

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

**APPLICATION OF SPUR ENERGY PARTNERS, LLC
TO AMEND ORDER NO. R-21859 TO EXTEND
TIME TO COMMENCE DRILLING OPERATIONS,
EDDY COUNTY, NEW MEXICO.**

Case No. _____

APPLICATION

Spur Energy Partners, LLC (“Spur”) (OGRID No. 328947), through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) requesting that the Division amend Order No. R-21859 (“Order”) to extend the deadline to commence drilling operations until December 31, 2023. In support of its application, Spur states the following.

1. The Division issued Order No. R-21859 in Case No. 21676 on October 7, 2021, approving a 315-acre, more or less, standard (proximity tract) horizontal spacing unit comprised of the S/2 of Section 7, Township 17 South, Range 30 East in Eddy County, New Mexico (“Unit”), and designating Spur as operator of the Unit.

2. The Order further pooled all uncommitted interests within the Yeso formation at a depth of 4,225’ to 5,000’ in the Loco Hills; Glorieta-Yeso Pool (96718) underlying the Unit and dedicated the Unit to the Merak 7 Federal 10H well; Merak 7 Federal 11H well; Merak 7 Federal 22H well; Merak 7 Federal 51H well; and the Merak 7 Federal 52H well (collectively the “Wells”).

3. The Order requires Spur to commence drilling the Wells within one (1) year of the date of the Order unless Spur obtains a time extension from the Division Director for good cause shown.

4. As a result of delays associated with COVID-19, disruption in the market, and service company availability, Spur has revised its drilling schedule and plans to commence drilling the Wells by the fourth quarter of 2023.

5. Spur requests that the Division amend the Order to extend the deadline for Spur to commence drilling the Wells until December 31, 2023.

WHEREFORE, Spur requests that this application be set for hearing on July 7, 2022, and after notice and hearing required by law, the Division amend Order No. R-21859 to extend the deadline for Spur to commence drilling the wells until December 31, 2023.

Respectfully submitted,

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