

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

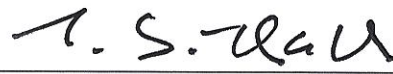
APPLICATION OF LOGOS OPERATING, LLC FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO

CASE NO. 20491

AFFIDAVIT OF NOTICE

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

J. Scott Hall, attorney and authorized representative of LOGOS Operating, LLC, the Applicant in this matter, being first duly sworn, upon oath states that he sent or caused to be sent copies of the Application in this matter to the parties as specified on the attached Exhibit A.



J. SCOTT HALL

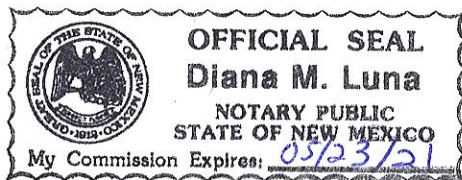
SUBSCRIBED AND SWORN to before me this 19th day of August, 2019.



Notary Public

My Commission Expires:

May 23, 2021



Case No. 20491
August 22, 2019
LOGOS Operating, LLC
Supplemental Exhibit C 15



J. Scott Hall
Senior Attorney
LOGOS Resources II, LLC
317 Paseo de Peralta
P. O. Box 1946
Santa Fe, NM 87504
Office: 505.303.7236
Mobile: 505.670.7362
shall@logosresourcesllc.com

July 26, 2019

July 26, 2019

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS/OPERATORS ON THE ATTACHED LIST

**Re: NMOCD Case No. 20491: Amended Application of LOGOS Operating, LLC for
Compulsory Pooling, San Juan County, New Mexico**

Dear Sir or Madam:

This will advise that LOGOS Operating, LLC has filed an Application with the New Mexico Oil Conservation Division for an order pooling all interests in the Gallup formation Lots 2 (Unit D) and 3 (Unit E) of Section 13 and the N/2 of Section 14, Township 24 North, Range 8 West, NMPM in San Juan County, New Mexico. LOGOS seeks to establish a 196.98-acre \pm horizontal spacing unit in the Escrito-Gallup Oil Pool (22619; Order No. R-5353) underlying the subject lands. The unit will be subject to a federal communitization agreement and will be dedicated to two wells to be drilled by Applicant as follow: (1) the **Dragonfly 2408 13C Com No. 1H** (defining well) at an approximate surface hole location in Lot 1 (Unit C) of Section 13 with an estimated bottom hole location in the NW/4 NW/4 (Unit D) of Section 14; and (2) the **Dragonfly 2408 13C Com No. 2H** (infill well) at an approximate surface hole location in Lot 1 (Unit C) of Section 13 with an estimated bottom hole location in the SW/4 NW/4 (Unit E) of Section 14, all within T24N R8W. The producing interval of each well will be orthodox. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost, the designation of LOGOS Operating, LLC as Operator of the wells, and a 200% charge for the risk involved in drilling and completing

July 26, 2019

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the wells. LOGOS will also provisionally request an exception to the acreage dedication requirements of Division Rule 19.15.16.15.B (2).

A copy of the Amended Application for hearing is enclosed.

This Application will be set for hearing before a Division Examiner on August 22, 2019, at 8:15 a.m. at the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico. 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. Failure 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 attend the hearing and present testimony or evidence, you must enter your appearance and serve the Division, counsel for the Applicant and other parties with a pre-hearing statement at least four business days before the scheduled hearing date in accordance with Division Rule 19.15.4.13.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

JSH

Enclosure

OVERRIDING ROYALTY INTEREST OWNERS

Lonesome Dove Petroleum Co.
P. O. Box 430
St. Thomas, VI 00804

QEP Energy Company
1050 17th Suite 800
Denver, CO 80265

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

APPLICATION OF LOGOS OPERATING, LLC FOR COMPULSORY POOLING,
RIO ARriba COUNTY, NEW MEXICO

Case No. 20474

AMENDED APPLICATION

MAY 13 2019 PM04:12

LOGOS Operating, LLC ("LOGOS") applies for an order pooling all interests in the Gallup formation, Escrito-Gallup Pool (22619; Order No. R-5353), underlying Lots 2 (Unit D) and 3 (Unit E) of Section 13 and the N/2 of Section 14, Township 24 North, Range 8 West, NMPM, San Juan County, New Mexico. In support thereof, LOGOS states:

1. Applicant is an interest owner in the subject lands and has the right to drill thereon.
2. LOGOS proposes to drill two wells to depths sufficient to test and develop the Gallup formation as follow:
 - a. LOGOS plans to drill the **Dragonfly 2408 13C Com No. 1H** (defining well) at an approximate surface hole location in Lot 1 (Unit C) of Section 13-T24N-R8W with an estimated bottom hole location in the NW/4 NW/4 (Unit D) of Section 14.
 - b. LOGOS plans to drill the **Dragonfly 2408 13C Com No. 2H** (infill well) at an approximate surface hole location in Lot 1 (Unit C) of Section 13-T24N-R8W with an estimated bottom hole location in the SW/4 NW/4 (Unit E) of Section 14.
3. The producing interval of each well will be located within the setbacks established for horizontal oil wells.
4. Applicant seeks to dedicate Lots 2 and 3 of Section 13 and the N/2 of Section 14 to form a standard 196.98-acre \pm horizontal spacing unit in the Gallup formation within the Escrito-Gallup Oil Pool. The horizontal spacing unit is comprised of two federal oil and gas leases which

will be subject to a federal Communitization Agreement. Applicant expects to receive preliminary approval of such Communitization Agreement in advance of the hearing in this matter.

5. Applicant has in good faith sought to obtain the voluntary joinder or ratification of all other mineral interest owners in the Gallup formation in the proposed project area for the purposes set forth herein.

6. Although Applicant attempted to obtain voluntary agreements or ratifications from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating or ratifying their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Gallup formation, Escrito-Gallup Oil Pool. Applicant seeks to dedicate Lots 2 and 3 of Section 13 and the N/2 of Section 14 pursuant to NMSA 1978, §§ 70-2-17, 18.

7. LOGOS proposes that the order pooling un-joined mineral interests provide for separate participation elections for each well.

8. Approval of the horizontal spacing unit and the pooling of all mineral interests in the Gallup formation, Escrito-Gallup Oil Pool, underlying Lots 2 and 3 of Section 13 and the N/2 of Section 14 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9. Portions of the proposed horizontal spacing unit are within presently undesignated pool tracts located between the Escrito-Gallup Oil Pool (80-acre spacing) and the Dufer's Point Gallup-Dakota Oil Pool (160-acre spacing). LOGOS provisionally requests an exception to the acreage dedication requirements of Division Rule 19.15.16.15.B (2), if necessary.

WHEREFORE, Applicant requests that this application be set for hearing on June 13, 2019 and that, following notice and hearing, the Division enter its order:

- A. Approving a standard horizontal spacing unit and pooling all mineral interests in the Gallup formation underlying Lots 2 (Unit D) and 3 (Unit E) of Section 13 and the N/2 of Section 14, Township 24 North, Range 8 West, NMPM, San Juan County, New Mexico;
- B. Designating LOGOS Operating, LLC as operator of the wells;
- C. Considering the cost of drilling and completing the wells, and allocating the cost among the wells' working interest owners or mineral interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner or mineral interest owner elects not to participate in the wells and;
- F. Providing for an exception to the acreage dedication requirements of Division Rule 19.15.16.15.B (2) of the Division's rules, if necessary.

Respectfully submitted,



J. Scott Hall
Post Office Box 1946
Santa Fe, NM 87504-1946
(505) 670-7362
shall@logosresourcesllc.com

*Attorney for LOGOS Operating, LLC
and LOGOS Resources II, LLC*

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.

1. Article Addressed to:

QEP Energy Company
1050 17th Suite 800
Denver, CO 80205



9590 9402 4442 8248 6786 45

2. Article Number (Transfer from service label)

7078 3090 0000 6458 5958

PS Form 3811, July 2015 PSN 7530-02-000-9053

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1. Article Addressed to:

1. Article Addressed to:
Lonesome Dove Petroleum Co.
PO Box 430

15. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$

- A. Signature  ☒ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

Box 430

10