad, NM 88220 | Lot 4; SE/4 SW/4; SW/4 SE/4 18 17S 29E | 5/26/2021 | 7015 1730 0000 9774 5244 |
| 6 | Lessor | NM State Land Office | 310 Old Santa Fe Trail | Santa Fe, NM 87501 | SE/4 SE/4 18 17S 29E | 5/26/2021 | 7015 1730 0000 9774 5251 |



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

May 26, 2021

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTERESTED PARTIES ON THE ATTACHED LIST

Re: Administrative Application for Non-Standard Location

Longfellow Energy, L.P.
OGRID Number: 372210
Pool: Empire; Glorieta-Yeso
Pool Code: 96210
Ozzy Fed Com 18C 003H
N/2 S/2 Section 18, T17S, R29E
Eddy County, New Mexico
API# 30-015-48330

Pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13(C)-(D) NMAC, Longfellow Energy, L.P. has on this date made application to the New Mexico Oil Conservation Division ("NMOCD") for administrative approval of a non-standard location regarding the above-referenced well. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, directed to the attention of Leonard Lowe.

Should you consent to the application and the proposed well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning a copy of this letter with the executed signature page to me at your earliest convenience.

Very truly yours,

/s/ Sharon T. Shaheen
Sharon T. Shaheen

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Affected Parties

May 26, 2021

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Enclosure

CONSENT:

By: _____ for _____
Signature Name of Interested Party

Printed Name, Authorized Representative

Revised March 23, 2017

| | | | |
|-----------|-----------|-------|---------|
| RECEIVED: | REVIEWER: | TYPE: | APP NO: |
|-----------|-----------|-------|---------|

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Longfellow Energy, L.P. **OGRID Number:** 372210
Well Name: Ozzy Fed Com 18C 003H **API:** 30-015-48330
Pool: Empire; Glorieta-Yeso **Pool Code:** 96210

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Sharon T. Shaheen, Attorney, Montgomery & Andrews, P.A.

Print or Type Name

Sharon T Shaheen

Signature

May 26, 2021

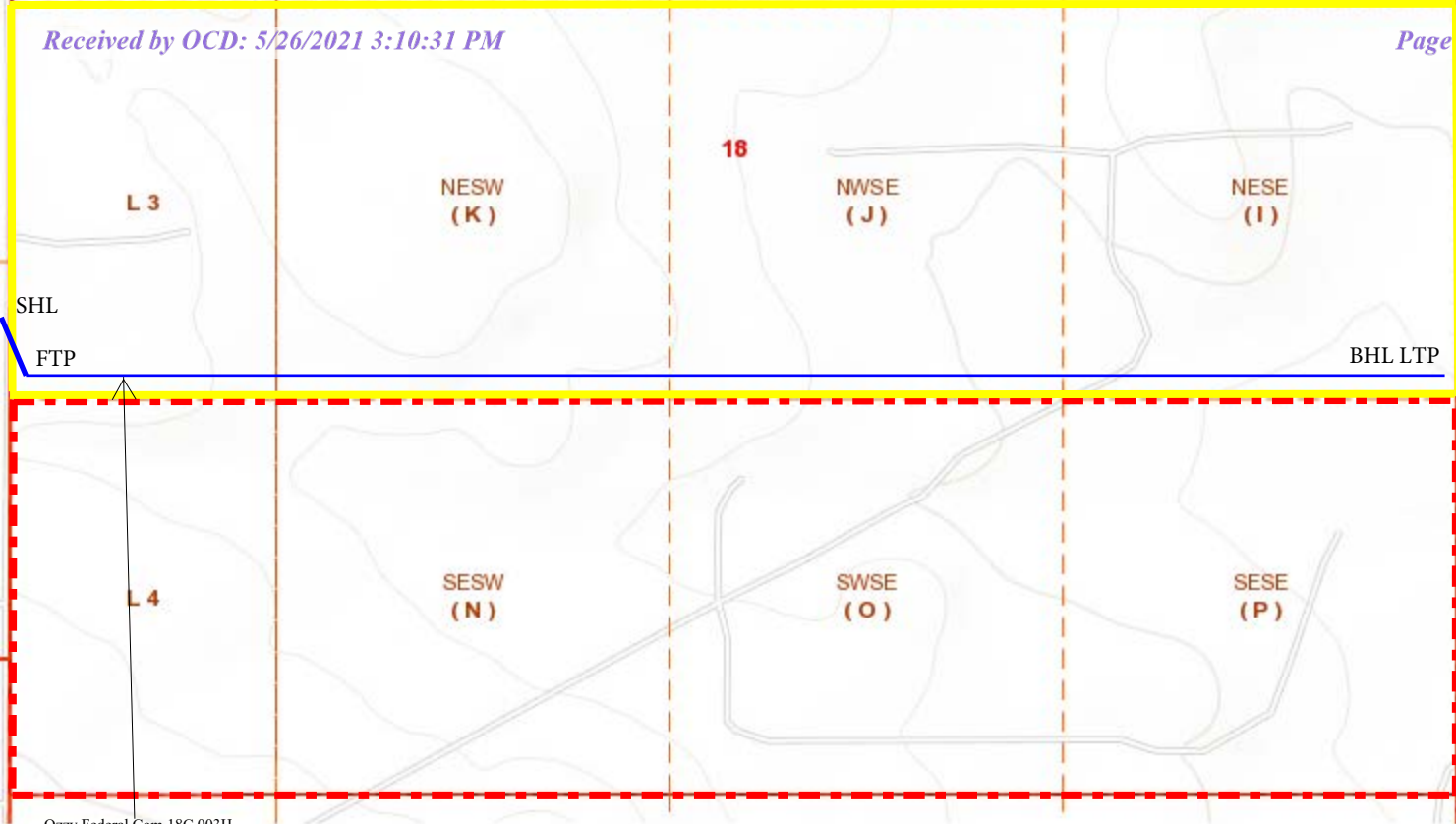
Date

(505) 986-2678

Phone Number

sshahen@montand.com

e-mail Address



Ozzy Federal Com 18C 003H

Longfellow LH, LLC
Ozzy Federal Com 18C 003H
Sec. 18-17S-29E
Eddy County, NM

— -Horizontal Spacing Unit

- - - - -Affected Parties List

District I
1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 29649

CONDITIONS

| | |
|---|--|
| Operator: LONGFELLOW ENERGY, LP 8115 Preston Road Dallas, TX 75225 | OGRID: 372210 |
| | Action Number: 29649 |
| | Action Type: [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 5/27/2021 |