Form C-101 August 1, 2011

Permit 351059

<u>District I</u> 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

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

1220 S. St Francis Dr. Santa Fe, NM 87505

ADDITION FOR DEDMIT TO DOLL DE ENTED DEEDEN DILICRACK OR ADDIT ZONE

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

APPLICATION FOR PERIVIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE						
Operator Name and Address		2. OGRID Number				
Spur Energy Partners LLC	Spur Energy Partners LLC					
9655 Katy Freeway	3. API Number					
Houston, TX 77024		30-025-52030				
4. Property Code	5. Property Name	6. Well No.				
334753	VALHALLA 9 8 STATE	010H				
7. Surface Location						

UL - Lot Section Range Lot Idn N/S Line Feet From E/W Line D 10 17S 33E 485 Lea 8. Proposed Bottom Hole Location

UL - Lot Section Township Range Lot Idn Feet From N/S Line Feet From E/W Line County G 17S 33E G 1372 2597 Lea

9. Pool Information

WC-025 G-03 S173318N;Y	SO [9	97727

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation	
New Well	OIL		State	4169	
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date	
N	14242	Blinebry		12/14/2023	
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water	

■ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1525	1487	0
Int1	12.25	9.625	36	3275	827	0
Prod	8.75	7	32	6950	2748	0
Prod	8.75	5.5	20	14242	2748	0

Casing/Cement Program: Additional Comments

22. Proposed Blo	wout Prevention Program
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==:::: y :::::::::::::::::::::::::::::::							
Туре	Working Pressure	Test Pressure	Manufacturer				
Double Ram	5	3000	SHAFFER				

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☑ and/or 19.15.14.9 (B) NMAC ☑, if applicable.				OIL CONSERVATIO	ON DIVISION	
Signature:						
Printed Name:	Electronically filed by Sarah Cha	pman	Approved By:	Paul F Kautz		
Title: Regulatory Director			Title:	Geologist		
Email Address: schapman@spurenergy.com			Approved Date:	9/29/2023	Expiration Date: 9/29/2025	
Date:	Date: 9/28/2023 Phone: 832-930-8613			Conditions of Approval Attached		

District 1 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 Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

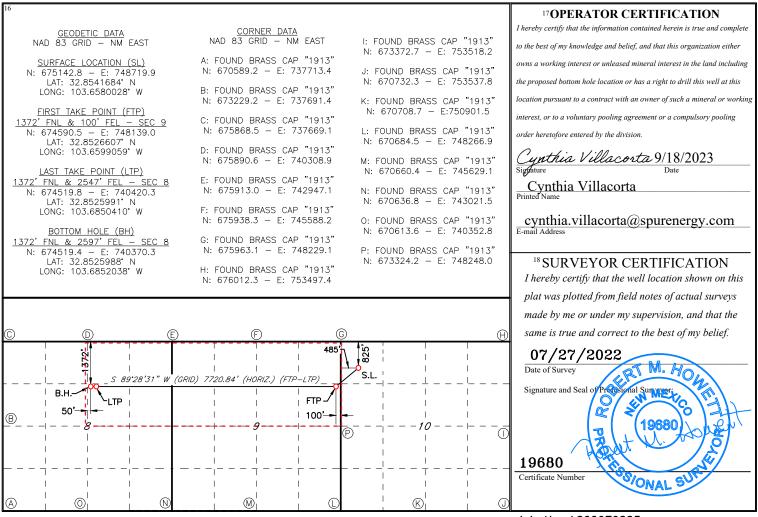
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	r	1	² Pool Code		³ Pool Name				
30-015			44	4500	MALJAMAR; YESO, WEST					
⁴ Property Co	de		⁵ Property Name VALHALLA 9-8 STATE					⁶ Well Number 10H		
7 OGRID	NO.				8 Operator N				9	Elevation
32894	7			SPUR I	ENERGY PA	ARTNERS LLC				4169'
					10 Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/W	est line	County
D	10	17S	33E		825	NORTH	485	WE	ST	LEA
			11 I	Bottom H	ole Location	If Different Fr	om Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County
G	8	17S	33E		1372 NORTH 2597 EAST					LEA
12 Dedicated Acres	s 13 Joint	or Infill 14 (Consolidation	Code 15 C	Order No.					
480										

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



Form APD Conditions

Permit 351059

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Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
Spur Energy Partners LLC [328947]	30-025-52030
9655 Katy Freeway	Well:
Houston, TX 77024	VALHALLA 9 8 STATE #010H

OCD Reviewer	Condition
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing
pkautz	If cement does not circulate on any string , a CBL is required for that string of casing.
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud

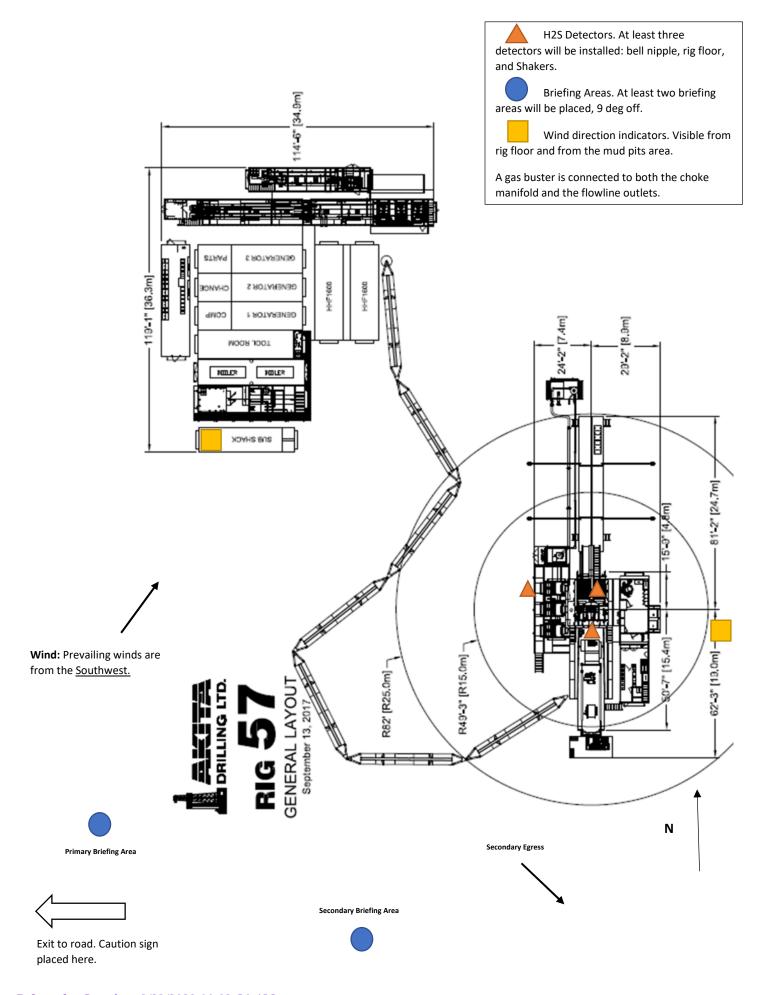


Permian Drilling Hydrogen Sulfide Drilling Operations Plan Vahlhalla 9-8 State Development

Open drill site. No homes or buildings are near the proposed location.

1. Escape

Personnel shall escape upwind of wellbore in the even of an emergency gas release. Escape can take place through the lease road on the Southeast side of the location. Personnel need to move to a safe distance and block the entrance to location. If the primary route is not an option due to the wind direction, then secondary egress route should be taken.



Spur Energy Partners New Mexico Operations Hydrogen Sulfide Operation Plan

A. Introduction:

The Safety of all personnel at Spur Energy Partners Facilities is of utmost importance to the company, and therefor management and employees must take responsibility for their safety and for the safety of all employees and others at a facility. If you have any concerns about the safe operations of the facility, contract personnel, or vendors, please contact the Company's Safety Contact, Superintendent, or Production Foreman immediately.

The objective of this contingency plan is to provide an organized plan of action for alerting, responding to and protecting employees, other workers and the public from H2S exposure in the event of a release of a potentially hazardous volume of H2S to the atmosphere. This plan should be activated immediately if any such release occurs. The Superintendent is responsible for initiating and carrying out the plan.

B. Scope:

Prevent the uncontrolled release of H₂S into the atmosphere. Provide proper procedures and equipment to alert and respond to emergencies.

Provide immediate and adequate medical attention should an injury occur.

To provide Company employees working at actual or potential Hydrogen Sulfide (H2S) facilities with a safe procedure to comply with applicable Federal, State and Company requirements.

This document is intended to provide general policy, procedures and expectations surrounding elevated levels of H2S. The intent is to promote sound and safe operations, while seeking effective communication surrounding operational considerations working around H2S.

This procedure applies to all Company employees and contractors working at facilities that have the potential to release 100 ppm or higher concentrations of H2S.

The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H₂S).

C. Hydrogen Sulfide Gas (H2S) Characteristics:

- H2S is a toxic, poisonous gas that could cause death or injury. And it is also flammable.
- 2. H2S is an irritant and extremely toxic gas that is several times deadlier than carbon monoxide (CO).
- 3. H2S is heavier than air with a specific gravity of 1.1895 @ 600 F. so it will tend to lie in lower areas. Wind movement or air currents can readily disperse H2S since wind currents can easily overcome the heavier weight. On calm days, with no wind, the H2S will tend to accumulate in dangerous concentrations; however, if the H2S is warmer than the surrounding air it may rise.
- H2S is colorless.
- 5. In small concentrations, H2S has the characteristic odor of rotten eggs. It may be detected by smell at a concentration in air of about 2 ppm but may NOT be detected

at high concentrations. DO NOT DEPEND ON THE SENSE OF SMELL TO DETECT H2S! H2S will paralyze the olfactory nerve causing a loss of the sense of smell within 2 – 15 minutes of an exposure in concentrations as low as 100-150 ppm.

6. H2S burns with a blue flame and has an auto ignition temperature of 5000 F. H2S forms an explosive mixture in the range of 4.3% to 45% by volume with air. H2S, when ignited, produces Sulfur Dioxide (SO2). SO2 is another toxic gas but less toxic than H2S.

7. Physiological Effects

- 1,000-2,000+ ppm: Loss of consciousness and possible death.
- 100-1,000 ppm: Serious respiratory, central nervous, and cardiovascular system effects.
- 150-200 ppm: Olfactory fatigue (sense of smell is significantly impaired).
- 100 ppm: Immediately Dangerous to Life and Health (IDLH concentration).
- 5-30 ppm: Moderate irritation of the eyes.
- 5-10 ppm: Relatively minor metabolic changes in exercising individuals during short-term exposures.
- Less than 5 ppm: Metabolic changes observed in exercising individuals, but not clinically significant.
- 5 ppm: Increase in anxiety symptoms (single exposure).
- 5 ppm: Start of the dose-response curve (short-term exposure).
- 0.032-0.02 ppm: Olfactory threshold (begin to smell).

D. H₂STraining

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing work at an effected facility:

- 1. The hazards and characteristics of hydrogen sulfide (H2S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.
- 5. The procedures for operating process equipment.

In addition, supervisory personnel will be trained in the following areas:

- 1. Corrective action and shutdown procedures when a release or leak occurs.
- 2. Notification process

Annual drills will be conducted to utilize the procedures and make improvements as needed. It will also serve as refresher training on the process.

Note: All H2S safety equipment and systems will be installed, tested, and operational when operation commences.

E. Protective equipment controls:

Any facility that has the potential to emit H2S at 100 ppm or higher will be required to install and utilize the below controls:

- 1. Where applicable, area air monitors will be installed and function tested and calibrated no less than monthly and set on a quarterly basis PM schedule.
- 2. Facility operators will use self contained breathing apparatuses (SCBA's) to perform routine operations in areas where H2S may be present.
- 3. Trigger of 100 PPM or more must be communicated and work proceeding the trigger must use the buddy system.
- 4. Visible windsocks must be installed at key locations surrounding the facility.
- 5. H2S warning signs must be placed at the entrance to the facility as well as other key locations.
- 6. Personal H2S Monitor are required to be worn by all personnel on locations.
- 7. Stairs and ladders leading to the top of a tank or vessel containing 300 ppm or greater shall be chained or marked to restrict entry.

F. Emergency Procedures

1. Spill or Release of H₂S gas

If a spill or leak releases H₂S the following action must be initiated and completed:

- a. Internally Employee contacts supervisor and HSE Department and performs "d" below.
- b. Externally Someone identifies a possible H₂S emergency and reports it to Company Management, via the listed phone number on posted facility signs.
- c. The Company dispatches an employee to investigate possible H₂S emergency and will secure situation or initiate emergency call for backup.
- d. If the Radius of Exposure has been breached begin the following:
 - Establish safe command center.
 - Call for additional personnel and delegate the following:
 - i. Notifying public safety agencies (Sheriff, Fire Department, Department of Public Safety, Hwy. Department).
 - ii. Safeguarding the facility and effected area.
 - iii. Blocking roads as needed.
 - iv. Notifying/evacuating public.
 - v. Notifying regulatory agencies.
 - vi. Gathering additional information about release ie., location, flowrate, quantity, etc.
 - vii. Stopping release if safe to do so (use 2 trained persons)
 - viii. Notifying company management.
 - ix. Cleanup/repair facilities.

e. Facility Standard Operating Procedure

- Evacuate the area, travel crosswind then proceed upwind.
- Gather at muster point. Ensure Primary Muster point is upwind
- Notify managers & appropriate EMS if required.
- Safely shut down (ESD) facility if the facility hasn't already shut in.
- Pick up SCBA (should be a 30 minute 1 hour pack, located at Muster point.)
- Use buddy system for man down scenario with rescuers assigned.
 - 1 person to mask up to operate facility controls as needed.
 - o 1 person for rescue if needed.
 - 1 person for calling EMS and company management
- Investigate area and isolate release of gas if safe to do and ensure closure using 4 gas monitor.
- If venting gas can't be isolated, return to muster point, and re-evaluate path forward.
- Give detailed description where/how gas is being released.
- After isolation verify that area monitors return to 0 and are not in alarm.
- Resume normal operations, once managers agree the ROOT CAUSE has been addressed and corrected.

G. Contacting Authorities

Company personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NM Emergency Response Commission must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Spur Energy Partners response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

H. Call List

Spur Energy Partne	rs Eme	rgency	Contact List			
Person	Loc	ation	Office Phon	ıe	Cell Phone	
Drilling and Co	mpletic	ns Depa	artment			
Drilling Manager - Chris Hollis	Houst	on	832-930-8629)	713-380-7754	
Completions Manager - Theresa Voss	Houst	on	832-930-8614	ļ	832-849-8635	
VP of Operations - Seth Ireland	Houst	on	832-930-8527	,	940-704-6375	
Senior VP of Operations - John Nabors	Houst	on	832-930-8526)	281-904-8811	
Executive VP of Operations - Todd Mucha	Houst	on	832-930-8515	5	281-795-2286	
HES/Environmental	and Re	gulatory	Department			
EHS Manager - Braidy Moulder	Artesi	a	575-616-5400)	713-264-2517	
Superintendent - Jerry Mathews	Artesi	a	575-616-5400)	575-748-5234	
Asst. Superintendent - Kenny Kidd	Artesi	a	575-616-5400)	575-703-5851	
Regulatory Director - Sarah Chapman	Houst	on	832-930-8613	}	281-642-5503	
Regula	itory Ag	encies				
Bureau of Land Management		Carlsbad 5		57	575-886-6544	
Bureau of Land Management		Hobbs 5		57	575-393-3612	
Bureau of Land Management		Roswell 57		57	75-622-5335	
Bureau of Land Management		Santa Fe 50		50	05-954-2000	
DOT Judicial Pipelines - Incident Reportir Public Regulation Commission	g NM	Santa F			5-827-3549 5-490-2375	
EPA Hotline		Dallas 2 ⁻		21	4-665-6444	
Federal OSHA, Area Office		Lubbock 80		80	306-472-7681	
National Response Center		Washington, D.C. 80		80	300-424-8803	
National Infrastructure Coordinator Cente	•	Washington, D.C. 2		20	202-282-2901	
New Mexico Air Quality Bureau		Santa Fe 5		50	505-827-1494	
New Mexico Oil Conservation Division					575-748-1283 575-370-7545After	
New Mexico Oil Conservation Division			Hobbs		5-393-6161	
New Mexico Oil Conservation Division			e	50	5-476-3770	
New Mexico OCD Environmental Bureau		Santa F			5-827-7152 5-476-3470	
New Mexico Environmental Department		Hobbs		57	5-827-9329	
NM State Emergency Response Center		Santa F	e	50	5-476-9600	

Medical Facilities						
Artesia General Hospital	Artesia	575-748-3333				
Covenant Medical Center	Lubbock	806-725-1011				
Covenant Medical Center Lakeside	Lubbock	806-725-6000				
Guadalupe County Hospital	Carlsbad	575-887-6633				
Lea Regional Hospital	Hobbs	575-492-5000				
Medical Center Hospital	Odessa	432-640-4000				
Midland Memorial Hospital	Midland	432-685-1111				
Nor-Lea General Hospital	Lovington	575-396-6611				
Odessa Regional Hospital	Odessa	432-334-8200				
Union County General Hospital	Clayton	575-374-2585				
University Medical Center	Lubbock	806-725-8200				
Law Enforce	ement - Sheriff					
Ector County Sheriff's Department	Odessa	432-335-3050				
Ector County Sheriff's Department	Artesia	575-746-2704				
Ector County Sheriff's Department	Carlsbad	575-887-7551				
Lea County Sherrif's Department	Eunice	575-384-2020				
Lea County Sherrif's Department	Hobbs	575-393-2515				
Lea County Sherrif's Department	Lovington	575-396-3611				
Lubbock County Sheriff's Department	Abernathy	806-296-2724				
Midland County Sheriff's Department	Midland	432-688-1277				
Union County Sheriff's Department	Clayton	575-374-2583				
Law Enforce	ement - Police					
Abernathy Police Department	Abernathy	806-298-2545				
Artesia City Police	Artesia	575-746-2704				
Carlsbad City Police	Carlsbad	575-885-2111				
Clayton City Police	Clayton	575-374-2504				
Eunice City Police	Eunice	575-394-2112				
Hobbs City Police	Hobbs	575-397-9265				
		575-393-2677				
Jal City Police	Jal	575-395-2501				
Lovington City Police	Lovington	575-396-2811				

Midland City Police	Midland	432-685-7113							
Odessa City Police	Odessa	432-335-3378							
L	aw Enforcement - FBI								
FBI	Albuquerque	505-224-2000							
FBI	Midland	432-570-0255							
Law Enforcement - DPS (911)									
NM State Police	Artesia	575-746-2704							
NM State Police	Carlsbad	575-885-3137							
NM State Police	Eunice	575-392-5588							
NM State Police	Hobbs	575-392-5588							
NM State Police	Clayton	575-374-2473							
Firef	ighting and Rescue (911)								
Abernathy	Abernathy	806-298-2022							
Amistad/Rosebud	Amistad/Rosebud	575-633-9113							
Artesia	Artesia	575-746-5751							
Carlsbad	Carlsbad	575-885-3125							
Clayton	Clayton	575-374-2435							
Eunice	Eunice	575-394-2111							
Hobbs	Hobbs	575-397-9308							
Jal	Jal	575-395-2221							
Lovington	Lovington	575-396-2359							
Maljamar	Maljamar	575-676-4100							
Midland	Midland	432-685-7346							
Nara Visa	Nara Visa	575-461-3300							
Odessa	Odessa	432-335-4659							
Tucumcari	Tucumcari	911							
West Odessa	Odessa	432-381-3033							

Ambulance (911)								
Abernathy Ambulance	Abernathy	806-298-2241						
Amistad/Rosebud	Amistad/Rosebud	575-633-9113						
Artesia Ambulance	Artesia	575-746-2701						
Carlsbad Ambulance	Carlsbad	575-885-2111						
Clayton Ambulance	Clayton	575-374-2501						
Eunice Ambulance	Eunice	575-394-3258						
Hobbs Ambulance	Hobbs	575-397-9308						
Jal Ambulance	Jal	575-395-3501						
Lovington Ambulance	Lovington	575-396-2811						
Midland Ambulance	Midland	432-685-7499						
Nara Visa Ambulance	Nara Visa	575-461-3300						
Odessa Ambulance	Odessa	432-335-3378						
Tucumcari Ambulance	Tucumcari	911						
Medical Air Ambul	ance Service							
AEROCARE - Methodist Hospital	Lubbock	800-627-2376						
Southwest MediVac	Hobbs	800-242-6199						
Odessa Care Star	Odessa	888-624-3571						

I. List of Facilities with the potential for 500ppm or higher H2S exposure.

ALASKA 29 FEE TANK BATTERY ARABIAN 6 FEE TANK BATTERY ARCO 26 A STATE OIL BATTERY ARCO B FEDERAL COM NO. 001 ARKANSAS STATE 23 TANK BATTERY

AVALON FEDERAL #001

B&B/ROSS RANCH OIL TANK BATTERY BC FEDERAL 10 (9-13) TNK BTY BC FEDERAL 1-8 &14 TNK BTY **BC FEDERAL 42 TNK BTY**

BEE FED OIL BATTERY

BEECH 25 FEDERAL #9H BATTERY

BEECH FEDERAL 1

BEECH FEDERAL 2 BATTERY BERRY A FEDERAL #005 SWB BERRY A FEDERAL PADD BATTERY

BIG BOY STATE TB

BLUETAIL 8 FEDERAL 2 TANK BATTERY BONE YARD 11 FEE TANK BATTERY

BOOT HILL 25 1H SWB

BOSE IKARD 4 ST COM 18H BATTERY

BRANTLEY FEDERAL #001 BR-549 STATE BATTERY BRADLEY 8 FEE #3H-BATTERY BRADLEY 8 FEE BATTERY BRAGG 10 FEE 1 BATTERY

BRIGHAM H 2

BRIGHAM H FED (NORTH) BATTERY

BURCH KEELY 13C TK BTY BURCH KEELY 18A TK BATT BURCH KEELY 19A OIL BATT BURCH KEELY 23A TK BATT

BURCH KEELY EAST 18B TANK BAT BURCH KEELY SEC 13A NORTH BTTY BURCH KEELY SEC 13B SOUTH BTTY

BURCH KEELY UNIT CTB BTTY BURCH KEELY UNIT E BATTERY

BURKETT 16 STATE

CADDO FEDERAL BATTERY **CADILLAC ST 4 BATTERY** CALIFORNIA 29 FEE 1

CARMEN 3 FEDERAL BATTERY CARRINGTON 12 ST 3,4,7 BATTERY **CHASER 8 STATE 2 TANK BATTERY** CHEYENNE FEDERAL TNK BTY CLYDESDALE 1 FEE #1H BAT CLYDESDALE 1 FEE 6H - BATTERY COAL TRAIN FEDERAL COM #1

COFFIN STATE #1

COLLIER 22 STATE COM #43H **COLLIER STATE OIL BATTERY**

CONOCO 8 STATE 4 TB

CONTINENTAL A STATE TNK BTY CONTINENTAL B YESO TANK BTY **CONTINENTAL STATE 15A TNK BTY**

CRYPT 30 STATE #1H

DAGGER DRAW FED/FOSTER FED TANK BATTERY

DARNER 9 STATE 1 TANK BATTERY

DARNER 9 STATE 2

DARTER 9 STATE 8 TANK BATTERY

DARNER 9 STATE CTB

DEXTER FEDERAL PAD TNK BTY

DODD 10A OIL BATTERY DODD 10B TK BTTY DODD FED #14C TK BATT **DODD FED 11A BATTERY**

DODD FED UNIT 980H BATTERY

DODD FEDERAL 14A-TB

DODD FEDERAL UNIT 15A BTTY DODD FEDERAL UNIT NORTH BTTY DODD FEDERAL UNIT SOUTH BTTY DOGWOOD FEDERAL TNK BTY

DORAMI 33 FEDERAL COM 2H.4H.9H TANK BATTERY

EBONY STATE TB

EDWARD STATE TNK BTY

ELECTRA FEDERAL 33 (NORTH) BATTERY **ELECTRA FEDERAL 5 (SWEET) TNK BTY ELECTRA FEDERAL SOUR TNK BTY EMPIRE SOUTH DEEP UNIT 21** FALABELLA 31 FEE #1H TK BATT FALABELLA 31 FEE 8H TK BTY FAT TIRE 12 COM FEDERAL CTB FEDERAL BA COM NO. 001

FEDERAL BB NO. 001

FLAT HEAD FED COM 6H TANK BATTERY FLAT HEAD FED COM 27H TANK BATTERY

FIR FEDERAL TNK BTY
FIRECRACKER STATE TB

FLEMMING STATE OIL BATTERY

FOLK FEDERAL B TNK BTY
FOLK FEDERAL TNK BTY
FOLK STATE TANK BATTERY
FORAN STATE OIL BATTERY
GC FEDERAL 11 TNK BTY
GC FEDERAL 27 TNK BTY
GC FEDERAL TNK BTY

GILLESPIE STATE OIL BATTERY
GISSLER FEDERAL 13H TANK BATT

GJ WEST COOP SOUTH TB
GJ WEST COOP UNIT 092 BTY
GJ WEST COOP UNIT 191 BTY
GJ WEST COOP UNIT 210 BTY
GJ WEST COOP UNIT CENTRAL
GJ WEST COOP UNIT N TNK BTY

GOLD STAR TNK BTY

GOODMAN 22 TANK BATTERY

GRAVE DIGGER FEDERAL COM TANK BATTERY GRAVE DIGGER ST COM #3H TANK BATTERY

GRAVE DIGGER STATE COM #8H SWB

HALBERD 27 ST 3H BATTERY HANOVER STATE #3 (YESO) HARPER STATE TNK BTY HARVARD FEDERAL TNK BTY

HATFIELD B TB

HEARSE 36 ST COM TANK BATTERY HOBGOBLIN 7 FED COM 4H TK BAT

HOLDER CB 11 TNK BTY

HOLDER CB FEDERAL 6&7 TNK BTY

HOLIDAY

HOUMA STATE TNK BTY

HT 18 FED 01.05.04 TANK BATTERY

HT 18 FEDERAL 8

HUBER 10,11,12 FEDERAL OIL TANK BATTERY

HUBER 3 FEDERAL OIL TANK BATTERY
HUBER 5 FEDERAL OIL TANK BATTERY

HYDRUS 10 FED 03.07.08.11 TANK BATTERY

HYDRUS 10 FED 04.05 TANK BATTERY

HYDRUS 10 FED 06.09.10.12 TANK BATTERY

IMPERIAL STATE TNK BTY

IVAR THE BONELESS FED 11H - BATTERY

JC FEDERAL 13 TNK BTY

JC FEDERAL 2 (SOUR) TNK BTY

JC FEDERAL 27 TNK BTY
JENKINS B FEDERAL TNK BTY
JG STATE 16 1 TANK BATTERY
JG STATE 16 7 TANK BATTERY

JON BOB 1

JUNIPER STATE TNK BTY KIOWA OIL BATTERY KOOL AID STATE

ROOL AID STATE

LAKEWOOD NORTH TANK BATTERY LAKEWOOD SOUTH TANK BATTERY LARA MICHELLE STATE OIL BTTY

LEAKER CC STATE TB LEE 3 FEE 6H - TK BATT LIVE OAK TANK BATTERY

MALCO 23 FEDERAL COM #13H

MAPLE STATE

MARACAS 22 STATE TANK BATTERY

MARY FEDERAL OIL BATTERY

MAYARO 22 STATE TANK BATTERY
MC FEDERAL 14 TANK BATTERY
MC FEDERAL 6 DEVONIAN

MC FEDERAL PADDOCK TNK BTY

MC SOUTHEAST BATTERY
MC STATE OIL BATTERY

MCCOY STATE TB

MCINTYRE A EAST TANK BATTERY

MCINTYRE B 10 MCINTYRE B 4

MCINTYRE B TNK BTY
MCINTYRE DK 15 TNK BTY

MCINTYRE DK FEDERAL 28H SWB MEADOWHAWK 5 FEDERAL 3 MELROSE FEDERAL TNK BTY

MERAK 7 FEDERAL 8 TANK BATTERY

MESILLA STATE 3 & 5 TNK BTY

MESILLA STATE TNK BTY

MESQUITE STATE TANK BATTERY

MIMOSA STATE TNK BTY

MIRANDA FEDERAL B TNK BTY

MIRANDA FEDERAL TB

MOE FEDERAL OIL BATTERY
MOHAWK FEDERAL TNK BTY
MONCRIEF 3 OIL BATTERY
MOORE STATE OIL BATTERY
MORRIS BOYD 26 FEE COM 1H
MORRIS BOYD TANK BATTERY
MORRIS E & F TANK BATTERY

MUSKEGON SOUTH STATE OIL BATTERY

NAVAHO FEDERAL TNK BTY NELSON 13.23. TNK BATT

NEWCASTLE 6 FED COM - TANK BATTERY

NIRVANA TANK BATTERY NOOSE FED 10 TANK BATTERY NOOSE FED 5 TANK BATTERY OKLAHOMA 32 TANK BATTERY

OSAGE BOYD 15 FED 09.12.13.14 TANK BATTERY

OSAGE BOYD YESO TANK BATTERY

PAINT 32 FEE OIL BATTERY

PAN CANADIAN A2-B3 TANK BATTERY PASSION 1 FED PDK 5H TK BATT PATTON 5 FEE 2H OIL BATTERY PATTON 5 FEE 8H OIL BATTERY

PAWNEE STATE TNK BTY

PEACEMAKER 25 FEDERAL TANK BATTERY

PERE MARQUETTE 18 FEDERAL 1 TANK BATTERY

PILUM 15 FEE 2H BATTERY

PINTO 36 STATE COM 1H TNK BTY PINTO 36 STATE COM 4H TNK BTY

PINTO 36 STATE TB

POLARIS B 5-10 TANK BTTY

POSEIDON 3 FEDERAL 4 TANK BATTERY

POSEIDON 3 FEDERAL 05.07.17.18 TANK BATTERY

PUCKETT 13 FEDERAL COM 35H

PUCKETT 13 FEDERAL TB

RAGNAR FED COM 25H - BATTERY

RANDALL FED 3 BATTERY
RED LAKE 32 TANK BATTERY
REDBUD FEDERAL TNK BTY
RINCON STATE TANK BATTERY
RJ UNIT NORTH TANK BATTERY
RJ UNIT SOUTH TANK BATTERY

RONCO FEDERAL #1

ROSE 02.03.04.05.06 TANK BATTERY

ROSE SOUTH TANK BATTERY
ROSS RANCH 09.13.14 BATTERY
SAM ADAMS 12 FED 4H UBB TK BATT
SANDY CROSSING 32 STATE COM 1

SCHLEY FEDERAL TNK BTY
SHAWNEE FEDERAL TNK BTY

SHELBY 23 BATTERY

SHERMAN 4 FEE 4H BATTERY SHERMAN 4 FEE 6H BATTERY

SHORTY 2 STATE COM TANK BATTERY SINCLAIR PARKE (PADDOCK) TNK BTY

SKELLY 605 BATTERY
SKELLY 942 BATTERY
SKELLY 968 BATTERY
SKELLY 973 BATTERY
SKELLY 989 BATTERY

SKELLY UNIT 907 CTB BATTERY
SKELLY UNIT 940 BATTERY

SOUTH BOYD FED COM OIL TANK BATTERY

SOUTH EMPIRE STATE COM 1
SPIKETAIL 5 STATE 2 TANK BATTERY

SPRUCE FEDERAL TNK BTY
STATE B GAS COM NO. 001
STATE S-19 YESO (SOUR) TNK BTY
STONEWALL 9 FEE #1H TBAT

STONEWALL 9 FEE 8H BATTERY
SUBMARINE 10 FED COM 2H OIL BAT

TAYLOR D TANK BATTEY
TENNECO STATE TNK BTY

TEX MACK FED
TEXACO BE TNK BTY

TEXAS 32 FEE TANK BATTERY TEXMACK 36 STATE COM #1

TH STATE #1

THO STATE OIL BATTRY
THORNTAIL 31 FEDERAL 1

THUNDER ROAD FEDERAL OIL BTTY

TUMAK FED 3 BAT

VEGA 9 FED TANK BATTERY

VT 36 STATE #1H W D MCINTYRE C 10

WAUKEE 36 STATE COME CTB WD MCINTYRE C 8-9 TNK BTY

WD MCINTYRE E TNK BTY
WELCH A 28 10.20.50 CTB
WESTERN FEDERAL TNK BTY
WHITE OAK STATE B TB
WHITE OAK STATE TNK BTY
WHITE STAR FEDERAL TNK BTY
WICHITA STATE TNK BTY
WILLOW STATE TNK BTY
YALE B OIL BATTERY
YALE STATE TANK BTY
YUCCA STATE TNK BTY



SPUR ENERGY PARTNERS, LLC

LEA COUNTY, NM (NAD 83 - NME) VALHALLA 9-8 STATE 10H

Wellbore #1

Plan: PERMIT

Standard Planning Report

12 September, 2023



Database: EDM 5000.1.13 Single User Db
Company: SPUR ENERGY PARTNERS, LLC
Project: LEA COUNTY, NM (NAD 83 - NME)

Site: VALHALLA 9-8 STATE

Well: 10H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 10H

RKB = 20' @ 4189.00usft (AKITA 57) RKB = 20' @ 4189.00usft (AKITA 57)

Grid

Minimum Curvature

Project LEA COUNTY, NM (NAD 83 - NME)

Map System: US State Plane 1983
Geo Datum: North American Datum 1983
Map Zone: New Mexico Eastern Zone

System Datum:

Mean Sea Level

Site VALHALLA 9-8 STATE

Northing: 673,908.00 usft Site Position: Latitude: 32.8507747 From: Мар Easting: 748,713.80 usft Longitude: -103.6580484 **Position Uncertainty:** 0.00 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.366

Well 10H

Well Position +N/-S 1,234.80 usft Northing: 675,142.80 usft Latitude: 32.8541684 +E/-W 6.10 usft Easting: 748,719.90 usft Longitude: -103.6580029 **Position Uncertainty** 0.00 usft Wellhead Elevation: 0.00 usft **Ground Level:** 4,169.00 usft

Wellbore Wellbore #1 Declination Field Strength Magnetics **Model Name** Sample Date **Dip Angle** (nT) (°) (°) 09/06/23 IGRF2020 6.374 60.383 47.619

Design PERMIT

Audit Notes:

Version: Phase: PLAN Tie On Depth: 0.00

 Vertical Section:
 Depth From (TVD) (usft)
 +N/-S (usft)
 +E/-W (usft)
 Direction (°)

 0.00
 0.00
 0.00
 0.00
 269.48

Plan Sections Measured Vertical Dogleg Build Turn Depth Depth Inclination **Azimuth** +N/-S +E/-W Rate Rate Rate **TFO** (usft) (°/100usft) (°/100usft) (°/100usft) (usft) (usft) (usft) (°) **Target** (°) (°) 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.000 300.00 0.00 0.00 300.00 0.00 0.00 0.00 0.00 0.00 0.000 631.81 6.64 214.49 631.07 -15.82-10.872.00 2.00 0.00 214.488 5,698.04 5,732.96 6.64 214.49 -501.73 -344.670.00 0.00 0.00 0.000 6,672.18 60.00 269 48 6,461.90 -554.51 -821.12 6.00 5.68 5.85 58.435 6,872.18 60.00 269.48 6,561.90 -556.09 -994.32 0.00 0.00 0.00 0.000 7,181.40 90.92 269.48 6,638.59 -558.80 -1,290.00 10.00 10.00 0.00 0.000 14,192.20 90.92 269.48 6,525.80 -622.95 -8,299.60 0.00 0.00 0.00 0.000 VALHALLA 9-8 STA 14,242.21 90.92 269.48 6,525.00 -623.41 -8,349.60 0.00 0.00 0.00 0.000 VALHALLA 9-8 STA



Database: EDM 5000.1.13 Single User Db Company: SPUR ENERGY PARTNERS, LLC Project: LEA COUNTY, NM (NAD 83 - NME) Site: VALHALLA 9-8 STATE

Well: 10H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference: TVD Reference:

MD Reference:
North Reference:
Survey Calculation Method:

Well 10H

RKB = 20' @ 4189.00usft (AKITA 57) RKB = 20' @ 4189.00usft (AKITA 57)

Grid

ıgıı.										
nne	d Survey									
ı	Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		9-8 STATE 10				0.00	0.00	0.00	0.00	0.00
	100.00 200.00	0.00 0.00	0.00 0.00	100.00 200.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
	400.00	2.00	214.49	399.98	-1.44	-0.99	1.00	2.00	2.00	0.00
	500.00	4.00	214.49	499.84	-5.75	-3.95	4.00	2.00	2.00	0.00
	600.00	6.00	214.49	599.45	-12.94	-8.89	9.00	2.00	2.00	0.00
	631.81	6.64	214.49	631.07	-15.82	-10.87	11.01	2.00	2.00	0.00
	700.00 800.00	6.64 6.64	214.49 214.49	698.80 798.13	-22.32 -31.84	-15.33 -21.87	15.53 22.16	0.00 0.00	0.00 0.00	0.00 0.00
	900.00 1,000.00	6.64 6.64	214.49 214.49	897.46 996.79	-41.37 -50.89	-28.42 -34.96	28.79 35.42	0.00 0.00	0.00 0.00	0.00 0.00
	1,100.00	6.64	214.49	1,096.12	-60.42	-34.90 -41.51	42.05	0.00	0.00	0.00
	1,200.00	6.64	214.49	1,195.45	-69.94	-48.05	48.68	0.00	0.00	0.00
	1,300.00	6.64	214.49	1,294.78	-79.47	-54.59	55.31	0.00	0.00	0.00
	1,400.00	6.64	214.49	1,394.11	-88.99	-61.14	61.94	0.00	0.00	0.00
	1,500.00	6.64	214.49	1,493.44	-98.52	-67.68	68.57	0.00	0.00	0.00
	1,600.00 1,700.00	6.64 6.64	214.49 214.49	1,592.77 1,692.10	-108.05 -117.57	-74.22 -80.77	75.20 81.83	0.00 0.00	0.00 0.00	0.00 0.00
	1,800.00	6.64	214.49	1,791.43	-127.10	-87.31	88.46	0.00	0.00	0.00
	1.900.00	6.64	214.49	1,890.76	-136.62	-93.85	95.09	0.00	0.00	0.00
	2,000.00	6.64	214.49	1,990.09	-146.15	-100.40	101.72	0.00	0.00	0.00
	2,100.00	6.64	214.49	2,089.42	-155.67	-106.94	108.35	0.00	0.00	0.00
	2,200.00	6.64	214.49	2,188.75	-165.20	-113.49	114.98	0.00	0.00	0.00
	2,300.00	6.64	214.49	2,288.08	-174.72	-120.03	121.61	0.00	0.00	0.00
	2,400.00 2,500.00	6.64 6.64	214.49 214.49	2,387.41 2,486.74	-184.25 -193.77	-126.57 -133.12	128.24 134.87	0.00 0.00	0.00 0.00	0.00 0.00
	2,600.00	6.64	214.49	2,586.07	-203.30	-139.66	141.50	0.00	0.00	0.00
	2,700.00	6.64	214.49	2,685.40	-212.83	-146.20	148.13	0.00	0.00	0.00
	2,800.00	6.64	214.49	2,784.73	-222.35	-152.75	154.76	0.00	0.00	0.00
	2,900.00	6.64	214.49	2,884.06	-231.88	-159.29	161.39	0.00	0.00	0.00
	3,000.00	6.64	214.49	2,983.39	-241.40	-165.83	168.02	0.00	0.00	0.00
	3,100.00 3,200.00	6.64 6.64	214.49 214.49	3,082.72 3,182.05	-250.93 -260.45	-172.38 -178.92	174.65 181.28	0.00 0.00	0.00 0.00	0.00 0.00
	3,300.00	6.64	214.49	3,281.38	-269.98	-185.47	187.91	0.00	0.00	0.00
	3,400.00	6.64	214.49	3,380.71	-279.50	-192.01	194.54	0.00	0.00	0.00
	3,500.00	6.64	214.49	3,480.04	-289.03	-198.55	201.17	0.00	0.00	0.00
	3,600.00	6.64	214.49	3,579.37	-298.55	-205.10	207.80	0.00	0.00	0.00
	3,700.00 3,800.00	6.64 6.64	214.49 214.49	3,678.70 3,778.03	-308.08 -317.61	-211.64 -218.18	214.43 221.06	0.00 0.00	0.00 0.00	0.00 0.00
	3,900.00	6.64	214.49	3,877.36	-327.13	-224.73	227.69	0.00	0.00	0.00
	4,000.00	6.64	214.49	3,976.69	-336.66	-224.73 -231.27	234.32	0.00	0.00	0.00
	4,100.00	6.64	214.49	4,076.02	-346.18	-237.81	240.95	0.00	0.00	0.00
	4,200.00	6.64	214.49	4,175.35	-355.71	-244.36	247.58	0.00	0.00	0.00
	4,300.00	6.64	214.49	4,274.68	-365.23	-250.90	254.21	0.00	0.00	0.00
	4,400.00	6.64	214.49	4,374.01	-374.76	-257.45	260.84	0.00	0.00	0.00
	4,500.00 4,600.00	6.64 6.64	214.49 214.49	4,473.34 4,572.67	-384.28 -393.81	-263.99 -270.53	267.47 274.10	0.00 0.00	0.00 0.00	0.00 0.00
	4,700.00	6.64	214.49	4,672.00	-403.34	-270.33 -277.08	280.73	0.00	0.00	0.00
	4,800.00	6.64	214.49	4,771.33	-412.86	-283.62	287.36	0.00	0.00	0.00
	4,900.00	6.64	214.49	4,870.66	-422.39	-290.16	293.98	0.00	0.00	0.00
	5,000.00	6.64	214.49	4,969.99	-431.91	-296.71	300.61	0.00	0.00	0.00
	5,100.00	6.64	214.49	5,069.32	-441.44	-303.25	307.24	0.00	0.00	0.00



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Well: 10H
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Design: PERMIT

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Well 10H

RKB = 20' @ 4189.00usft (AKITA 57) RKB = 20' @ 4189.00usft (AKITA 57)

Grid

lanned Surve	у								
Measure Depth (usft)	ed Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,200. 5,300.		214.49 214.49	5,168.65 5,267.98	-450.96 -460.49	-309.79 -316.34	313.87 320.50	0.00 0.00	0.00 0.00	0.00 0.00
5,400. 5,500. 5,600. 5,700. 5,732.	00 6.64 00 6.64 00 6.64 96 6.64	214.49 214.49 214.49 214.49 214.49	5,367.31 5,466.64 5,565.97 5,665.30 5,698.04	-470.01 -479.54 -489.06 -498.59 -501.73	-322.88 -329.43 -335.97 -342.51 -344.67	327.13 333.76 340.39 347.02 349.21	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
VALHA	LLA 9-8 STATE 1	0H KOP: 5732	2.96' MD						
5,750. 5,800. 5,850. 5,900. 5,950.	00 9.39 00 11.92 00 14.62	221.43 235.98 244.79 250.46 254.37	5,714.96 5,764.43 5,813.57 5,862.23 5,910.29	-503.34 -507.98 -512.46 -516.77 -520.90	-345.94 -351.40 -359.45 -370.07 -383.23	350.49 355.99 364.09 374.74 387.94	6.00 6.00 6.00 6.00 6.00	3.45 4.33 5.06 5.41 5.60	40.75 29.11 17.61 11.35 7.82
6,000. 6,050. 6,100. 6,150. 6,200.	00 23.17 00 26.09 00 29.02	257.22 259.38 261.09 262.47 263.62	5,957.60 6,004.05 6,049.50 6,093.82 6,136.90	-524.84 -528.57 -532.08 -535.37 -538.43	-398.89 -417.01 -437.55 -460.43 -485.61	403.64 421.79 442.36 465.27 490.48	6.00 6.00 6.00 6.00 6.00	5.71 5.78 5.83 5.86 5.89	5.69 4.33 3.41 2.77 2.30
6,250. 6,300. 6,350. 6,400. 6,450.	00 37.87 00 40.83 00 43.80	264.60 265.44 266.18 266.83 267.41	6,178.63 6,218.87 6,257.53 6,294.50 6,329.67	-541.25 -543.82 -546.13 -548.18 -549.96	-513.01 -542.56 -574.18 -607.77 -643.25	517.90 547.47 579.11 612.72 648.22	6.00 6.00 6.00 6.00 6.00	5.90 5.92 5.93 5.94 5.94	1.95 1.68 1.47 1.30 1.17
6,500. 6,550. 6,587.	00 52.72	267.94 268.43 268.77 OH FTP: 1372	6,362.96 6,394.26 6,416.20	-551.46 -552.69 -553.42	-680.53 -719.49 -749.48	685.50 724.47 754.47	6.00 6.00 6.00	5.95 5.95 5.96	1.06 0.97 0.91
6,600. 6,650.	00 55.70	268.88 269.30	6,423.50 6,450.59	-553.64 -554.30	-760.03 -802.04	765.02 807.04	6.00 6.00	5.96 5.96	0.87 0.84
6,672. 6,700. 6,800. 6,872. 6,900.	00 60.00 00 60.00 18 60.00	269.48 269.48 269.48 269.48 269.48	6,461.90 6,475.81 6,525.81 6,561.90 6,575.22	-554.51 -554.73 -555.52 -556.09 -556.32	-821.12 -845.21 -931.81 -994.32 -1,018.74	826.12 850.21 936.81 999.32 1,023.74	6.00 0.00 0.00 0.00 10.00	5.96 0.00 0.00 0.00 10.00	0.80 0.00 0.00 0.00 0.00
6,950. 7,000. 7,050. 7,100. 7,150.	00 72.78 00 77.78 00 82.78	269.48 269.48 269.48 269.48 269.48	6,596.12 6,612.99 6,625.69 6,634.12 6,638.24	-556.73 -557.16 -557.61 -558.06 -558.51	-1,064.14 -1,111.19 -1,159.53 -1,208.80 -1,258.61	1,069.15 1,116.20 1,164.55 1,213.81 1,263.63	10.00 10.00 10.00 10.00 10.00	10.00 10.00 10.00 10.00 10.00	0.00 0.00 0.00 0.00 0.00
7,181.		269.48	6,638.59	-558.80	-1,290.00	1,295.02	10.00	10.00	0.00
7,200. 7,300. 7,400. 7,500.	00 90.92 00 90.92	269.48 269.48 269.48 269.48 269.48	6,638.29 6,636.68 6,635.07 6,633.46	-558.97 -559.89 -560.80 -561.72	-1,308.60 -1,408.58 -1,508.57 -1,608.55	1,313.62 1,413.61 1,513.59 1,613.58	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
7,600. 7,700. 7,800. 7,900. 8,000.	00 90.92 00 90.92 00 90.92	269.48 269.48 269.48 269.48 269.48	6,631.86 6,630.25 6,628.64 6,627.03 6,625.42	-562.63 -563.55 -564.46 -565.38 -566.29	-1,708.53 -1,808.51 -1,908.50 -2,008.48 -2,108.46	1,713.57 1,813.55 1,913.54 2,013.53 2,113.52	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
8,100. 8,200. 8,300.	00 90.92	269.48 269.48 269.48	6,623.81 6,622.20 6,620.59	-567.21 -568.12 -569.04	-2,208.45 -2,308.43 -2,408.41	2,213.50 2,313.49 2,413.48	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00



Database: EDM 5000.1.13 Single User Db SPUR ENERGY PARTNERS, LLC Project: LEA COUNTY, NM (NAD 83 - NME) Site: VALHALLA 9-8 STATE

Well: 10H
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Design: PERMIT

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 10H

RKB = 20' @ 4189.00usft (AKITA 57) RKB = 20' @ 4189.00usft (AKITA 57)

Grid

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,400.00	90.92	269.48	6,618.99	-569.95	-2,508.39	2,513.46	0.00	0.00	0.00
8,500.00	90.92	269.48	6,617.38	-570.87	-2,608.38	2,613.45	0.00	0.00	0.00
8,600.00	90.92	269.48	6,615.77	-571.78	-2,708.36	2,713.44	0.00	0.00	0.00
8,700.00	90.92	269.48	6,614.16	-572.70	-2,808.34	2,813.42	0.00	0.00	0.00
8,800.00	90.92	269.48	6,612.55	-573.61	-2,908.33	2,913.41	0.00	0.00	0.00
8,900.00	90.92	269.48	6,610.94	-574.53	-3,008.31	3,013.40	0.00	0.00	0.00
9,000.00	90.92	269.48	6,609.33	-575.44	-3,108.29	3,113.39	0.00	0.00	0.00
9,100.00	90.92	269.48	6,607.72	-576.36	-3,208.27	3,213.37	0.00	0.00	0.00
9,200.00	90.92	269.48	6,606.12	-577.27	-3,308.26	3,313.36	0.00	0.00	0.00
9,300.00	90.92	269.48	6,604.51	-578.19	-3,408.24	3,413.35	0.00	0.00	0.00
9,400.00	90.92	269.48	6,602.90	-579.10	-3,508.22	3,513.33	0.00	0.00	0.00
9,500.00	90.92	269.48	6,601.29	-580.02	-3,608.21	3,613.32	0.00	0.00	0.00
9,600.00	90.92	269.48	6,599.68	-580.93	-3,708.19	3,713.31	0.00	0.00	0.00
9,700.00	90.92	269.48	6,598.07	-581.85	-3,808.17	3,813.30	0.00	0.00	0.00
9,800.00	90.92	269.48	6,596.46	-582.76	-3,908.15	3,913.28	0.00	0.00	0.00
9,900.00	90.92	269.48	6,594.85	-583.68	-4,008.14	4,013.27	0.00	0.00	0.00
10,000.00	90.92	269.48	6,593.25	-584.59	-4,108.12	4,113.26	0.00	0.00	0.00
10,100.00	90.92	269.48	6,591.64	-585.51	-4,208.10	4,213.24	0.00	0.00	0.00
10,200.00	90.92	269.48	6,590.03	-586.42	-4,308.09	4,313.23	0.00	0.00	0.00
10,300.00	90.92	269.48	6,588.42	-587.34	-4,408.07	4,413.22	0.00	0.00	0.00
10,400.00	90.92	269.48	6,586.81	-588.25	-4,508.05	4,513.20	0.00	0.00	0.00
10,500.00	90.92	269.48	6,585.20	-589.17	-4,608.03	4,613.19	0.00	0.00	0.00
10,600.00	90.92	269.48	6,583.59	-590.08	-4,708.02	4,713.18	0.00	0.00	0.00
10,700.00	90.92	269.48	6,581.98	-591.00	-4,808.00	4,813.17	0.00	0.00	0.00
10,800.00	90.92	269.48	6,580.38	-591.91	-4,907.98	4,913.15	0.00	0.00	0.00
10,900.00	90.92	269.48	6,578.77	-592.83	-5,007.97	5,013.14	0.00	0.00	0.00
11,000.00	90.92	269.48	6,577.16	-593.74	-5,107.95	5,113.13	0.00	0.00	0.00
11,100.00	90.92	269.48	6,575.55	-594.66	-5,207.93	5,213.11	0.00	0.00	0.00
11,200.00	90.92	269.48	6,573.94	-595.57	-5,307.91	5,313.10	0.00	0.00	0.00
11,300.00	90.92	269.48	6,572.33	-596.49	-5,407.90	5,413.09	0.00	0.00	0.00
11,400.00	90.92	269.48	6,570.72	-597.40	-5,507.88	5,513.08	0.00	0.00	0.00
11,500.00	90.92	269.48	6,569.11	-598.32	-5,607.86	5,613.06	0.00	0.00	0.00
11,600.00	90.92	269.48	6,567.51	-599.23	-5,707.85	5,713.05	0.00	0.00	0.00
11,700.00	90.92	269.48	6,565.90	-600.15	-5,807.83	5,813.04	0.00	0.00	0.00
11,800.00	90.92	269.48	6,564.29	-601.06	-5,907.81	5,913.02	0.00	0.00	0.00
11,900.00	90.92	269.48	6,562.68	-601.98	-6,007.79	6,013.01	0.00	0.00	0.00
12,000.00	90.92	269.48	6,561.07	-602.89	-6,107.78	6,113.00	0.00	0.00	0.00
12,100.00	90.92	269.48	6,559.46	-603.81	-6,207.76	6,212.98	0.00	0.00	0.00
12,200.00	90.92	269.48	6,557.85	-604.72	-6,307.74	6,312.97	0.00	0.00	0.00
12,300.00	90.92	269.48	6,556.24	-605.64	-6,407.73	6,412.96	0.00	0.00	0.00
12,400.00	90.92	269.48	6,554.64	-606.55	-6,507.71	6,512.95	0.00	0.00	0.00
12,500.00	90.92	269.48	6,553.03	-607.47	-6,607.69	6,612.93	0.00	0.00	0.00
12,600.00	90.92	269.48	6,551.42	-608.38	-6,707.67	6,712.92	0.00	0.00	0.00
12,700.00	90.92	269.48	6,549.81	-609.30	-6,807.66	6,812.91	0.00	0.00	0.00
12,800.00	90.92	269.48	6,548.20	-610.21	-6,907.64	6,912.89	0.00	0.00	0.00
12,900.00	90.92	269.48	6,546.59	-611.13	-7,007.62	7,012.88	0.00	0.00	0.00
13,000.00	90.92	269.48	6,544.98	-612.04	-7,107.61	7,112.87	0.00	0.00	0.00
13,100.00	90.92	269.48	6,543.37	-612.96	-7,207.59	7,212.86	0.00	0.00	0.00
13,200.00	90.92	269.48	6,541.77	-613.87	-7,307.57	7,312.84	0.00	0.00	0.00
13,300.00	90.92	269.48	6,540.16	-614.79	-7,407.56	7,412.83	0.00	0.00	0.00
13,400.00	90.92	269.48	6,538.55	-615.70	-7,507.54	7,512.82	0.00	0.00	0.00
13,500.00	90.92	269.48	6,536.94	-616.62	-7,607.52	7,612.80	0.00	0.00	0.00
13,600.00	90.92	269.48	6,535.33	-617.53	-7,707.50	7,712.79	0.00	0.00	0.00
13,700.00	90.92	269.48	6,533.72	-618.45	-7,807.49	7,812.78	0.00	0.00	0.00



Database: EDM 5000.1.13 Single User Db
Company: SPUR ENERGY PARTNERS, LLC
Project: LEA COUNTY, NM (NAD 83 - NME)
Site: VALHALLA 9-8 STATE

Well: 10H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

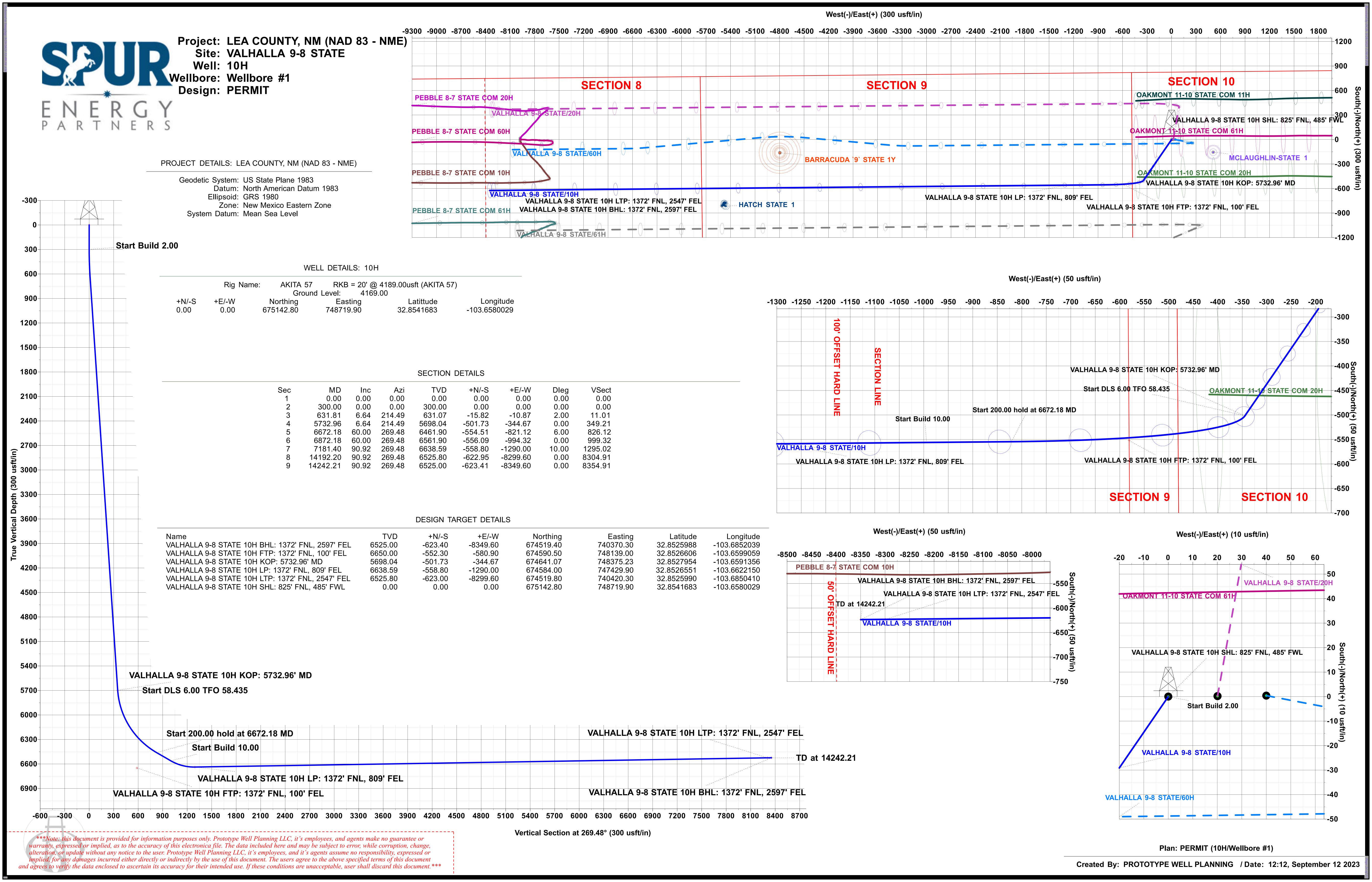
Well 10H

RKB = 20' @ 4189.00usft (AKITA 57) RKB = 20' @ 4189.00usft (AKITA 57)

Grid

lanned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
13,800.00 13,900.00 14,000.00	90.92	269.48 269.48 269.48	6,532.11 6,530.50 6,528.90	-619.36 -620.28 -621.19	-7,907.47 -8,007.45 -8,107.44	7,912.76 8,012.75 8,112.74	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
14,100.00 14,192.20	90.92	269.48 269.48	6,527.29 6,525.80	-622.11 -622.95	-8,207.42 -8,299.60	8,212.73 8,304.91	0.00 0.00	0.00 0.00	0.00 0.00
VALHAL	LA 9-8 STATE 1	0H LTP: 1372'	' FNL, 2547' F	EL					
14,200.00 14,242.2		269.48 269.48	6,525.68 6,525.00	-623.02 -623.41	-8,307.40 -8,349.60	8,312.71 8,354.91	0.00 0.00	0.00 0.00	0.00 0.00
VALHAL	LA 9-8 STATE 1	0H BHL: 1372	' FNL, 2597' F	EL					

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
VALHALLA 9-8 STATE - plan hits target ce - Point	0.00 enter	0.00	0.00	0.00	0.00	675,142.80	748,719.90	32.8541684	-103.6580029
VALHALLA 9-8 STATE - plan hits target ce - Point	0.00 enter	0.00	5,698.04	-501.73	-344.67	674,641.07	748,375.23	32.8527954	-103.6591356
VALHALLA 9-8 STATE - plan misses targe - Point	0.00 et center by		6,525.00 14242.21u	-623.40 sft MD (6525	- ,	674,519.40 23.41 N, -8349.60	740,370.30 DE)	32.8525988	-103.6852039
VALHALLA 9-8 STATE - plan misses targe - Point	0.00 et center by		6,525.80 14192.20u	-623.00 sft MD (6525	-,	674,519.80 22.95 N, -8299.60	740,420.30 DE)	32.8525990	-103.6850410
VALHALLA 9-8 STATE - plan hits target ce - Point	0.00 enter	0.00	6,638.59	-558.80	-1,290.00	674,584.00	747,429.90	32.8526551	-103.6622150
VALHALLA 9-8 STATE - plan misses targe - Point	0.00 et center by		6,650.00 at 6587.17	-552.30 'usft MD (641	-580.90 16.20 TVD, -	674,590.50 553.42 N, -749.48	748,139.00 3 E)	32.8526606	-103.6599059



1. Geologic Formations

		VALHALLA 9-8 STATE (North Pad) Formation Tops	
	DEPTH (KB		
FORMATION	TVD)	LITHOLOGY	EXPECTED FLUIDS
QUATERNARY	0'	DOLOMITE, OTHER: CALICHE	USEABLE WATER
			OTHER: BRACKISH
RUSTLER	1475'	DOLOMITE, SHALE, ANHYDRITE	WATER
TOP SALT	1585'	ANHYDRITE	OTHER: SALT
TANSILL	2695'	SANDSTONE, DOLOMITE	NONE
YATES	2785'	DOLOMITE, LIMESTONE, SHALE, SILTSTONE	NONE
SEVEN RIVERS	3135'	DOLOMITE, LIMESTONE	NATURAL GAS, OIL
QUEEN	3775'	SANDSTONE W INTERBEDDED DOLOMITE, ANHYDRITE	NATURAL GAS, OIL
GRAYBURG	4215'	DOLOMITE W MINOR SANDSTONE, ANHYDRITE	NATURAL GAS, OIL
SAN ANDRES	4530'	DOLOMITIC LIMESTONE	NATURAL GAS, OIL
GLORIETA	5990'	DOLOMITE, SILTSONE	NATURAL GAS, OIL
YESO - Paddock	6080'	DOLOMITIC LIMESTONE	NATURAL GAS, OIL
YESO - Blinebry	6465'	DOLOMITIC LIMESTONE	NATURAL GAS, OIL
Tubb	7295'	DOLOMITIC LIMESTONE	NATURAL GAS, OIL

TVD of Target	6,525'
MD at TD	14,242'

2. Casing Program

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Primary Plan:

Casing	H. I. C' (')	Casing Interval		Csg. Size	Weight	Cwada	Comp	SF	CE D	Body SF	Joint SF
Formation Set Interval	Hole Size (in)	From (ft)	To (ft)	(in)	(lbs)	Grade	Conn.	Collapse	SF Burst	Tension	Tensio n
Rustler	17.5	0	1525	13.375	54.5	J-55	BTC	1.125	1.2	1.4	1.4
Seven Rivers	12.25	0	3275	9.625	36	J-55	BTC	1.125	1.2	1.4	1.4
N/A	8.75	0	6950	7	32	P-110	BK-HT	1.125	1.2	1.4	1.4
Yeso	8.75	6950	14242	5.5	20	P-110	BK-HT	1.125	1.2	1.4	1.4
-		-						SF	Values will me	et or Exceed	

^{*}H2S, water flows, loss of circulation, abnormal pressures, etc.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria).	Y
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	N
If yes, does production casing cement tie back a minimum of 50' above the Reef?	
Is well within the designated 4 string boundary.	
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing?	
Is well located in R-111-P and SOPA?	N
If yes, are the first three strings cemented to surface?	
Is 2 nd string set 100' to 600' below the base of salt?	
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

3. Cementing Program

Primary Plan:

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface Tail	0	1525	165%
Intermediate (Lead)	0	1525	100%
Intermediate (Tail)	1525	3275	100%
Production (Lead)	0	5950	100%
Production (Tail)	5950	14242	25%

Casing String	# Sks	Wt.	Yld	H20	500# Comp. Strength	Slurry Description
		(lb/gal)	(ft3/sack)	(gal/sk)	(hours)	
Surface Tail	1487	13.2	1.87	9.92	6:59	Clas C Premium Plus Cement
Intermediate (Lead)	231	12	2.4	13.48	8:12	Clas C Premium Plus Cement
Intermediate (Tail)	596	13.2	1.87	9.92	6:59	Clas C Premium Plus Cement
Production (Lead)	1146	11.4	2.42	15.29	N/A	Clas C Premium Plus Cement
Production (Tail)	1602	13.2	1.56	9.81	N/A	Clas C Premium Plus Cement

4. Pressure Control Equipment

Spur Energy Partners LLC variance for flex hose

1. Spur requests a variance to use a flex line from the BOP to the choke manifold. Documentation will be attached in the APD and be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no bends).

BOP installed and tested before drilling which hole?	Size?	Min. Required WP	Туре	4	Tested to:												
		5M	Annular	✓	70% of working pressure												
12.25" Hole	13-5/8"		Blind Ram	✓	250 :/2000 :												
12.25" Hole	15-5/8	5M	Pipe Ram	✓													
			Double Ram		250 psi / 3000 psi												
			Other*														
8.75" Hole		5M Annular	✓	70% of working pressure													
	13-5/8"		Blind Ram ✓														
	13-3/8	5M	5M	514	5M	514	514	514	51.4	51.6	514	5 M	514	53.4	Pipe Ram ✓	✓	250 psi / 3000 psi
				Double Ram		230 psi / 3000 psi											
			Other*														

^{*}Spur Energy Partners LLC will be utilizing a 5M BOP*

Condition	Specify what type and where?		
BH Pressure at deepest TVD	3073 psi		
Abnormal Temperature	No		
BH Temperature at deepest TVD	134°F		

^{*}Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Formation integrity test will be performed per Onshore Order #2.

On Ex	On Exploratory wells or on that portion of any well approved for a 5M BOPE system or						
greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in							
accordance with Onshore Oil and Gas Order #2 III.B.1.i.							
Y Are anchors required by manufacturer?							
A conventional wellhead system will be employed. The wellhead and connection to the							
BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2							
after installation on the surface casing which will cover testing requirements for a maximum							
of 30	days.						
See at	tached schematics.						

5. BOP Break Testing Request

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as follows:

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill the production section, where the surface casing point is shallower than the 3 Bone Spring or 10,000 TVD.
- When skidding to drill a production section that does not penetrate the 3rd Bone Spring or deeper.

If the kill line is broken prior to skid, four tests will be performed.

- 1) The void between the wellhead and the spool (this consists of two tests)
- 2) The spool between the kill lines and the choke manifold (this consists of two tests)

If the kill line is not broken prior to skid, two tests will be performed.

1) The void between the wellhead and the pipe rams

6. Mud Program

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Spur will use a closed mud system.

Depth		Type Weight (ppg)		Viscosity	Watan Laga	
From (ft)	To (ft)	Туре	Weight (ppg)	viscosity	Water Loss	
0	1525	Water-Based Mud	8.6-8.9	32-36	N/C	
1525	3275	Brine	10.0-10.5	32-36	N/C	
3275	14242	Brine	10.0-10.5	38-50	N/C	

What will be used to monitor the loss or gain of fluid?	PVT/PASON/Visual Monitoring
---	-----------------------------

7. Logging and Testing Procedures

Logg	Logging, Coring and Testing.						
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs						
	run will be in the Comp	letion Report and submitted to the Bl	LM.				
No	Logs are planned based	on well control or offset log informa	tion.				
No	Drill stem test? If yes, explain						
No	Coring? If yes, explain						
Addi	tional logs planned	Interval					
No	Resistivity						
No	Density						
No	CBL						
Yes	Mud log	ICP - TD					
No	PEX						

8. Drilling Conditions

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

Hyd	Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S							
is de	is detected in concentrations greater than 100 ppm, the operator will comply with the provisions							
of O	of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and							
form	formations will be provided to the BLM.							
N	H2S is present							
Y	H2S Plan attached							

Total estimated cuttings volume: 1321.7 bbls.

9. Other facets of operation

	Y es/No
Will more than one drilling rig be used for drilling operations? If yes, describe.	Yes
Spur Energy Partners LLC. requests the option to contract a Surface Rig to drill,	
set surface casing, and cement for this well. If the timing between rigs is such that	
Spur Energy Partners LLC. would not be able to preset surface, the Primary Rig	
will MIRU and drill the well in its entirety per the APD. Please see the attached	
document for information on the spudder rig.	

Attachments

- x Directional Plan
- _x__ H2S Contingency Plan
- _x__ Akita 57 Attachments
- x BOP Schematics
- __x__ Transcend Spudder Rig Attachments

10. Company Personnel

<u>Name</u>	<u>Title</u>	Office Phone	Mobile Phone
Christopher Hollis	Drilling Manager	832-930-8629	713-380-7754
Johnny Nabors	Senior Vice President Operations	832-930-8502	281-904-8811

State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator:Spi	ır Energy Par	tners LLC	OGRID:	326475	Date:	_09_/_	19_/_2023
II. Type:	☐ Amendment	due to □ 19.15.27.	9.D(6)(a) NMA(C □ 19.15.27.9.D((6)(b) NMAC 🗆	Other.	
If Other, please describ	e:						
III. Well(s): Provide the recompleted from a					wells proposed to	be dri	lled or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	P	Anticipated roduced Water BBL/D
Valhalla 9-8 State 10H	30-015	D-10-17S-33E	825' FNL 485' FWL	425 BBL/D	348 MCF/D		2.206 BBL/D
Valhalla 9-8 State 20H	30-015	D-10-17S-33E	825' FNL 505' FWI	425 BBL/D	348 MCF/D		2,206 BBL/D
Valhalla 9-8 State 60H	30-015	D-10-17S-33E	825' FNL 525' FWL	360 BBL/D	243 MCF/D		1,407 BBL/D
vamana y o state oom	30 013						1,107 BBL/B
IV. Central Delivery I V. Anticipated Schedu			State Tank Batte				7.9(D)(1) NMAC]
proposed to be recompl					ven or set or went	s prope	osed to be drifted of
Well Name	API	Spud Date	TD Reached Date	Completion Commencement			First Production Date
Valhalla 9-8 State 10H	30-015	12/14/2023	12/23/2023	3/19/2024	5/1/202	24	5/3/2024
Valhalla 9-8 State 20H	30-015	12/23/2023	1/1/2024	3/19/2024	5/1/202		5/3/2024
Valhalla 9-8 State 60H	30-015	1/1/2024	1/10/2024	3/19/2024	5/1/202		5/3/2024
vamana y o state oom	30 013	1/1/2024	1/10/2024	3/17/2024	3/1/202		3/3/2024
VI. Separation Equip	nent: ☒ Attacl	h a complete descrip	otion of how Ope	erator will size sep	aration equipmer	it to op	timize gas capture.
VII. Operational Prac Subsection A through I		-	ription of the act	ions Operator wil	l take to comply	with t	he requirements of

VIII. Best Management Practices:

Attach a complete description of Operator's best management practices to minimize venting

during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🗓 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF	

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering	Available Maximum Daily Capacity
			Start Date	of System Segment Tie-in

XI. Map. \square Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system \square will \square will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality:

Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 🖫 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC: or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: (a) power generation on lease; **(b)** power generation for grid;

- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Cynthia Villacorta				
Printed Name: Cynthia Villacorta				
Regulatory Consultant				
E-mail Address: cynthia.villacorta@spurenergy.com				
Date: 9/19/2023				
Phone: 832-661-0711				
OIL CONSERVATION DIVISION				
(Only applicable when submitted as a standalone form)				
Approved By:				
Title:				
Approval Date:				
Conditions of Approval:				



Natural Gas Management Plan – Attachment

VI. Separation equipment will be sized by construction engineering staff based on anticipated daily production to ensure adequate capacity.

VII. Spur Energy Partners LLC ("Spur") will take the following actions to comply with the regulations listed in 19.15.27.8:

- A. Spur will maximize the recovery of natural gas by minimizing waste, as defined by 19.15.2 NMAC, of natural gas through venting and flaring. Spur will ensure that our wells will be connected to a natural gas gathering system with sufficient capacity to transport natural gas.
- B. All drilling operations will be equipped with a rig flare at least 100 feet from the nearest surface hole location. Rig flare will be utilized to combust any natural gas that is brought to surface during normal operations. In the case of emergency, flaring volumes will be reported appropriately.
- C. During completion operations any natural gas brought to surface will be flared. Immediately following completion operations, wells will flow to permanent separation equipment. Produced natural gas from separation equipment will be sent to sales. If natural gas does not meet gathering pipeline specifications, Spur will flare for 60 days or until natural gas meets the pipeline specifications. Spur will ensure flare is properly sized and is equipped with an automatic igniter or continuous pilot. Gas samples will be taken twice per week and natural gas will be routed into a gathering system as soon as the pipeline specifications are met.
- D. Natural gas will not be flared with the exception of 19.15.27.8(D)(1-4). If there is no adequate takeaway for the separator gas, wells will be shut-in until that natural gas gathering system is available with exception of emergency or malfunction situations. Volumes will be reported appropriately.
- E. Spur will comply with performance standards pursuant to 19.15.27.8(E)(1-8). All equipment will be designed and sized to handle maximum pressures to minimize waste. Storage tanks constructed after May 25, 2021 will be equipped with an automatic gauging system that reduces venting of natural gas. Flare stacks installed or replaced after May 25, 2021 will be equipped with an automatic ignitor or continuous pilot. Spur will conduct AVO inspections as described in 19.15.27.8(E)(5)(a) with frequencies specified in 19.15.27.8(E)(5)(b) and (c). All emergencies or malfunctions will be resolved as quickly and safely as possible to minimize waste.
- F. The volume of natural gas that is vented or flared as the result of an emergency or malfunction during drilling and/or completion operations will be estimated and reported accordingly. The volume of natural gas that is vented, flared or beneficially used during production operations, will be measured and reported accordingly. Spur will install equipment to measure the volume of natural gas flared from existing piping or a flowline piped from equipment such as high-pressure separators, heater treaters, or VRUs associated with a well or facility associated with a well authorized by an APD after May 25, 2021 that has an average daily production of less than 60,000 cubic feet of natural gas. If metering is not practicable due to circumstances such as low flow rate or low pressure venting or flaring, Spur will estimate the volume of flared or vented natural gas. Measuring equipment will conform to industry standards and will not be equipped with a manifold



that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing equipment.

VIII. For maintenance activities involving production equipment and compression, venting be limited to the depressurization of the subject equipment to ensure safe working conditions. For maintenance of production equipment, the associated producing wells will be shut-in to eliminate venting. For maintenance of VRUs, all natural gas normally routed to the VRU will be routed to flare.