

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

**APPLICATION OF LONGFELLOW ENERGY, LP
TO AMEND ORDER NO. R-21654,
EDDY COUNTY, NEW MEXICO**

Case No. _____
**Order No. R-21654
(Re-Open)**

APPLICATION

Longfellow Energy, LP, OGRID No. 372210 (“Longfellow”), through its undersigned counsel Montgomery & Andrews, P.A. (Sharon T. Shaheen and Troy S. Lawton), hereby files this application with the Oil Conservation Division to amend Order No. R-21654 entered in Case No. 21792 to extend the time for drilling the (1) **Santana State Com 20CD 001H** (“Santana 001H Well”); (2) **Santana State Com 20CD 002H** (“Santana 002H Well”); (3) **Santana State Com 20CD 003H** (“Santana 003H Well”); (4) **Santana State Com 20CD 004H** (“Santana 004H Well”); (5) **Santana State Com 20CD 005H** (“Santana 005H Well”); and (6) **Santana State Com 20CD 006H** (“Santana 006H Well”) (collectively, “Wells”) approved in Order No. R-21654. In support of its application, Longfellow states as follows:

1. Order No. R-21654 pooled uncommitted interest owners in the Yeso formation (Artesia; Glorieta-Yeso [96830]) in a standard 320-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the S/2 of Section 20, Township 17 South, Range 28 East, NMPM, in Eddy County, New Mexico, dedicated to the Santana 001H Well, Santana 002H Well, Santana 003H Well, Santana 004H Well, Santana 005H Well, and the Santana 006H Well.
2. Longfellow is a working interest owner in the HSU and has the right to drill thereon.
3. Order No. R-21654 designated Longfellow as the operator of the Santana 001H, 002H, 003H, 004H, 005H, and 006H Wells and the HSU.

4. Longfellow requests that the Division re-open the matter to extend the time to commence drilling the Santana 001H, 002H, 003H, 004H, 005H, and 006H Wells to be no later than April 13, 2023, which will be a one-year extension from the time to commence drilling granted in Order No. R-21654.

5. The Division Hearing in Case No. 21792 was held on April 8, 2021.

6. The Division entered Order No. R-21654 in Case No. 21792 on April 13, 2021.

7. Order No. R-21654, ¶ 19, states, “The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.” Order No. R-21654, ¶ 20, states, “This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.”

8. Under Order No. R-21654, Longfellow would be required to commence drilling the wells by April 13, 2022.

9. Good cause exists for the Division to grant the extension.

10. Longfellow requests an extension of time because there have been changes in Longfellow’s drilling schedule due to current labor shortages and supply chain issues resulting from COVID-19 policies, as well as delays in obtaining the necessary rights-of-way relating to infrastructure that will be used for the Wells. For example, construction was delayed on a pipeline between Longfellow’s water retention/recycling facility and the drilling pad for the Wells due to unanticipated months of negotiation for the necessary right of way. As another example, prior to incurring the expense of drilling the six Wells, Longfellow plans to test the productivity in the Yeso from three other nearby wells, which have already been drilled but not completed because Longfellow cannot obtain a frac crew until February 2022. Peak flow rates for the previously

drilled wells are not projected to occur until 90-120 days after flowback begins, i.e., sometime between May and June of 2022.

WHEREFORE, Longfellow requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 6, 2021, and that, after notice and hearing as required by law, the Division enter an order amending Order No. R-21654 to extend the time to commence drilling the Santana 001H Well, Santana 002H Well, Santana 003H Well, Santana 004H Well, Santana 005H Well, and the Santana 006H Well to be no later than April 13, 2023.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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