

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

**APPLICATION OF SPUR ENERGY
PARTNERS LLC FOR APPROVAL OF A
PRESSURE MAINTENANCE PROJECT,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23685

NOTICE OF SUPPLEMENTAL EXHIBITS

Spur Energy Partners LLC (“Spur”) (OGRID No. 328947), the applicant in the above-referenced case, in response to requests from the Division’s technical examiners confirms that Spur Energy Partners LLC (OGRID No. 328947) is the proposed designated operator of the pressure maintenance project and gives notice that it is filing into the record the following supplemental exhibits:

- Spur Exhibit F – Affidavit of Publication
- Spur Exhibit G – Supplemental Geology Statement of Reed Davis
- Spur Exhibit H – Revised Proposed Injection Well Bore Diagram
- Spur Exhibit I – Documentation of Surface Casing Remediation

Spur respectfully requests that the supplemental exhibits be accepted into the record in this case.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR SPUR ENERGY PARTNERS LLC

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005804042

This is not an invoice

HOLLAND AND HART
PO BOX 2208

SANTA FE, NM 87504-2208

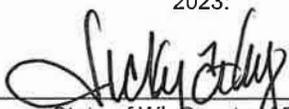
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

08/23/2023



Legal Clerk

Subscribed and sworn before me this August 23, 2023:



State of WI, County of Brown
NOTARY PUBLIC

9/19/25

My commission expires

VICKY FELTY
Notary Public
State of Wisconsin

Ad # 0005804042
PO #: 23685
of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Supplemental Exhibit No. F
Submitted by: Spur Energy Partners, LLC
Hearing Date: August 3, 2023
Case No. 23685

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, September 7, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearinginfo/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-6591779, no later than August 27, 2023.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m83c3ecf5b757a93f26a029c5b871606d> Webinar number: 2484 767 1008

Join by video system: 24847671008@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll Access code: 2484 767 1008

Panelist password: edC57GzhwV8 (33257494 from phones and video systems)

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: All affected interest owners, including: Commissioner of Public Lands – New Mexico State Land Office; NM OCD District 2; Alfred Foy Curry, IV, his heirs and devisees; Alison Claire Curry Saun-

ers, their heirs and devisees; Ballard E. Spencer Trust, Inc; First National Bank of Artesia C/o Trust Department; Big Surprise LLC; Chase Oil Corporation; COG Operating LLC; Dylan T. Tarter, his or her heirs and devisees; Ellis G. Vickers, ESV Enterprises, his or her heirs and devisees; Empire Energy, LLC; EOG Resources, Inc.; FLP Trafalgar II, LP, C/O Legacy Partners (Preston Butcher); Frontier Field Services, LLC; Fuller Family Trust Donald & Nancy D Fuller, CoTTees; Gatorex Holdings LLC; Justin Nine & Sara Nine, their heirs and devisees; Lapaguera LLC; Lou Ann Langford, her heirs and devisees; Marathon Oil Co.; Mark K. Nearburg, his heirs and devisees; Marshall & Winston, Inc; Morris E. Schertz, his heirs and devisees; New State Gas, LLC; OXY USA Inc.; OXY Y-1 Company; Robert Glass Langford, his heirs and devisees; Roy G. Barton, Jr., his heirs and devisees; Sally Ellis, her heirs and devisees; SEP Permian LLC; Sharbro Energy, LLC; Silverback New Mexico, LLC; Thomas M. Beall, his heirs and devisees; Vladin LLC; Wolfcamp Title LLC; and Yates Petroleum Corporation.

Case No. 23685: Application of Spur Energy Partners LLC for Approval of a Pressure Maintenance Project, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order approving a pressure maintenance project in the Yeso formation underlying a project area comprised of all of Section 36, Township 18 South, Range 25 East, and the W/2 W/2 of Section 31, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

Produced gas will be injected into the Penasco Draw; San Andres, Yeso Pool (Pool Code 50270) through the Pinto 36 State Com #003H well (API No. 30-015-39782) at a total vertical depth of approximately 2,311 feet to approximately 2,673 feet along the horizontal portion of this wellbore. Spur seeks approval to inject at a maximum surface injection pressure of 670 psi with an average surface injection pressure of approximately 470 psi. Spur proposes to inject produced gas at a maximum rate of 10 MMCF per day with an average daily injection rate of approximately 5 MMCF per day. The source of the produced gas will be the Penasco Draw; San Andres, Yeso Pool. The proposed project is located approximately 10 miles south of Artesia, New Mexico.
#5804042, Current Argus,
August 23, 2023



RE: Spur Energy Partners, LLC - Pinto 36 State Com #3H Proposed Pressure Maintenance Project, Eddy County, New Mexico

ALL Consulting, LLC (ALL) has performed a thorough hydrologic investigation related to the Pinto 36 State Com #3H proposed pressure maintenance well. The investigation was conducted to determine if there were any existing or potential connections between the proposed injection interval in the Paddock Formation and the deepest underground source of drinking water (USDW).

ALL performed an assessment and analysis of the subsurface geophysical log data along with published documents on the groundwater in this vicinity of Eddy County, New Mexico. Based on ALL's assessment and analysis, there is containment through multiple confining zones above the Paddock Formation and the USDW and approximately 1,521 feet of vertical separation between the base of the USDW and the top of the injection interval. Additionally, there is no evidence of extensive faulting that would allow for communication between the USDW and the Paddock Formation.

08/30/2023

Reed Davis

Date

Geophysicist

ALL Consulting, LLC

Eddy, NM
API# 30-015-39782

SPUD DATE: 4/20/2012
ELEV: 3465' GL, 12' KB

PROPOSED WBD

HOLE SIZE: 12-1/4"

9-5/8" 36# J-55 LTC Csg @ 1,227'
CMT WITH 250 SX C + 300 SX H +
500 SX CLASS C, CIRC 33 SX TO SURF.
TOC @ 220' FROM SURF VIA TEMP
SURVEY

PROPOSED TBG DETAIL

+/- 74 JOINTS OF 2-7/8" J55 IPC TBG
PACKER @ 2406' (64 DEG INCLINATION)

HOLE SIZE: 8-3/4"

7" 26# L-80 Csg @ 1624'

5-1/2" 17# L-80 Csg @ 6,817'

CMT WITH 500 SX C , CIRC 110 SX TO SURF FOR 7"
CMT 400 SX C LEAD AND 170 SX C TAIL, CIRC 307 SX TO
SURF FOR 5-1/2" , TOC AT SURFACE

CROSS OVER FROM 7" TO
5-1/2" Csg @ 1,624'

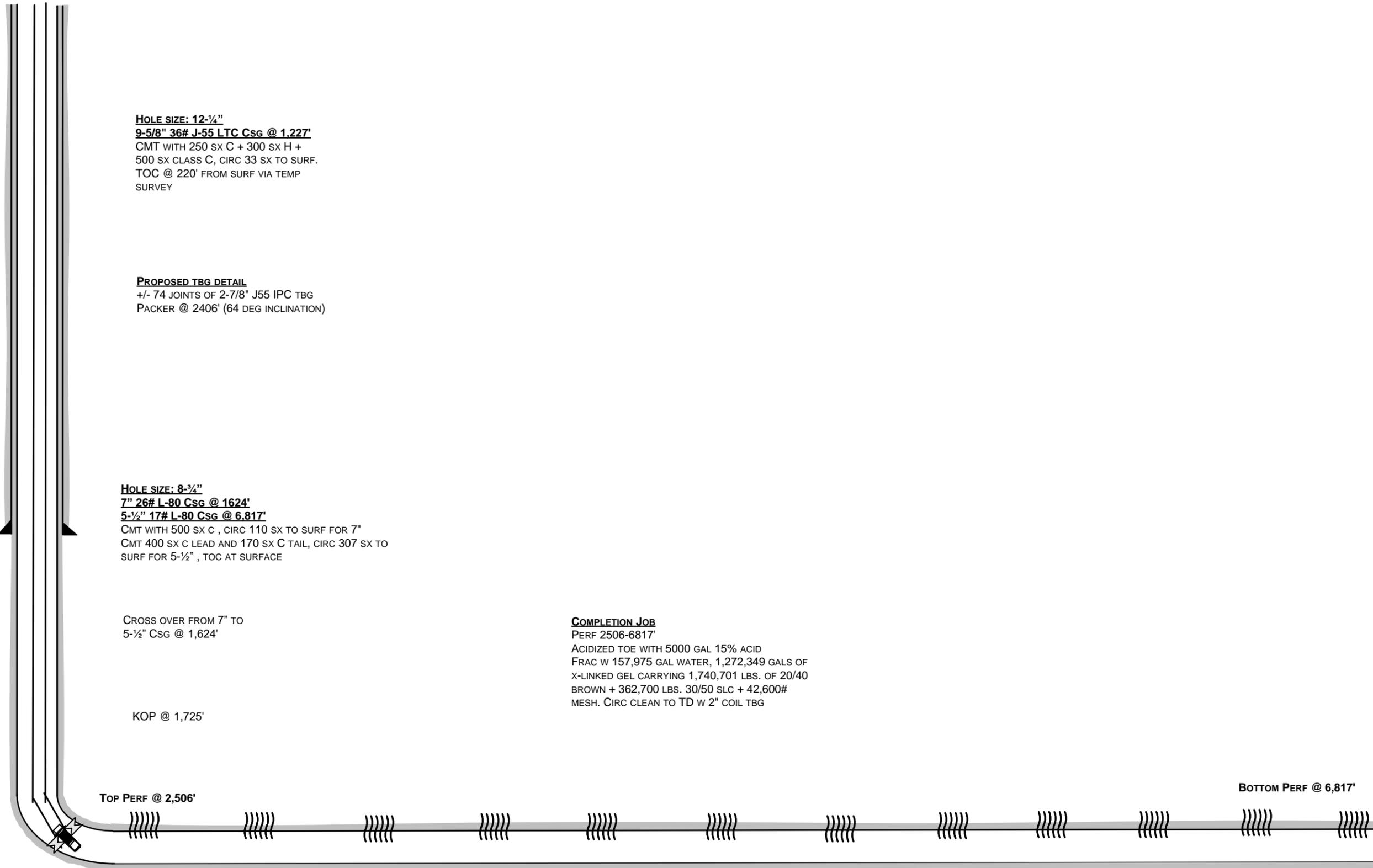
KOP @ 1,725'

COMPLETION JOB

PERF 2506-6817'
ACIDIZED TOE WITH 5000 GAL 15% ACID
FRAC W 157,975 GAL WATER, 1,272,349 GALS OF
X-LINKED GEL CARRYING 1,740,701 LBS. OF 20/40
BROWN + 362,700 LBS. 30/50 SLC + 42,600#
MESH. CIRC CLEAN TO TD W 2" COIL TBG

TOP PERF @ 2,506'

BOTTOM PERF @ 6,817'



TD (MD) @ 6,917' TD
(TVD) @ 2,672.3'

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Supplemental Exhibit No. H
Submitted by: Spur Energy Partners, LLC
Hearing Date: August 3, 2023
Case No. 23685

Application for Authorization to Inject
Well Name: Pinto 36 State Com #3H

III – Well Data *(The Wellbore Diagram is included as Attachment 1)*

A.

(1) General Well Information:

Operator: Spur Energy Partners LLC (OGRID No. 328947)
Lease Name & Well Number: Pinto 36 State Com #3H
Location Footage Calls: 150 FNL & 2260 FEL
Legal Location: Unit Letter B, S36 T18S R25E
Ground Elevation: 3,465'
Proposed Injection Interval: 2,506' – 6,817' MD (2,311' – 2,673' TVD)
County: Eddy

(2) Casing Information:

Type	Hole Size	Casing Size	Casing Weight	Setting Depth (MD)	Sacks of Cement	Estimated TOC	Method Determined
Surface	12-1/4"	9-5/8"	36.0 lb/ft	1,227'	1530	Surface	Circulation
Production Casing	8-3/4"	7" – 5-1/2"	17. - 26.0 lb/ft	6,817'	1070	Surface	Circulation
Tubing	N/A	2-7/8"	6.5 lb/ft	2,406'	N/A	N/A	N/A

Note: Crossover from 7" to 5-1/2" intermediate casing occurs at 1,624'.

(3) Tubing Information:

2-7/8" (6.5lbs/ft) J-55 IPC tubing with setting depth of 2,406' MD

(4) Packer Information: D&L Oil Tools ASI-X Packer or equivalent packer set at 2,406' MD

B.

(1) Injection Formation Name: Paddock member of the Yeso Formation

Pool Name: Penasco Draw; Sa-Yeso (ASSOC)

Pool Code: 50270

(2) Injection Interval: Perforated injection between 2,311' – 2,673'VD (2,506' – 6,817' MD)

(3) Drilling Purpose: Recompletion for pressure Maintenance

(4) Other Perforated Intervals: No other perforated intervals exist.

(5) Overlying Oil and Gas Zones: Below are the approximate formation tops for known oil and gas producing zones in the area.

- San Andres (692')

Underlying Oil and Gas Zones: Below are the approximate formation tops for known oil and gas producing zones in the area.

- Wolfcamp (5,700')
- Cisco (7,652')
- Morrow (9,008')

V – Well and Lease Maps

A ½-mile well details table with casing and plugging information for each of the plugged penetrating wells, as well as the following maps, are included in **Attachment 2**:

- 2-mile Oil & Gas Well Map
- 2-mile Lease Map
- 2-mile Mineral Ownership Map
- 2-mile Surface Ownership map
- Potash Lease Map

VI – AOR Well List

There are 30 wells within the 1/2-mile AOR, including nine plugged wells that penetrate the proposed injection zone.

A list of the wells within the 1/2-mile AOR, and wellbore diagrams for each of the nine (9) plugged wells that penetrate the injection interval are included in **Attachment 2**.

VII – Proposed Operation

- (1) **Proposed Maximum Injection Rate:** 10 MMCF/day
Proposed Average Injection Rate: 5 MMCF/day
- (2) A **closed system** will be used.
- (3) **Proposed Maximum Injection Pressure:** 670 psi (surface)
Proposed Average Injection Pressure: approximately 470 psi (surface)
- (4) **Source Injectate Analysis:** It is expected that the injectate will consist of gas produced from the Paddock member of the Yeso Formation and re-injected into the same formation for the purposes of pressure maintenance **Attachment 3**.

VIII – Geologic Description

The proposed injection interval includes the Paddock member of the Yeso Formation from 2,311 – 2,673 feet. This formation consists predominantly of dolomites and anhydritic dolomites, and some siltstones within the Yeso Formation. These formations are capable of taking gas produced from the subject formation(s) in the area.

The freshwater aquifers are the Artesian & Valley fill with the base of the USDW being located within the Grayburg Formation at approximately 690 feet. Water well depths in the area range from approximately 4.5 - 165 feet below ground surface.

IX – Proposed & Previous Stimulation Program

Spur does not plan to restimulate the Pinto 36 State Com #3H, however, this well was previously stimulated in the following manner:

- Perforated from 2,506' – 6,817'.
- Acidized toe with 5,000 Gal 15% Acid.
- Fracked with 157,975 gallons of water, 1,272,349 gallons of X-linked Gel carrying 1,740,701 lbs of 20/40 brown, 362,700 lbs 30/50, and 42,600# mesh sand.
- Circulated clean to TD with 2" coil TBG.

X – Logging and Test Data

Logs will be submitted to the Division upon completion of the well.

XI – Fresh Groundwater Samples

Based on a review of data from the New Mexico Office of the State Engineer, 25 groundwater wells are located within 1 mile of the proposed SWD location. Two (2) of the water wells located within one (1) mile were previously sampled and analyzed.

A water well map, details of water wells within one (1) mile, and any associated water analyses are included in **Attachment 4**.

XII – No Hydrologic Connection Statement

No faulting is present in the area that would provide a hydrologic connection between the injection interval and overlying USDWs. Additionally, the casing program has been designed to ensure there will be no hydrologic connection between the injection interval and overlying USDWs.

XIII – Proof of Notice

A Public Notice was filed with the Carlsbad Argus newspaper and an affidavit is included in **Attachment 5**.

A copy of the application was mailed to the OCD District Office, landowner, and leasehold operators within 1/2-mile of the proposed SWD location. A list of the recipients, as well as delivery confirmations, are included in **Attachment 5**.

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

District I
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720
District II
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170
District III
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

Permit 148824

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-015-39782
1. Type of Well: O		5. Indicate Type of Lease P
2. Name of Operator COG OPERATING LLC		6. State Oil & Gas Lease No.
3. Address of Operator 550 W TEXAS , SUITE 1300 , MIDLAND , TX 79701		7. Lease Name or Unit Agreement Name PINTO 36 STATE COM
4. Well Location Unit Letter <u>B</u> : <u>150</u> feet from the <u>N</u> line and <u>2260</u> feet from the <u>E</u> line Section <u>36</u> Township <u>18S</u> Range <u>25E</u> NMPM <u>Eddy</u> County		8. Well Number 003H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3465 GR.		9. OGRID Number 229137
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat
Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE OF PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
Other:		Other: Drilling/Cement	<input checked="" type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
 See attachment.
 See Attached
4/21/2012 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
04/23/12	Surf		12.25	9.625	36	J55	220	1227	1050		C				Y
05/10/12	Prod		7.875	5.5	17	L80	0	6817	570		C				Y

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Electronically Signed _____ TITLE Production Reporting Mgr DATE 5/15/2012
 Type or print name Diane Kuykendall E-mail address dkuykendall@conchoresources.com Telephone No. 432-683-7443

For State Use Only:
 APPROVED BY: Randy Dade TITLE District Supervisor DATE 5/16/2012 9:26:37 AM

Pinto 36 State Com #3H

4/21/12 Spud 12-1/4 @ 9:30AM.

4/23/12 TD 12-1/4 @ 1227. Ran 29jts 9-5/8 J55 36# @ 1227. Cmt w/250sx C. 300sx H. 500sx C.

4/24/12 PD @ 12:30AM. Ran temp surv. TOC @ 220. Cmt 480sx in 11 stgs. Circ 33sx to surf. WOC 18hrs.

Test csg to 1200# for 30 min,ok.

4/26/12 Drill 8-3/4 to KOP @ 1725. Drill 7-7/8 hole.

4/28/12 TD 7-7/8 pilot @ 3800. Cmt w/500sx C. Circ 110sx to surf.

4/29/12 Pump cmt plug #2 @ 2760. Cmt w/500sx C. Circ 154sx to surface.

4/30/12 Drill cmt from 1725 to Top of curve 1800. EOC 2604.

5/7/12 TD 7-7/8 @ 6917MD 2439TVD.

5/10/12 Ran 128jts 5-1/2 17# L80 @ 6817. Cmt 400sx C. lead, 170sx C. tail. PD @ 12:55PM. Circ 307sx to surface.