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. 23081

PRE-HEARING STATEMENT

LONGFELLOW ENERGY, LP, provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

STRATA PRODUCTION COMPANY

APPLICANT'S ATTORNEY:

Sharon T. Shaheen Ricardo S. Gonzales

Montgomery & Andrews, P.A.

P.O. Box 2307

Santa Fe, New Mexico 87504-2307

(505) 986-2678

sshaheen@montand.com rgonzales@montand.com

OTHER PARTIES

APACHE CORPORATION

OTHER PARTIES' ATTORNEY:

Earl E. DeBrine, Jr. Deana M. Bennett Jamie L. Allen Bryce H. Smith PO Box 2168

500 Fourth St. NW, Suite 1000 Albuquerque, NM 87103-2268

505-848-1800

edebrine@modrall.com
dbennett@modrall.com
jallen@modrall.com
bsmith@modrall.com

STATEMENT OF THE CASE

In this case, Applicant seeks an order from the Division pooling all uncommitted interests in the Yeso formation (Red Lake; Glorieta-Yeso, Northeast [96836]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the S/2 of Section 31, Township 17 South, Range 28 East in Eddy County, New Mexico. The HSU is to be dedicated to the following one-mile wells: (1) Marley State Com 31CD 001H well, to be horizontally drilled from an approximate surface hole location 2098' FSL and 332' FEL of Section 36, T17S-R27E, to an approximate bottom hole location 2266' FSL and 20' FEL of Section 31, T17S-R28E; (2) Marley State Com 31CD 002H well, to be horizontally drilled from an approximate surface hole location 2078' FSL and 332' FEL of Section 36, T17S-R27E, to an approximate bottom hole location 1786' FSL and 20' FEL of Section 31, T17S-R28E; (3) Marley State Com 31CD 003H well, to be horizontally drilled from an approximate surface hole location 805' FSL and 464' FEL of Section 36, T17S-R27E, to an approximate bottom hole location 1304' FSL and 20' FEL of Section 31, T17S-R28E; (4) Marley State Com 31CD 004H well, to be horizontally drilled from an approximate surface hole location 785' FSL and 464' FEL of Section 36, T17S-R27E, to an approximate bottom hole location 822' FSL and 20' FEL of Section 31, T17S-R28E; and (5) Marley State Com 31CD 005H well, to be horizontally drilled from an approximate surface hole location 765' FSL and 464' FEL of Section 36, T17S-R27E, to an approximate bottom hole location 341' FSL and 20' FEL of Section 31, T17S-R28E.

The Marley State Com 31CD 003H well is a proximity well located within the S/2 S/2 of Section 31, T17S-R28E. Its completed interval will be less than 330' from the N/2 S/2 of Section 31, T17S-R28E. Longfellow therefore proposes to include the N/2 S/2 of Section 31, T17S-R28E as proximity tracts under 19.15.16.15(B)(1)(b) NMAC. With the proximity tracts included, the

first and last take points and completed intervals meet the setback requirements set forth in the statewide rules for horizontal oil wells.

Also to be considered in the above-referenced case will be the cost of drilling and completing the wells and allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 12 miles southeast of Artesia City, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Ryan Reynolds, Landman	By affidavit	7-8
Jennifer Eker, Geologist	By affidavit	6-7

PROCEDURAL MATTERS

Assuming no opposition at the time of hearing, this case will be presented by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, PA.

By: /s/Sharon T. Shaheen

Sharon T. Shaheen Ricardo S. Gonzales Post Office Box 2307 Santa Fe, New Mexico 87504-2307 (505) 986-2678

sshaheen@montand.com rgonzales@montand.com

Attorneys for Longfellow Energy, LP

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served by email on September 28, 2022, to the following:

Earl E. DeBrine, Jr.
Deana M. Bennett
Jamie L. Allen
Bryce H. Smith
PO Box 2168
500 Fourth St. NW, Suite 1000
Albuquerque, NM 87103-2268
505-848-1800
edebrine@modrall.com
dbennett@modrall.com
jallen@modrall.com
bsmith@modrall.com

Attorneys for Apache Corp.

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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 147412

QUESTIONS

Operator:	OGRID:
LONGFELLOW ENERGY, LP	372210
8115 Preston Road	Action Number:
Dallas, TX 75225	147412
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	