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

APPLICATION OF LONGFELLOW ENERGY LP
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 25572
ORDER NO. R-24036

MOTION FOR RECONSIDERATION

Spur Energy Partners LLC ("Spur") (OGRID 328947), through its undersigned attorneys, hereby files this motion to reconsider Spur's request to stay Oil Conservation Division Order No. R-24036 ("Order") as well as to stay the effect Division approval of the APD for the Petty 31CD Fed Com Well (API No. 30-015-58054) under 19.15.7.9 NMAC. Specifically, Spur seeks to maintain the status quo and prevent irreparable injury to Spur, and the Division should issue an order instituting the requested stays until Longfellow Energy, LP ("Longfellow") complies with the terms and requirements of the Order and/or amends the Order to reflect its actual drilling and development plans. In support of its motion, Spur states:

1. The Division's denial of Spur's Motion for Stay not only cites factual findings that are materially incorrect but incorrectly finds that there is no legal or procedural basis for the requested stay. Spur files this motion with the support of evidence and citation to authority demonstrating that the Division's order was in error, and requests the Division grant the motion and enter the requested stay.

2. First and foremost, the Division has continuing jurisdiction over all matters relating to the conservation of oil and gas, and it has jurisdiction, authority, and control over all things necessary or proper to enforce the provisions of the oil and gas act. NMSA 1978, § 70-2-6 (A). This continuing jurisdiction has been specifically extended to include Order No. R-24036 where

the Division expressly states that it "retains jurisdiction of this matter for the entry of such orders as may be deemed necessary." *See* ¶ 37.

3. Second, it is clear from both Longfellow's Response to Spur's Motion and the Division's denial of the same that the Division was persuaded by Longfellow's assertion that there is a "looming BLM lease expiration that was set to expire during the first half of May 2026, which would result in the Unit falling apart." *See* Longfellow Response at ¶¶ 16-17. Longfellow further argued that a stay "would also risk federal leasehold consequences that could impair the Unit as a whole." *Id*. at Argument § 5. The Hearing Examiner adopted this representation wholesale, without any evidentiary support, as Finding of Fact No. 9 and incorporated it into Conclusion of Law No. 5.

4. But the BLM lease at issue is not at risk of terminating until May 2027. *See* Spur Exhibit A, Self Affirmed Statement of Nash Bell. Moreover, Spur has reason to believe that Longfellow was aware of the actual lease expiration date. *Id*. With the lease expiration concern removed, Longfellow's claimed harm that would result from a stay reduces to a generalized operational inconvenience — rig standby costs, scheduling disruptions, and the like. These mere inconveniences do not justify endangering Spur's correlative rights or permitting Longfellow to proceed in direct contravention of Order No. R-24036.

5. Most, if not all, of Longfellow's alleged harm stems from this fundamental factual discrepancy and Longfellow's self-manufactured urgency. As Spur noted in its original Motion, Longfellow's directional plan — generated October 28, 2025 — already reflected a departure from the development plan it proposed in the compulsory pooling proceeding, which culminated in Order No. R-24036 issued on December 1, 2025. Longfellow knew of its intent to deviate from the approved plan before the Order was even issued and yet still waited until May 1, 2026 — more

than six months later — to file its deviation notice and did so only after Spur raised concerns about the substantial divergence from the development plan approved by the Division.

6. Finding of Fact No. 4 states that "Paragraph 20 of the Order requires all wells to be spudded within one year; it does not prescribe drilling sequence." This finding misunderstands Spur's valid concerns: not merely that Longfellow is drilling these wells in a new order—to the extent it will drill multiple initial wells at all—but that Longfellow intends to *only* drill a single initial well. As expressly stated to Spur, Longfellow informed Spur that it moved the target interval for the 006H Well into the lower Paddock because it would be the only initial well. Exhibit A, ¶ 9.

7. The Division's July 12, 2024 Notice expressly states that Paragraph 20 "is intended to mean that all wells the operator proposed in Exhibit A shall be spudded within one (1) year total from the date of the OCD Director signature." The Notice further states that this provision does not "grant an operator permission to drill only what the Operator may deem as the defining well within this timeline." *See* Longfellow Response, Ex. D at 1.

8. Longfellow's own Response concedes this interpretation, acknowledging that "all wells the operator proposed in Exhibit A shall be spudded within one (1) year total from the date of the OCD Director signature." *See* Longfellow Response at Argument § 3 (quoting Ex. D). Longfellow then claims it "intends to spud all nine Unit wells by November 30, 2026." *Id*. But this claim is directly contradicted by Longfellow's own conduct and statements: its deviation notice, its revised gun-barrel diagram, and its communications with Spur all demonstrate that Longfellow has altered the target bench, footages, and spacing for the 006H well and intends to seek a formal amendment to the Order for the remaining wells — after the 006H well is drilled. *See* Exhibit A,

¶¶ 7-9. This is not actual compliance with the Order; it is a post-hoc attempt to ratify a deviation that was never properly approved and to do so in a piece-meal fashion.

9. By contrast, Spur's harm — permanent alteration of subsurface drainage patterns, impairment of correlative rights, and the drilling of a well that deviates from the approved development plan without proper Division review or approval — is concrete, ongoing, and irreversible. *See* Spur Exhibit B, Self Affirmed Statement of Matthew Van Wie.

10. Finding of Fact No. 7 and Conclusion of Law No. 3 states that Spur has not demonstrated irreparable non-economic harm, but this is simply not the case.

11. First, impairment of correlative rights is, by definition, a non-economic harm recognized by New Mexico law and the Division's own enabling statute. *See* NMSA 1978, § 70-2-12 (OCD's mandate includes protection of correlative rights). Allowing Longfellow to drill a well to a different target bench with different drainage characteristics than what was approved — without proper Division review or approval — permanently alters the subsurface drainage patterns of the Unit. This harm cannot be undone after the well is drilled and completed. *See* Exhibit B, ¶¶ 9-11.

12. Second, the Denial Order's reliance on Order ¶ 26 as a remedy is misplaced. Paragraph 26 provides a mechanism for resolving disputes over actual well costs after completion. As noted in Matthew Van Wie's attached statement, the basis for the objection is not the difference between estimated and actual well costs, which is addressed by Order ¶ 26; it is the fact that the $1 million jump in estimated costs is because Longfellow now proposes to drill only a single well—the 006H well—resulting in a substantial and material increase in the estimated costs compared to what was proposed and approved at hearing. This proposed increase in cost will be imposed on Spur without prior notice or consent and in contravention of what was approved under

the Order. Moreover, Order ¶ 26 does not address, and cannot remedy, permanent subsurface harm caused by improper bench selection, spacing, or drainage. A cost-reconciliation mechanism is not a substitute for proper pre-drilling review of a materially modified well plan.

13. Third, Longfellow's own Response concedes that it intends to seek a formal amendment to Order No. R-24036 for the remaining eight wells after the 006H well is drilled. *See* Longfellow Response at ¶¶ 19-20. This concession confirms that Longfellow itself recognizes that the additional undisclosed changes to the development plan are material enough to require further amendment of the Order— yet it seeks to drill the first well under the modified plan without that amendment and without notifying Spur or the Division what those further additional modifications will be. Will it seek to drop the other eight wells as initial wells from the Order or some portion of them? Exactly how will Longfellow modify its overall spacing with the shift in the target bench and footages for the 006H well? These fundamental questions and others remain unclear because Longfellow has not confirmed its future plans, only that it will seek future additional deviations from the Order. Spur should not be required to accept the permanent subsurface consequences of an unapproved development plan while waiting for Longfellow to seek after-the-fact Division ratification in a piece-meal process without clarity on the what the future modifications will be.

14. In that same vein, Longfellow contradicts itself by arguing that the change to the drilling plan "does not actually rise to a deviation requiring approval" because there is "no formation change" and "no reasonable probability of altering ultimate Unit drainage." *See* Longfellow Response at ¶ 22. But then on the other hand, Longfellow states that it intends to seek a formal amendment to the Order to reflect "comprehensive modifications" to the development plan for the remaining wells. *Id*. at ¶¶ 19-20. Longfellow cannot have it both ways. If the current changes do not constitute a deviation, then the Order would not need amended, but Longfellow

has already acknowledged that an amendment will be necessary and additional future amendments, as well. To Spur, this concession confirms that a material deviation has occurred — one that required prior Division approval under Order ¶ 22 and the Division's guidance.

15. Finding of Fact No. 10 and Conclusion of Law No. 6 state that Spur identified no procedural rule authorizing an emergency stay of both a pooling order and an APD. But Spur does cite to several procedural bases: 19.15.4.23.B NMAC expressly authorizes the Division Director to issue stays to prevent waste and protect correlative rights. Both grounds are present here: Longfellow is drilling a well that deviates from the approved development plan, creating the risk of improper drainage and waste, and impairing Spur's correlative rights; 19.15.14.10.B NMAC authorizes the Division to impose conditions on an approved permit to drill. This provision authorizes the Division to condition Longfellow's APD on compliance with Order No. R-24036 — which would effectively stay the APD pending proper Division review of the deviation; and 19.15.2.11.B NMAC authorizes the Division or Commission to issue an order staying an APD without a hearing upon a finding that an emergency exists.

16. Contrary to Longfellow's assertion that 19.15.14.10.B NMAC "does not create a private right for a non-operator working-interest owner to suspend a valid APD by emergency motion," *see* Longfellow Response at Argument § 1, Spur is not asserting a private right to suspend the APD- it is requesting that the Division exercise its own authority under these provisions to protect correlative rights and prevent waste, which it is obligated to do under the Oil and Gas Act.

16. Finally, a stay is appropriate and necessary to preserve the status quo where the Division has already confirmed that because of Spur's timely objection to Longfellow's proposed deviation a hearing is necessary. Despite receiving Spur's objection and being notified that it must file an application for a hearing to obtain approval for its proposed deviation, Longfellow

nevertheless proceeded to commence drilling in defiance of the Division's guidance and direction to file an application for hearing. Without instituting a stay, the purpose of requiring Longfellow to file an application and go to hearing to get Division approval on its deviations will be substantially undermined if Longfellow can just proceed with its unapproved plans. Any inconvenience or costs incurred to Longfellow because of a stay are a consequence of its own decision to commence drilling before obtaining final approval from the Division.

WHEREFORE, Spur requests that the Oil Conservation Division reconsider its denial of Spur's Emergency Motion to Stay, or, in the alternative, expedite a hearing on Longfellow's request for deviation, and, after notice and hearing as required by law, the Division enter an order granting this motion and:

- Staying the effect of Division-approved APD;
- Staying the effect of Order No. R-24036 until Longfellow complies with its terms or files an application to amend the Order to reflect its actual drilling and development plans;
- Ruling that Longfellow's March 30, 2026 well proposal under Order No. R-24036 is invalid; and
- Such other relief as the evidence supports and the Division deems advisable.

Respectfully submitted,

HOLLAND & HART LLP

By:_____

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
agrankin@hollandhart.com
pmvance@hollandhart.com
arstarnes@hollandhart.com

ATTORNEYS FOR SPUR ENERGY PARTNERS LLC

CERTIFICATE OF SERVICE

I hereby certify that on May 22, 2026, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

James P. Parrot
Miguel A. Suazo
Jacob L. Everhart
Ryan McKee
Beatty & Wozniak, P.C.
500 Don Gaspar Ave.
Santa Fe, NM 87505
(505) 946-2090
jparrot@bwenergylaw.com
msuazo@bwenergylaw.com
jeverhart@bwenergylaw.com
rmckee@bwenergylaw.com

Attorneys for LONGFELLOW ENERGY, L.P.

Adam Rankin

EXHIBIT A

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

APPLICATION OF SPUR ENERGY PARTNERS LLC TO ENFORCE THE REQUIREMENTS OF ORDER NO. R-24036, EDDY COUNTY, NEW MEXICO.

CASE NO. 25572
ORDER NO. R-24036

SELF-AFFIRMED STATEMENT OF NASH BELL

1. My name is Nash Bell, and I work for Spur Energy Partners LLC, ("Spur") as the senior Vice President of land. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. In Case No. 25572, Spur's interest was pooled into a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 31, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Unit"), and Longfellow (OGRID 372210) was designated as operator of the Unit.

4. Spur owns a 37.511173% interest in the Unit.

5. Under its initial well proposal, Longfellow proposed to drill the following nine initial wells it dedicated to the Unit "back to back":

- **Petty Federal Com 31CD 001H well**, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,717' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,628' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 002H well**, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,697' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,319' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 003H well**, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,677' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 2,159' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 004H well**, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,657' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 1,785' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 005H well**, to be horizontally drilled from a surface hole location approximately 441' FWL and 1,637' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 1,410' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 006H well**, to be horizontally drilled from a surface hole location approximately 1,085' FWL and 676' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 1,250' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 007H well**, to be horizontally drilled from a surface hole location approximately 1,086' FWL and 656' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 875' FSL of Section 31-16S-31E;

- **Petty Federal Com 31CD 008H well**, to be horizontally drilled from a surface hole location approximately 1,086' FWL and 636' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 500' FSL of Section 31-16S-31E; and

- **Petty Federal Com 31CD 009H well**, to be horizontally drilled from a surface hole location approximately 1,087' FWL and 616' FSL of Section 32-16S-31E and a bottomhole location approximately 20' FWL & 340' FSL of Section 31-16S-31E.

6. The Oil Conservation Division (the "Division") issued Order No. R-24036 (the "Order") in December of 2025, pooling Spur's interest and approving Longfellow's plan of development and designating all nine wells as initial wells under the Order.

7. Just three months later, on March 30, 2026, Longfellow issued a well proposal pursuant to the terms of the Order for a single well— **the Petty Federal Com 31CD 006H well**. At that time, the proposal indicated that the target formation for the 006H well was still the Blinebry, but when Spur asked to confirm the TVD and the landing zone for the Petty 006H,

Longfellow (for the very first time) informed Spur that this well would now target the lower Paddock.

8. Notably, this proposed change in target formation, from the Blinebry to the lower Paddock, ultimately impacts the entire development plan put forward by Longfellow in the Division hearing, as explained by Matthew Van Wie in his attached statement. In response to the new proposal, the land team at Spur reached out to Longfellow for clarification on the new plan and how it would affect the overall development plan moving forward. A true and correct copy of the email correspondence is attached to this statement as **Spur Exhibit A-1**.

9. In this conversation with Longfellow, Spur was informed that the proposed 006H well was swapped for one of the other wells proposed in Longfellow's initial plan under the Order, and the reason for the swap was because Longfellow "wanted the proximity well to be drilled first into the Paddock **since [it is] only drilling one initial well**." (Emphasis added). Spur immediately conveyed to Longfellow its concerns with this change, and while Longfellow conveyed some additional information it failed to address the issues Spur raised.

10. Subsequently, while evaluating the new proposal, Spur engaged in discussions with Longfellow regarding any potential lease expiration issues. In this correspondence with Longfellow, Rebecca English, Longfellow's Vice President of Land, indicated that while Longfellow initially believed that the lease expired in *July 2026*, the BLM stated that it looked like the lease expiration would be May 2027. A true and correct copy of this correspondence is attached to this statement as **Spur Exhibit A-2**. Neither of these dates are the "first half of May 2026" as Longfellow now states.

11. On May 1, 2026, Longfellow circulated its request for deviation from the Division, citing concerns over a BLM lease expiration. In response to this, and in light of its conversation

with Rebecca English, Spur spoke with the BLM regarding this "looming" lease expiration. The BLM confirmed that the lease was not at risk for expiration anytime soon, rather the date of last reported production will hold the lease until at least May 2027. A true and correct copy of this correspondence is attached to this statement as **Spur Exhibit A-3.** So, despite Longfellow's insistence that this deviation is necessary to avoid expiration and preserve the federal lease and Unit, it's clear to Spur that Longfellow has known since potentially March 2026 that the lease does not expire until May 2027—five months after the one-year deadline to drill all initial wells under the Order—and delaying the drilling of the Petty 006H well within the deadlines established in the Order would not result in the loss of the lease.

12. Spur ultimately elected to participate in the drilling of the newly proposed well, but did so under protest, citing that the proposed well was not compliant with the Order issued by the Division—it does not even match the well that Longfellow actually intends to drill. Moreover, Spur believes, based on conversations with Longfellow, that it only intends to drill the one proposed well, which constitutes a major deviation from the proposed and OCD-approved drilling plans.

13. Longfellow has also circulated an updated overview of its proposed spacing for the remaining wells it claims it still intends to drill but the overall well spacing and placement is different than what was proposed and brought before the Division for approval. Spur had the opportunity to review and participate in the hearing evaluating the original wine rack formation of Longfellow's proposed wells; but, if Longfellow is allowed to entirely re-work and overhaul its drilling plan without having to first obtain Division approval, Spur (a significant working interest owner) will be denied the opportunity to raise and evaluate potential land and geology issues that accompany Longfellow's unapproved alterations.

14. Spur's correlative rights will be negatively and irreparably impacted if Longfellow's unapproved deviations are allowed to proceed without allowing Spur to participate in a hearing on the merits of these revisions.

15. The granting of this motion will prevent waste and protect correlative rights.

16. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

05/22/2026

Nash Bell Date

EXHIBIT A-1

Subject: FW: Petty 6H Well Proposal

From: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Sent: Monday, April 6, 2026 8:35:11 AM
To: Emma Whelton <emma.whelton@spurenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>
Subject: RE: Petty 6H Well Proposal

I apologize for the confusion, that was my mistake. The 6H was a LOWER Blinebry, that was swapped to a Paddock. Th 5H was a Paddock that became a LOWER Blinebry. The rest of the development remained unchanged.

From: Emma Whelton <emma.whelton@spurenergy.com>
Sent: Thursday, April 2, 2026 4:05 PM
To: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>
Subject: RE: Petty 6H Well Proposal

If that's the case, then the same zone spacing for the blinebry and paddock has changed.

Based on the footages in the CPO, is your new plan as outlined below?

PADDOCK: 6H (defining well) will be 1250' FSL, thus infill 8H will be 750' south (at 500' FSL) and infill 2H will be 1069' north (at 2319' FSL)

UPPER BLINEBRY: 3H to 5H spacing will be 749' and 5H to 9H will be 1070'?

LOWER BLINEBRY: Spacing unchanged.

Emma Whelton
Landman - Business Development

From: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Sent: Thursday, April 2, 2026 3:39 PM
To: Emma Whelton <emma.whelton@spurenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>
Subject: Re: Petty 6H Well Proposal

Hey Emma,

The 5H and the 6H just swapped. We are planning the 5H to be the Upper Blinberry that was initially the 6H. The reason we swapped the wells was we wanted the proximity well to be drilled first into the Paddock since we are only drilling one initial well.

Hope this helps, please let me know if there are any follow ups.

Thank you,
Stuart Gaston

From: Emma Whelton <emma.whelton@spurenergy.com>
Sent: Thursday, April 2, 2026 2:28:29 PM
To: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>
Subject: FW: Petty 6H Well Proposal

Stuart,

See additional below/attached question from our team on the Petty well proposal.

Thanks,

Emma Whelton
Landman - Business Development

From: Matt Van Wie <MattV@spurenergy.com>
Sent: Thursday, April 2, 2026 2:15 PM
To: Emma Whelton <emma.whelton@spurenergy.com>
Subject: RE: Petty 6H Well Proposal

Emma,

Based on the email information below and the CPO R-24036 (attached), it appears the 6H has simply changed TVD (target interval).

This HSU was pooled as a 3 paddock / 3 upper Blinebry / 3 lower Blinebry wine-racked development (see attached powerpoint) … and without any further information, it now stands at 4 paddocks / 2 upper Blinebry / 3 lower Blinebry … with serious concerns on Paddock spacing (and potentially material change in development).

Given this is a full cube (9-well) proposed development where we have material interest, can Longfellow please provide information/details on how this 6H shift will alter (if any) future infill wells.

Thanks,
Matt V.

From: Emma Whelton <emma.whelton@spurenergy.com>
Sent: Tuesday, March 31, 2026 11:30:28 AM
To: Seth Ireland <Seth@spurenergy.com>; Michael Sliva <michael@spurenergy.com>
Subject: FW: Petty 6H Well Proposal

Emma Whelton
Landman - Business Development

From: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Sent: Tuesday, March 31, 2026 11:30 AM
To: Emma Whelton <emma.whelton@spurenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>; Mark Hicks <mark@spurenergy.com>
Subject: RE: Petty 6H Well Proposal

Hi Emma,

I apologize for the confusion. The well of record switched from the 5H to the 6H well after the CPO was issued. The 6H is now the following:

Petty Federal Com 31CD 006H, with an approximate true vertical depth of 4,969', as a horizontal well in the Yeso formation (with an approximate measured depth of 10,280') Surface Hole Location is 1,085' FWL & 676' FSL of Section 32-16S-31E; with a Bottom Hole Location of 20' FWL & 1,250' FSL of Section 31-16S-31E. **Being a Paddock Target**

Please let me know if y'all have any questions or need any additional information.

Thanks,
Stuart Gaston

From: Emma Whelton <emma.whelton@spurenergy.com>
Sent: Tuesday, March 31, 2026 10:34 AM
To: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>; Mark Hicks <mark@spurenergy.com>
Subject: RE: Petty 6H Well Proposal

Stuart,

Can you and your team please confirm the proposed TVD and landing zone for the Petty 6H? The pooling documents have it as an upper blinebry.

Thanks,

Emma Whelton
Landman - Business Development

From: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Sent: Monday, March 30, 2026 2:08 PM
To: Emma Whelton <emma.whelton@spurenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>; Mark Hicks <mark@spurenergy.com>
Subject: RE: Petty 6H Well Proposal

Hello Emma,

Thank you for reaching out. Please find attached our form JOA for review. I will be adding the Exhibit information specific to this Unit prior to execution. If you have any questions, concerns, or need any additional information, please feel free to reach out.

Thanks,

Stuart Gaston

Senior Landman

8115 Preston Road, Suite 800
Dallas, TX 75225
(972) 532-8205
(432) 413-5210

From: Emma Whelton <emma.whelton@spurenergy.com>
Sent: Monday, March 30, 2026 2:04 PM
To: Stuart Gaston <stuart.gaston@longfellowenergy.com>
Cc: Rebecca English <rebecca.english@longfellowenergy.com>; Mark Hicks <mark@spurenergy.com>
Subject: Petty 6H Well Proposal

Stuart,

We are in receipt of Longfellow's attached well proposal for the Petty 6H. While my team is evaluating and deciding if we want to participate via JOA or COP, would you mind sending over your JOA for our review?

Thanks,

Emma Whelton
Landman - Business Development
SPUR ENERGY PARTNERS LLC
9655 Katy Freeway, Suite 500 | Houston, TX 77024
(832) 930-8532 (Office)
(713) 397-3355 (Cell)
emma.whelton@spurenergy.com

CAUTION External Email - Don't click on contents unless you know they are safe

CAUTION External Email - Don't click on contents unless you know they are safe

EXHIBIT A-2

From: Rebecca English <rebecca.english@longfellowenergy.com>
Sent: Wednesday, April 15, 2026 2:34 PM
To: Nash Bell
Subject: RE: BLM NMNM 0060548 Expiration

Hey Nash,

Yes. The BLM did not proactively reach out to us. We are also not the RT holder in any of the leases out here, but simply have operating rights. We discovered this issue through review to drill our wells. As normal, we looked at production to confirm our leases were held. When we reviewed that, we saw that there had not been production in the Acacia Unit since July 2024. This prompted me to reach out to the BLM to discuss. In those discussions, they confirmed that there would be a 2 year non-production term and the leases would need production by July. Not necessarily July 1, but the month of July.

This has been an ongoing situation with the BLM. I have many emails, meetings, etc in which this was discussed. Most recently (as in just last month), I inquired with the BLM to give me the exact date in July that production ceased, because all I can see is monthly. The BLM responded back and noted that there was a possibility that there was barrels sold from the Acacia unit in May of 2025, which would mean the new deadline is May 2027 (2 years later). This is helpful, but still causes some hesitation on our part. Therefore, we are still drilling before the July deadline of this year.

I hope this helps. I am happy to jump on a call to explain more if needed.

LONGFELLOW ENERGY, LP

Rebecca L. English
Vice President, Land

Office 972.366.0951 | Cell 405.550.0214
8115 Preston Road | Suite 800 | Dallas, TX 75225

From: Nash Bell <Nash@spurenergy.com>
Sent: Tuesday, April 14, 2026 9:33 AM
To: Rebecca English <rebecca.english@longfellowenergy.com>
Subject: BLM NMNM 0060548 Expiration

Rebecca –

I am trying to get info for our file re the subject lease…it is my understanding that the BLM has determined the lease is set to expire on July 1, 2026…do you have any correspondence from them stating that? I am curious because we didn't receive anything from them (we are not RT holder) but it could compromise other SEP operating rights.

Nash Bell
Senior Vice President, Land
Spur Energy Partners LLC
9655 Katy Freeway, Suite 500 | Houston, Texas 77024
512.461.1874 (Cell)
832.930.8582 (Office)

Disclaimer

EXHIBIT A-3

Subject: FW: [EXTERNAL] Lease Status, 31-6S-31E, Eddy Co NM

From: Walls, Christopher <cwalls@blm.gov>
Sent: Monday, May 18, 2026 3:46 PM
To: Nash Bell <Nash@spurenergy.com>
Cc: Sanchez, Jennifer A <j1sanchez@blm.gov>
Subject: Re: [EXTERNAL] Lease Status, 31-6S-31E, Eddy Co NM

Nash,
As we discussed on the phone. Here is the last production we show from ONRR for the North Square Lake Unit. If we do terminate the unit, the leases will be extended until May 31st 2027.

	07/31/2024	10651	ACACIA OPERATING	NMNM101360X	NORTH SQUARE LAKE UNIT	NM	30(
	05/31/2025	10651	ACACIA OPERATING	NMNM101360X	NORTH SQUARE LAKE UNIT	NM	30(

Best regards,

Christopher Walls
Supervisory Petroleum Engineer
Bureau of Land Management
520 E. Greene Street
Carlsbad, NM 88220
Cell: 575-361-7452
Office: 575-234-2234
cwalls@blm.gov

From: Nash Bell <Nash@spurenergy.com>
Sent: Monday, May 18, 2026 12:55 PM
To: Walls, Christopher <cwalls@blm.gov>; Sanchez, Jennifer A <j1sanchez@blm.gov>
Subject: FW: [EXTERNAL] Lease Status, 31-6S-31E, Eddy Co NM

Chris/Jennifer –

My name is Nash Bell, SVP of Land at Spur Energy Partners LLC. I was referred to you by Jordan Yawn regarding the current status of the North Square Lake Secondary Unit Agreement (Unit No. NMNM101360X) in Eddy County, NM.

Spur holds operating rights in the following BLM leases that are currently associated with the unit:
- NMNM 0081277
- NMNM 102037
- NMLC 60543

Per Jordan, AFMSS2 still reflects multiple producing wells associated to the unit agreement, but the last production reported via S&P Global and OGOR appears to be July 2024. As you are likely aware, the current unit operator – Acacia Operating – has declared bankruptcy, which raises obvious questions about whether the unit is still actively producing and whether OGORs are being properly filed.

Jordan indicated that if the CFO submits a last production memo recommending termination effective August 2024, the leases would receive a 2-year extension running through August 2026 – a deadline that is essentially upon us.

I would really appreciate a call or any guidance you can provide on the following:

1. What is the current production status of the unit wells as reflected in your records?
2. Has a last production memo been initiated or is one pending?
3. Is there anything Spur, as an operating rights owner, can or should be doing given Acacia's bankruptcy situation?

This is time-sensitive for us and I want to make sure we are coordinating appropriately with your office. I am available at your convenience – cell is 512.461.1874.

Thanks,

Nash Bell
Senior Vice President, Land
Spur Energy Partners LLC
9655 Katy Freeway, Suite 500 | Houston, Texas 77024
512.461.1874 (Cell)
832.930.8582 (Office)

EXHIBIT B

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

APPLICATION OF SPUR ENERGY PARTNERS LLC TO ENFORCE THE REQUIREMENTS OF ORDER NO. R-24036, EDDY COUNTY, NEW MEXICO.

CASE NO. 25572
ORDER NO. R-24036

SELF-AFFIRMED STATEMENT OF MATTHEW VAN WIE

1. My name is Matthew Van Wie, and I work for Spur Energy Partners LLC, ("Spur") as the Senior Vice President of Geosciences. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum geology matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.

3. In Case No. 25572, Spur's interest was pooled into a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 of Section 31, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Unit"), and Longfellow (OGRID 372210) was designated as operator of the Unit.

4. Spur owns a 37.511173% interest in the Unit.

5. I submit this affidavit in support of Spur's Emergency Motion to Stay Order No. R-24036 and the Division approved Application for Permit to Drill ("APD") for the Petty 31 CD 006H well, and to dispute material factual claims advanced by Longfellow Energy, LP ("Longfellow") in its Response to Spur's Emergency Motion for Stay.

I. DISPUTE OF LONGFELLOW'S CLAIM THAT THE LATERAL PLACEMENT REVISION IS NOT A DEVIATION

6. Longfellow claims in its Response (¶¶ 22, 33) that the revision of the Petty 31 CD 006H well's landing placement from the Blinebry bench to the lower Paddock bench of the Yeso formation does not constitute a deviation from Order No. R-24036 because "both Blinebry and lower Paddock are within the Yeso formation." This characterization is technically misleading and materially incorrect.

7. The Yeso Formation on the Northwest Shelf of the Permian Basin is a mixed carbonate-evaporite-clastic sequence of Permian age deposited in a complex shelf-margin environment. The Blinebry and lower Paddock are recognized as separate named members or benches within the Yeso, each with its own stratigraphic identity, lithologic character, and productive limits. Their separation is not merely a matter of depth—it reflects materially different porosity profiles, permeability distributions, and fluid properties. Treating them as a single interchangeable reservoir target ignores well-established stratigraphic and petrophysical distinctions recognized across the basin. The OCD's own compulsory pooling application checklist requires identification of the specific completion target, TVD, and MD for each well – not merely the formation name—because the Division recognizes that intra-formation landing decisions are substantive.

8. Longfellow's own May 1, 2026 draft deviation notice and revised gun-barrel diagram confirm the well's lateral placement is being changed. Longfellow's after-the-fact characterization of that draft as merely a "demonstrative exhibit" and "good faith transparency" (Response ¶¶ 18–19) does not alter the technical reality that a substantive change to the approved well placement and development plan is being implemented without proper Division authorization.

II. DISPUTE OF LONGFELLOW'S CLAIM THAT THE REVISION WILL NOT ALTER ULTIMATE DRAINAGE

9. Longfellow asserts (Response ¶¶ 21, 22) that the "slight revision to the lateral placement of the Petty 31 CD 006H well in the Yeso formation would not, in reasonable probability, alter the ultimate drainage of the Unit." This assertion is not supported by engineering analysis and contradicts accepted principles of multi-bench horizontal development.

10. The revision of the Petty 31 CD 006H well's landing zone from the Blinebry bench to the lower Paddock bench has materially compressed the same-zone spacing between the 006H well and 008H well already assigned or planned for the lower Paddock interval. If the Petty CD 006H well is completed and placed on production independently—ahead of the remaining Unit wells—it will begin depleting reservoir pressure across the drainage area it shares with the offset wells planned. Pressure depletion in an unconventional carbonate reservoir of this type is not a reversible condition; once reservoir energy is drawn down by an early producing well, the offset wells that follow will encounter a pressure-depleted parent zone. This is the classic parent-child interference problem, and it is materially worsened when the parent well is placed closer to its child than the original development plan intended. This tightened spacing creates immediate concern and concrete risk that directly impair Spur's correlative rights.

11. In addition, the revised gun-barrel diagram provided by Longfellow depicts changes not only to the 006H well but to the proposed landing of several of the remaining wells in the Unit. This confirms that the revision of the 006H well is part of a larger, unilateral redesign of the Unit's development plan that has not been approved by the Division or consented to by Spur.

III. DISPUTE OF LONGFELLOW'S CLAIM REGARDING AFE COST INCREASES AND PROPER REMEDY

12. Longfellow contends that Spur's cost objection is "particularly unsuitable for emergency relief" because the Order provides a post-completion cost reconciliation mechanism under Paragraph 26. This mischaracterizes both the nature and timing of Spur's concern.

13. Spur does not dispute the post-completion cost reconciliation process. However, the AFE presented to Spur for the Petty 31 CD 006H well in the March 30, 2026 election letter reflects a material increase of approximately $1,000,000 over the AFE that was presented at the September 16, 2025 hearing and upon which Spur's participation election was premised. This increase—attributable in large part to drilling only a single well—was imposed on Spur without prior notice or consent.

14. The post-completion reconciliation process in Paragraph 26 of the Order is designed to address variations between estimated and actual costs for a well drilled as approved. It is not a mechanism that permits an operator to unilaterally redesign a well, increase costs, and then compel a working interest owner to either participate at the new cost or forfeit its interest. Requiring Spur to elect participation and fund a materially different development plan than the one approved, with no opportunity to contest the change in advance, impairs Spur's rights under the Order.

IV. DISPUTE OF LONGFELLOW'S CLAIM THAT A STAY WOULD CREATE GREATER HARM

15. Longfellow argues that a stay would cause immediate and concrete operational, contractual, and leasehold harm (Response ¶¶ 24–26). Spur does not dispute that drilling interruptions carry operational risk in the abstract. However, several of Longfellow's specific claims warrant dispute.

16. First, drilling operations on the 006H well were commenced by Longfellow with full knowledge of Spur's objection, Spur's participation "under protest", and the pendency of this dispute. Longfellow chose to proceed to drill despite notice of Spur's objection and the Division's requirement to obtain approval after a hearing. The operational risks Longfellow now cites are, in significant part, a consequence of its own decision to commence drilling before the deviation process was completed through a formal hearing.

17. Second, Spur is a 37.511173% working interest owner in the Unit. The financial exposure and correlative rights impairment that Spur faces from the continued drilling of an unauthorized well—including the risk of suboptimal placement affecting the remaining development in the Unit—constitute concrete, non-speculative harm to Spur's property interests.

IV. CONCLUSION

18. Based on the foregoing, I respectfully submit that Longfellow's unsupported factual claims in its Response—that the lateral placement revision is not a deviation, that it will not alter ultimate Unit drainage, and that a stay would cause greater harm than continuation—are not supported by the technical and factual record as known to Spur, and are disputed for the reasons set forth above.

19. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Matthew Van Wie — 5/22/26

Matthew Van Wie — Date