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. 22402



Santana State Com 20CD 001H, 002H, 003H, 004H, 005H, and 006H

January 6, 2022

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Tab 1.

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

APPLICATION OF LONGFELLOW ENERGY, LP FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22402

AFFIDAVIT OF LANDMAN RYAN REYNOLDS

I, being duly sworn on oath, state the following:

- 1. I am over the age of 18 and have the capacity to execute this direct written testimony, which is based on my personal knowledge.
- 2. I am a landman employed as Land Manager with Longfellow Energy, LP ("Longfellow"), and I am familiar with the subject application and the lands involved.
 - 3. This affidavit is submitted in connection with the above-referenced application.
- 4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record previously. My education and work experience are as follows: I graduated from the University of Oklahoma in 2011 with a Bachelor of Arts & Sciences degree in Biomedical Science and Personal Health. I have been employed with Longfellow since 2017. Prior to being employed by Longfellow, I worked as a Landman, Project Manager and Land Manager in various states since 2010. I have been working on New Mexico oil and gas matters for approximately 4 years.
- 5. The pertinent application is attached as **Exhibit A-1**. The purpose of the application is to amend Order No. R-21654, which was previously issued in Case No. 21792, to extend the time, by one year, for drilling the (1) **Santana State Com 20CD 001H** ("Santana 001H

Longfellow Energy, LP
Exhibit A
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- 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").
- 6. Order No. R-21654 is attached hereto as Exhibit A-2. Therein, the Division 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.
- 7. The orders designated Longfellow as the operator of the above-referenced wells and HSU.
 - 8. Longfellow is a working interest owner in the HSU and has the right to drill thereon.
- 9. Longfellow requests the Division to re-open the matter previously heard in Case Nos. 21792 to extend the time to commence drilling the above-referenced 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.
 - 10. The Division hearing in original Case No. 21792 was held on April 8, 2021.
 - 11. The Division entered Order No. R-21654 in Case No. 21792 on April 13, 2021.
- 12. At paragraph 19, the order states, "The Operator shall commence drilling the Well(s) within one (1) year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well." At paragraph 20, each order 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."

- 13. Under Order No. R-21654, Longfellow would be required to commence drilling the wells thereunder by April 13, 2022.
 - 14. Good cause exists for the Division to grant the extensions.
- 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.
- 16. Longfellow's operations and drilling activity have been impacted by labor shortages and supply chain issues resulting from COVID-19 policies and from delay in obtaining necessary rights-of-way.
 - 17. Longfellow is in good standing under the statewide rules and regulations.
- 18. Longfellow notified all parties pooled under the orders regarding the requests to reopen these matters for an extension of time to drill. A sample notice letter is attached hereto as **Exhibit A-3**. Proof of notification can be found at **Tab 2** of the exhibit package.

- 19. To date, no party has entered an appearance in this matter. Consequently, no opposition is expected.
- 20. Longfellow incorporates all exhibits provided and admitted into the record at the hearing for the original Case No. 21792.
- 21. Longfellow is not requesting changes to any provisions in the order, other than the changes requested herein, and asks that all other rights and privileges granted to Longfellow in the order remain the same.
- 22. The exhibits to this Affidavit were prepared by me, or compiled from Longfellow's business records.
- 23. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.
 - 24. The foregoing is correct and complete to the best of my knowledge and belief.

FURTHER	AFFIANT	SAYETH	NAUGHT
		DAILII.	$\mathbf{n}_{\mathbf{n}}$

Ryan Reynolds

STATE OF TEXAS)	
)ss	
COUNTY OF DALLAS)	

Subscribed to and sworn before me on December 30, 2021

Notary Public

My Commission expires

12/19/2023

CARMELLA SMITH
Notary Public, State of Texas
Comm. Expires 12-19-2023
Notary ID 6181222

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.

Longfellow Energy, LP
Exhibit A-1
NM OCD Case No. 22402
January 6, 2022

- 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.
- 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.

/s/ Sharon T. Shaheen
Sharon T. Shaheen
Troy S. Lawton
Post Office Box 2307
Santa Fe, NM 87504-2307

(505) 986-2678 sshaheen@montand.com

tlawton@montand.com

Attorneys for Longfellow Energy, LP

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY LONGFELLOW ENERGY, LP

CASE NO. 21792 ORDER NO. R-21654

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Longfellow Energy, LP ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.

9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

Longfellow Energy, LP Exhibit A-2 NM OCD Case No. 22402 January 6, 2022

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. 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.
- 20. 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.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21792 ORDER NO. R-21654

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election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 21792 ORDER NO. R-21654

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- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 4/13/2021

CASE NO. 21792 ORDER NO. R-21654

Exhibit A

COMPULSOR POOLANG APPLICATION CHECKLIST ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case: 21792 APPLICANT'S RESPONSE Date April 8, 2021 Longfellow Energy, LP Applicant Designated Operator & OGRID (affiliation if applicable) 372210 Montgomery & Andrews, P.A. (Sharon Shaheen & John McIntyre) Applicant's Counsel: Application of Longfellow Energy, LP for Compulsory Pooling and Approval Case Title: of Non-Standard Location, Eddy County, New Mexico Entries of Appearance/Intervenors: Well Family Santana State Com 20 CD Formation/Pool Formation Name(s) or Vertical Extent: Yeso Formation Primary Product (Oil or Gas): Oil Pooling this vertical extent: Yeso Formation Pool Name and Pool Code: Artesia; Glorieta-Yeso [96830] Well Location Setback Rules: Statewide Rules Spacing Unit Size: 320 acres, more or less Spacing Unit Type (Horizontal/Vertical) Horizotal 320 acres, more or less Size (Acres) Building Blocks: Quarter-quart section (40 ac) Orientation: East-West S/2 of Section 20-17S-28E Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes Other Situations Depth Severance: Y/N. If yes, description None Proximity Tracts: If yes, description No Proximity Defining Well: if yes, description N/A Applicant's Ownership in Each Tract Tract 1 = 50%, Tract 2 = 0%, Tract 3 = 0% Well(s) Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) Well #1 Santana State Com 20CD 001H, API 30-015-SHL: 1,295' FSL and 200' FWL of Section 21-17S-28E, BHL: 2,301' FSL and 100' FWL of Section 20-17S-28E Completion Target: Yeso at approximately 3,600' Well Orientation: East to West Completion located expected to be standard Horizontal Well First and Last Take Points FTP (~2,313' FSL and 100' FEL of Section 20-17S-28E): LTP (~2,301' FSL and 100' FWL of Section 20-17S-28E) Completion Target (Formation, TVD and MD) Yeso Formation - TVD (~3,600'), MD (~9,015') Well #2 Santana State Com 20CD 002H, API 30-015-SHL: 1,270' FSL and 200' FWL of Section 21-17S-28E, BHL: 1,851' FSL and 100' FWL of Section 20-17S-28E Completion Target: Yeso at approximately 4,000' Well Orientation: East to West Completion located expected to be standard

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FTP (~1,863' FSL and 100' FEL of Section 20-17S-28E); HORIZOTA EN 1984 FOED! 4781 2027 6:45:05 PM LTP (~1,851' FSL and 100' FWL of Section 20-17S-28E) Completion Target (Formation, TVD and MD) Yeso Formation - TVD (~4,000'), MD (~9,415') Well #3 Santana State Com 20CD 003H, API 30-015-SHL: 1,245' FSL and 200' FWL of Section 21-17S-28E, BHL: 1,401' FSL and 100' FWL of Section 20-17S-28E Completion Target: Yeso at approximately 3,600' Well Orientation: East to West Completion located expected to be standard Horizontal Well First and Last Take Points FTP (~1,413' FSL and 100' FEL of Section 20-17S-28E); LTP (~1,401' FSL and 100' FWL of Section 20-17S-28E) Completion Target (Formation, TVD and MD) Yeso Formation - TVD (~3,600'), MD (~9,015') Well #4 Santana State Com 20CD 004H, API 30-015-SHL: 1,200' FSL and 200' FWL of Section 21-17S-28E, BHL: 1,005' FSL and 100' FWL of Section 20-17S-28E Completion Target: Yeso at approximately 4,000' Well Orientation: East to West Completion located expected to be standard Horizontal Well First and Last Take Points FTP (~1,017' FSL and 100' FEL of Section 20-17S-28E); LTP (~1,005' FSL and 100' FWL of Section 20-17S-28E) Completion Target (Formation, TVD and MD) Yeso Formation - TVD (~4,000'), MD (~9,415') Well #5 Santana State Com 20CD 005H, API 30-015-SHL: 1,195' FSL and 200' FWL of Section 21-17S-28E, BHL: 610' FSL and 100' FWL of Section 20-17S-28E Completion Target: Yeso at approximately 3,600' Well Orientation: East to West Completion located expected to be standard FTP (~622' FSL and 100' FEL of Section 20-17S-28E); Horizontal Well First and Last Take Points LTP (~610' FSL and 100' FWL of Section 20-17S-28E) Completion Target (Formation, TVD and MD) Yeso Formation - TVD (~3,600'), MD (~9,015') Well #6 Santana State Com 20CD 006H, API 30-015-SHL: 1,170' FSL and 200' FWL of Section 21-17S-28E, BHL: 214' FSL and 100' FWL of Section 20-17S-28E Completion Target: Yeso at approximately 4,000' Well Orientation: East to West Completion location expected to be non-standard as approved by AO NSL-8156; see Exhibit A, Paragraph 7 Horizontal Well First and Last Take Points FTP (~226' FSL and 100' FEL of Section 20-17S-28E): LTP (~214' FSL and 100' FWL of Section 20-17S-28E) Completion Target (Formation, TVD and MD) Yeso Formation - TVD (~4,000'), MD (~9,415') AFE Capex and Operating Costs Drilling Supervision/Month \$ \$8,000; see Exhibit A, Paragraph 18 Production Supervision/Month \$ \$800; see Exhibit A, Paragraph 18

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uRineeined by OGD it 4/6/2021 6:45:05 PM Please see AFE at Exhibit A-7 Requested Risk Charge 200%; see Exhibit A, Paragraph 19 Notice of Hearing Proposed Notice of Hearing Submitted with online filing of Application Proof of Mailed Notice of Hearing (20 days before hearing) Exhibit C; see Exhibit A-8 Proof of Published Notice of Hearing (10 days before hearing) Ownership Determination Land Ownership Schematic of the Spacing Unit See Exhibits A-2, A-3 & A-4 Exhibits A-2, A-3 & A-4 Tract List (including lease numbers and owners) Pooled Parties (including ownership type) Exhibit A-4 Unlocatable Parties to be Pooled None Ownership Depth Severance (including percentage above & below) None Joinder Sample Copy of Proposal Letter Exhibit A-7 List of Interest Owners (ie Exhibit A of JOA) Exhibit A-4 Chronology of Contact with Non-Joined Working Interests Exhibit A-5 Overhead Rates In Proposal Letter See Exhibit A-7 Cost Estimate to Drill and Complete See AFE at Exhibit A-7 Cost Estimate to Equip Well See AFE at Exhibit A-7 Cost Estimate for Production Facilities See AFE at Exhibit A-7 Summary (including special considerations) Exhibit B-1 Spacing Unit Schematic Exhibit B-3 Gunbarrel/Lateral Trajectory Schematic Exhibit B-7 Well Orientation (with rationale) Exhibit B-1 Target Formation Exhibits B-4, B-5 & B-6 Exhibit B-6 **HSU Cross Section** Depth Severance Discussion n/a Forms, Figures and Tables C-102 Exhibit A-6 Tracts Exhibit A-2 Summary of Interests, Unit Recapitulation (Tracts) Exhibit A-2, A-3 & A-4 General Location Map (including basin) Exhibit A-1 Exhibit B-3 Well Bore Location Map Structure Contour Map - Subsea Depth Exhibit B-2 Cross Section Location Map (including wells) Exhibit B-5 Cross Section (including Landing Zone) Exhibit B-6 Additional Information Special Provisions/Stipulations CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. Printed Name (Attorney or Party Representative): Ryan Culpepper Signed Name (Attorney or Party Representative): Date: 4/6/2021 Page 6 of 100

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CASE NO. 21792 ORDER NO. R-21654



SHARON T. SHAHEEN

Direct: (505) 986-2678

Email: sshaheen@montand.com

www.montand.com

December 17, 2021

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 22402 - Application of Longfellow Energy, LP to Amend Order

No. R-21654 to Extend Time for Drilling

Dear Interest Owner:

This will advise that Longfellow Energy, LP ("Longfellow") has filed an Application with the New Mexico Oil Conservation Division to amend Order No. R-21654 entered in Case No. 22402 to extend the time for drilling. You are receiving this notice because you may have an interest in one or more of these wells.

Case No. 22402. Application of Longfellow Energy, LP to Amend Order No. R-21654, Eddy County, New Mexico (Re-Open). Applicant in the above-styled cause seeks to re-open Case No. 21792 for the limited purpose of amending Order No. R-21654 to extend by one year, through April 13, 2023, the time to commence drilling the (1) Santana State Com 20CD 001H well; (2) Santana State Com 20CD 002H well; (3) Santana State Com 20CD 003H well; (4) Santana State Com 20CD 004H well; (5) Santana State Com 20CD 005H well; and (6) Santana State Com 20CD 006H well, proposed to be drilled into the Yeso formation (Artesia; Glorieta-Yeso [96830]) underlying the S/2 of Section 20, Township 17 South, Range 28 East, NMPM, in Eddy County, New Mexico. The well and lands are located approximately 14 miles west of Loco Hills, New Mexico.

The attached application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **January 6, 2021**, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required

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 Released to Imaging: 1/4/2022 4:40:27 PM Longfellow Energy, LP
Exhibit A-3
NM OCD Case No. 22402
January 6, 2022

EXHIBIT A

INTEREST OWNERS

Working Interest Owners:

SEP Permian, LLC 9655 Katy Freeway Suite 500 Houston, TX 77024

Marmon Holdings, Inc. c/o Cerro de Pasco Corp. 181 W. Madison St., Suite 2600 Chicago, IL 60602-4510

OXY USA WTP, LP 5 Greenway Plaza, Suite 110 Houston, TX 77046 Christine S. Johnson c/o Carolynn Loveless Schlicher 40246 Goodfellow Dr. Dallas, TX 75209

ConocoPhillips Company 925 N. Eldridge Parkway Houston, TX 77079

Gretchen Beidler Nearburg c/o Eugene E. Nearburg 1129 Challenger Lakeway, TX 78734-3825 James Coe Schlicher c/o Carolynn Loveless Schlicher 2309 Bridle Path Austin, TX 78703

Occidental Permian Limited Partnership 5 Greenway Plaza, Suite 110 Houston, TX 77046

Lucinda Loveless, Individually, as Trustee, and her successors in interest as trustee of the Lucinda Loveless Revocable Trust dated December 21, 2006, as amended and restated P.O. Box 8 Hondo, NM 88336-0008

Overriding Royalty Interest Owners:

Apache Corporation 2000 Post Oak Blvd. Suite 100 Houston, TX 77056-4400

Wilson Oil Company, Ltd. P.O. Box 1297 Santa Fe, NM 87505

Richardson Mineral & Royalty, LLC 105 West 3rd St. - #309 Roswell, NM 88201

Black Shale Minerals, LLC 5006 State Hwy 31 North Longview, TX 75603

Rolla R. Hinkle, III 114 Cochiti Ct. Roswell, NM 88202

Occidental Permian, LP 5 Greenway Plaza Suite 110 Houston, TX 77046 Chisos, Ltd. 1331 Lamar St. Suite 1077 Houston, TX 77010

Penasco Petroleum, LLC P.O. Box 2292 Roswell, NM 88202- 2292

Additional Interested Party:

State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501

Tab 2.

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

APPLICATION OF LONGFELLOW ENERGY, LP FOR COMPULSORY POOLING. **EDDY COUNTY, NEW MEXICO**

Case No. 22402

AFFIDAVIT OF NOTICE

STATE OF NEW MEXICO)) ss. COUNTY OF SANTA FE

I, Sharon T. Shaheen, attorney for Applicant LONGFELLOW ENERGY, LP, upon oath state that I caused notice of the application to be sent by certified mail through the United States Postal Service ("USPS") on December 14, 2021, to all uncommitted interest owners sought to be pooled in this proceeding. Evidence of mailing to all parties is attached hereto as Exhibit B-1. In addition, notice was directed, to all owners to whom notice was mailed, by publication in the Carlsbad Current Argus on December 26, 2021, which is reflected in the Affidavit of Publication attached hereto as Exhibit B-2. Exhibit B-2 demonstrates to my satisfaction that any owner who did not receive personal notice through the certified mailing will be properly served by publication.

SHARON T. SHAHEEN

SUBSCRIBED AND SWORN to before me on this 4th day of January.

My Commission Expires: August 13, 2023

Longfellow Energy, LP Exhibit B NM OCD Case No. 22402 January 6, 2022

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: SEP Permian, LLC 9655 Kata Freeway Suite 500 	A. Signature X	
Houston, TX 77024		
9590 9402 6810 1074 3375 58	3. Service Type □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mall Restricted Delivery □ Collect on Delivery □ Collect on Delivery □ Signature Confirmation □ Signature Confirmation	
2. Article Number (Transfer from service label) 7021 0950 0001 6540 1740	Collect on Delivery Restricted Delivery Mail Mail Restricted Delivery S00)	
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt	

무	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only		
7021 0950 0001 6540 1740	Certified Mail Fee 2.33 Extra Services & Fees (check box, add fee as appropriate) Featurn Receipt (nardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery \$ Postage Adult Signature Required \$ Postage SEP Permian, LLC 9655 Katy Freeway Suite 500 Houston, TX 77024		
	PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions		

Longfellow Energy, LP Exhibit B-1 NM OCD Case No. 22402 January 6, 2022

FAQs >

Track Another Package +

Tracking Number: 70210950000165401757

Remove X

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.



See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.



FAQs >

Track Another Package +

Tracking Number: 70210950000165401849

Remove X

Your item was returned to the sender on December 23, 2021 at 12:26 pm in DALLAS, TX 75220 because the addressee moved and left no forwarding address.

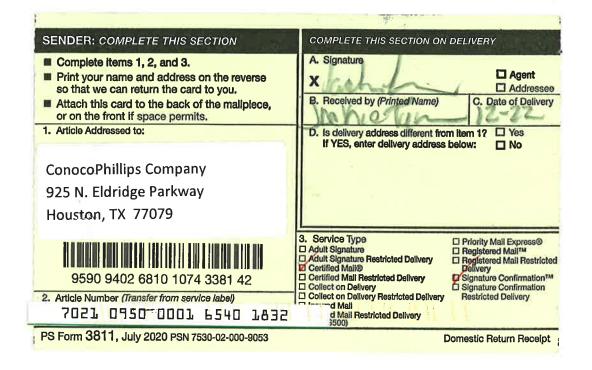


See Less ∧

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

35	U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only		
6540 la	Certifled Mail Fee 333 Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (celorunic) Certifled Mail Restricted Delivery \$	SANTA FE NM DEC 17 2021 USPOHER, USPO	
1000 0560 1	Adult Signature Required \$	7	
7021	925 N. Eldridge Parkway Houston, TX 77079 PS Form 3800, April 2015 PSN 7530-02-000-9047	See Reverse for Instructions	



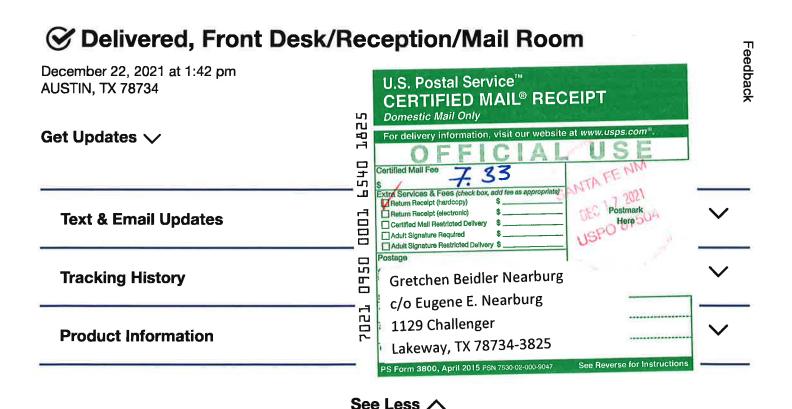
FAQs >

Track Another Package +

Tracking Number: 70210950000165401825

Remove X

Your item was delivered to the front desk, reception area, or mail room at 1:42 pm on December 22, 2021 in AUSTIN, TX 78734.



Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

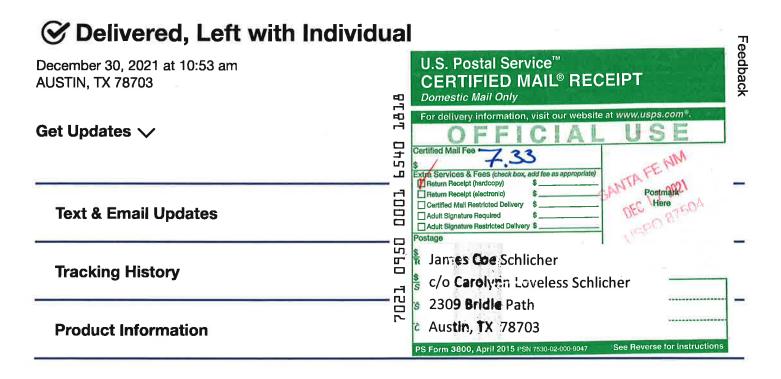
FAQs >

Track Another Package +

Tracking Number: 70210950000165401818

Remove X

Your item was delivered to an individual at the address at 10:53 am on December 30, 2021 in AUSTIN, TX 78703.



See Less ^

Can't find what you're looking for?

FAQs >

Track Another Package +

Tracking Number: 70210950000165401801

Remove X

Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on December 21, 2021 at 11:14 am.



Can't find what you're looking for?

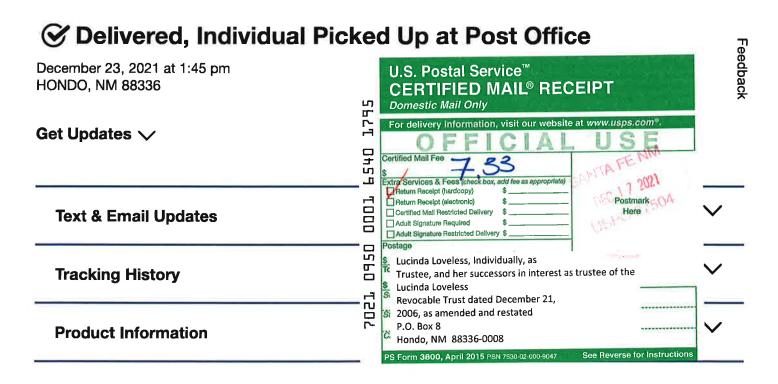
FAQs >

Track Another Package +

Tracking Number: 70210950000165401795

Remove X

Your item was picked up at the post office at 1:45 pm on December 23, 2021 in HONDO, NM 88336.



See Less 🔨

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

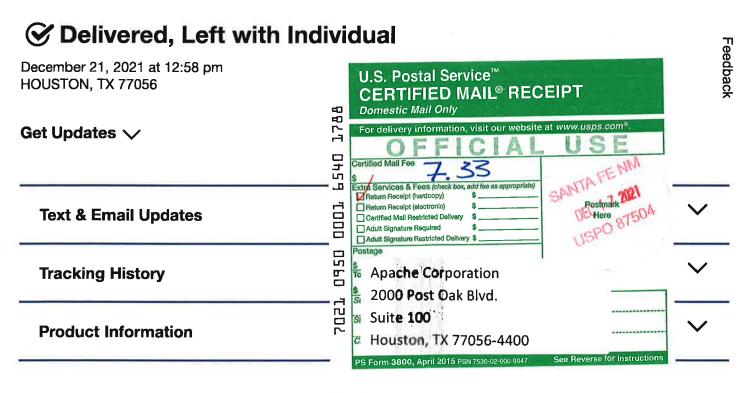
FAQs >

Track Another Package +

Tracking Number: 70210950000165401788

Remove X

Your item was delivered to an individual at the address at 12:58 pm on December 21, 2021 in HOUSTON, TX 77056.



See Less ^

Can't find what you're looking for?

FAQs >

Track Another Package +

Tracking Number: 70210950000165401771

Remove X

This is a reminder to arrange for redelivery of your item before January 3, 2022 or your item will be returned on January 4, 2022. You may arrange redelivery by using the Schedule a Redelivery feature on this page or may pick up the item at the Post Office indicated on the notice.

Reminder to Schedule Redelivery of your item before January 3, 2022

Text & Email Updates

Schedule Redelivery

Tracking Information

Reminder to Schedule Redelivery of your item

Package Information

Postal Product:

Feature:

Certified Mail™

Post Office Information



FAQs >

Track Another Package +

Tracking Number: 70210950000165401856

Remove X

Your item was delivered to the front desk, reception area, or mail room at 10:31 am on December 21, 2021 in ROSWELL, NM 88201.



See Less ∧

Can't find what you're looking for?

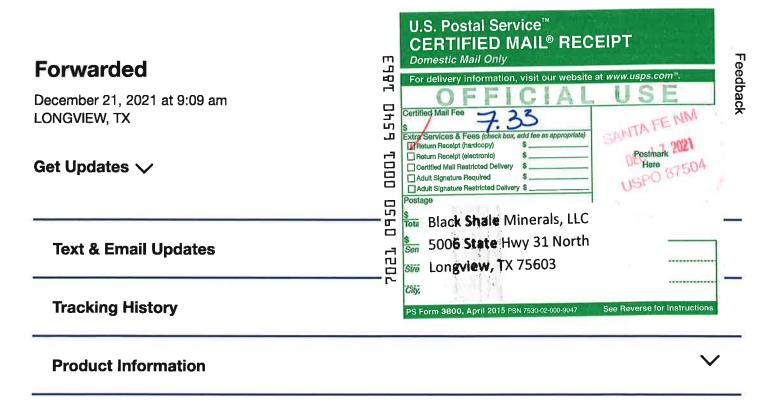
FAQs >

Track Another Package +

Tracking Number: 70210950000165401863

Remove X

Your item was forwarded to a different address at 9:09 am on December 21, 2021 in LONGVIEW, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.



See Less ^

Can't find what you're looking for?

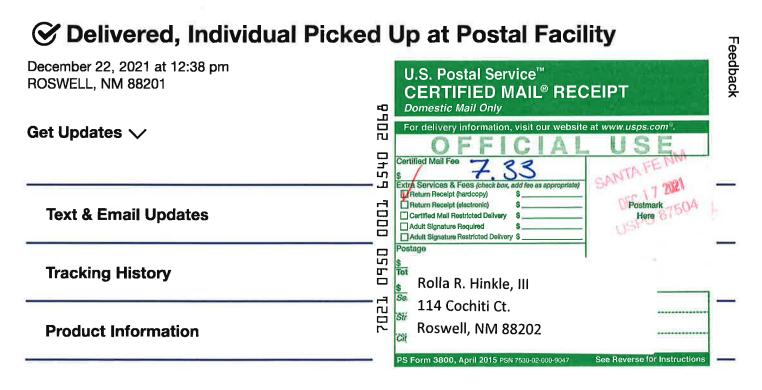
FAQs >

Track Another Package +

Tracking Number: 70210950000165402068

Remove X

Your item was picked up at a postal facility at 12:38 pm on December 22, 2021 in ROSWELL, NM 88201.



See Less ∧

Can't find what you're looking for?

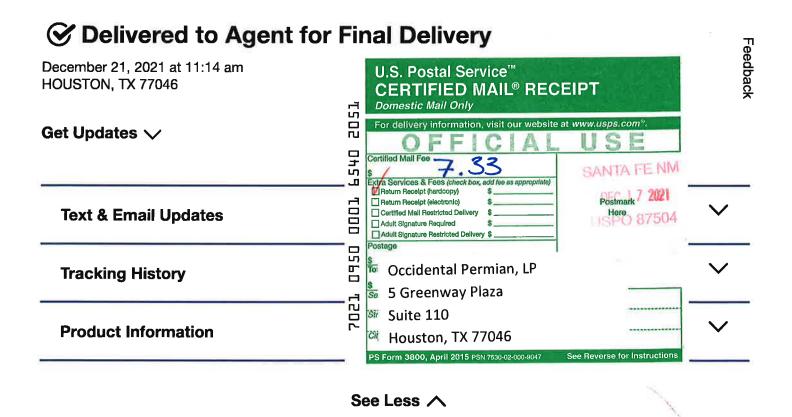
FAQs >

Track Another Package +

Tracking Number: 70210950000165402051

Remove X

Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on December 21, 2021 at 11:14 am.



Can't find what you're looking for?

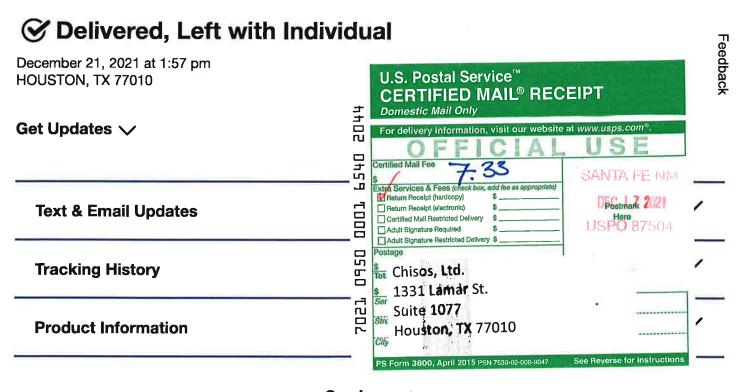
FAQs >

Track Another Package +

Tracking Number: 70210950000165402044

Remove X

Your item was delivered to an individual at the address at 1:57 pm on December 21, 2021 in HOUSTON, TX 77010.



See Less ^

Can't find what you're looking for?

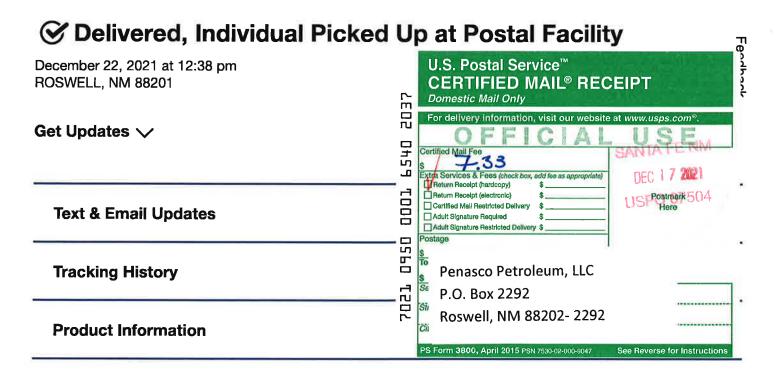
FAQs >

Track Another Package +

Tracking Number: 70210950000165402037

Remove X

Your item was picked up at a postal facility at 12:38 pm on December 22, 2021 in ROSWELL, NM 88201.



See Less ^

Can't find what you're looking for?

USPS Tracking[®]

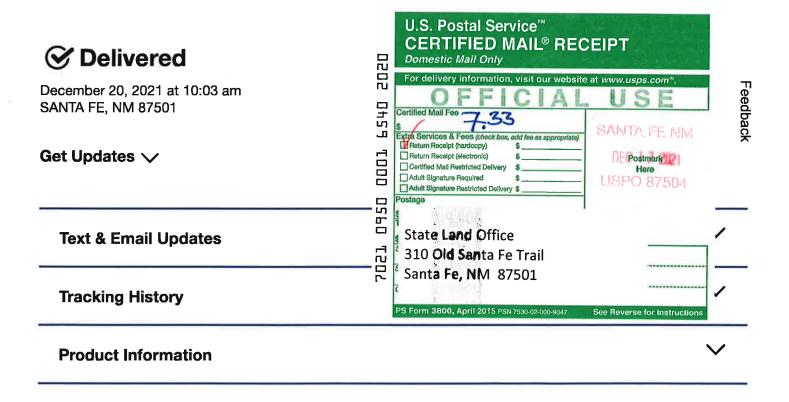
FAQs >

Track Another Package +

Remove X

Tracking Number: 70210950000165402020

Your item was delivered at 10:03 am on December 20, 2021 in SANTA FE, NM 87501.



See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005058093 This is not an invoice

MONTGOMERY & ANDREWS P.A. PO BOX 2307

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/26/2021

Subscribed and sworn before me this December 26,

2021:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

Ad # 0005058093 PO #: 5058093 # of Affidavits1

This is not an invoice

KATHLEEN ALLEN Notary Public State of Wisconsin

Longfellow Energy, LP Exhibit B-2 NM OCD Case No. 22402 January 6, 2022

NOTICE

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted mineral owners:

SEP Permian, LLC; Christine S. Johnson, do Carolynn Loveless Schlicher; James Coe Schlicher, do Carolynn Loveless Schlicher; Marmon Holdings, Inc., c/o Cerro de Pasco Corp.; ConocoPhillips Company; Occidental Permian Limited Partnership; OXY USA WTP, LP; Gretchen Beidler Nearburg, do Eugene E. Nearburg; Lucinda Loveless, Individually, as Trustee, and her successors in interest as trustee of the Lucinda Loveless Revocable Trust dated December 21, 2006, as amended and restated; Apache Corporation; Black Shale Minerals, LLC; Chisos, Ltd.; Wilson Oil Company, Ltd.; Rolla R. Hinkle, Ill; Penasco Petroleum, LLC; Richardson Mineral & Royalty, LLC; Occidental Permian, LP; State Land Office.

Longfellow Energy, LP, has filed an application with the New Mexico Oil Conservation Division as follows:

Case No. 22402. Application of Longfellow Energy, LP to Amend Order No. R-21654, Eddy County, New Mexico (Re-Open). Applicant in the above-styled cause seeks to re-open Case No. 21792 for the limited purpose of amending Order No. R-21654 to extend by one year, through April 13, 2023, the time to commence drilling the (1) Santana State Com 20CD 001H well; (2) Santana State Com 20CD 002H well; (3) Santana State Com 20CD 003H well; (4) Santana State Com 20CD 004H well; (5) Santana State Com 20CD 004H well; (5) Santana State Com 20CD 006H well, and (6) Santana State Com 20CD 006H well; and (6) Santana State Com 20CD 006H well; and (6) Santana State Com 20CD 006H well, proposed to be drilled into the Yeso formation (Artesia; Glorieta-Yeso (96830)) underlying the S/2 of Section 20, Township 17 South, Range 28 East, NMPM, in Eddy County, New Mexico. The well and lands are located approximately 14 miles west of Loco Hills, New Mexico.

This application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division on January 6, 2021, beginning at 8:15 a.m. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: http://www.emnrd.state.nm.us/OCD/hearings.html. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and

present testimony. Familie to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by December 29, 2021, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by December 30, 2021, in accordance with Division Rule 19.15.4.13 NMAC. For further information, contact the applicant's attorney, Sharon T. Shaheen, Montgomery & Andrews, P.A., 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678.

#5058093, Current Argus, Dec. 26, 2021