

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

**APPLICATION OF LONGFELLOW ENERGY, LP
FOR COMPULSORY POOLING AND FOR
APPROVAL OF NON-STANDARD LOCATION,
EDDY COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Longfellow Energy, LP (“Longfellow”), through its undersigned attorneys, 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 Empire; Glorieta-Yeso, East formation (96610) in a standard 160-acre, more or less, horizontal spacing and proration unit comprised of the S/2 S/2 of Section 17, Township 17 South, Range 29 East, in Eddy County, New Mexico. In support of its application, Longfellow states as follows:

1. Longfellow is a working interest owner in the standard horizontal spacing and proration unit (“HSU”) and has the right to drill thereon.
2. Longfellow proposes to drill the following 1-mile well in the proposed HSU: **Angus Federal 17D 001H** well, to be horizontally drilled from an approximate surface hole location 1173’ FSL and 154’ FEL of Section 17, T17S-R29E, to an approximate bottomhole location 1250’ FSL and 20’ FWL of Section 17, T17S-R29E.
3. The first and last take points meet the setback requirements set forth in the statewide rules, but the completed interval is not within the designated minimum setback set forth in the statewide rules. Applicant therefore requests approval of a non-standard location for this well.
4. 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.

5. Approval of the HSU and the pooling of all mineral interest owners in the Empire; Glorieta-Yeso, East formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. 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 March 5, 2020, and, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 160-acre, more or less, horizontal spacing and proration unit comprised of the S/2 S/2 of Section 17, Township 17 South, Range 29 East, in Eddy County, New Mexico;

B. Pooling all mineral interests in the Empire; Glorieta-Yeso, East formation underlying the HSU;

C. Allowing the drilling of the Angus Federal 17D 001H well in the proposed HSU;

D. Approving a non-standard well location for the Angus Federal 17D 001H well;

E. Designating Longfellow as operator of the HSU and the well to be drilled thereon;

F. Authorizing Longfellow to recover its costs of drilling, equipping and completing the well;

G. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

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

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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