

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

**APPLICATION OF SPUR ENERGY
PARTNERS, LLC TO POOL ADDITIONAL
INTEREST OWNERS UNDER THE TERMS
OF ORDER NO. R-20643,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. _____
ORDER NO. R-20643**

APPLICATION

Spur Energy Partners, LLC (“Spur”) (OGRID No. 328947), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to pool additional interest owners under the terms of Order No. R-20643. In support of its application, Spur states:

1. Division Order No. R-20643, entered June 24, 2019, in Case No. 20263, created a 200-acre, more or less, standard horizontal oil spacing unit in the Penasco Draw; San Andres Yeso Pool (50270) underlying the S/2 S/2 of Section 28, and the SE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the “Unit”). An affiliate entity of Spur is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. The Order limited the pooled vertical depths from a stratigraphic equivalent of a depth of 3,201 feet to the base of the Yeso formation at a stratigraphic equivalent of 4,460 feet measured depth, as defined in the Gamma Ray-Neutron Log from the Len Mayer 1 Well (API No. 30-015-05926). The Order dedicated the spacing unit, subject to the pooled vertical limits, to the proposed initial **Nirvana #3H well** to be drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 27, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 29.

3. Since the entry of Order No. R-20643, Spur has determined that there are additional interest owners in the Unit who were not provided notice of the hearing in Case No. 20263, and as a result, whose interests were not pooled by the terms of Order No. R-20643.

4. Spur has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. The pooling of the additional interest owners under the terms of Order No. R-20643 will prevent waste, will protect correlative rights, and will promote administrative efficiency.

6. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interest owners should be pooled in the Unit pursuant to the terms of Order No. R-20643.

7. In order to provide proper notice to these additional interest owners and to bring their interests under the terms of Order No. R-20643, Spur requests that this case be called for hearing at the next available examiner docket.

WHEREFORE, Spur requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 7, 2021, and after notice and hearing as required by law, the Division pool the additional interest owners pursuant to the terms of Division Order No. R-20643.

Respectfully submitted,

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