

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

**APPLICATION OF SPUR ENERGY PARTNERS
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Spur Energy Partners LLC (“Spur” or “Applicant”) (OGRID 328947), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interest owners in a standard 640-acre, more or less, horizontal well spacing unit in the Yeso formation underlying the S/2 of Section 29 and Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 30, all in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico. In support of its application, Spur states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Spur seeks to dedicate the above-referenced spacing unit to the proposed **Midnight Rider Federal Com 10H** well, to be drilled from a surface location in the SE/4 SE/4 (Unit I) of Section 25, T16S-R30E, and a bottom hole location in the NE/4 SE/4 (Unit I) of Section 29, T16S-R31E; and the **Midnight Rider Federal Com 11H** and **Midnight Rider Federal Com 12H** wells, to be drilled from surface locations in the SE/4 SE/4 (Unit I) of Section 25, T16S-R30E, and bottom hole locations in the SE/4 SE/4 (Unit P) of Section 29, T16S-R31E.
3. The completed interval of the **Midnight Rider Federal Com 11H** well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow

inclusion of these proximity tracts within the proposed horizontal well spacing unit under 19.15.16.15.B(1)(b) NMAC.

4. This application partially overlaps and competes with Longfellow Energy LP's application in Case No. 26252 and is subject to a Pre-Hearing Order setting the matter for hearing on October 20, 2026.

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

6. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 8, 2026, and, after notice and hearing as required by law, the Division enter an order granting this application and:

- A. Pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Applicant as operator of the overlapping horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

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ATTORNEYS FOR SPUR ENERGY PARTNERS LLC

CASE _____: **Application of Spur Energy Partners LLC for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in a standard 640-acre, more or less, horizontal well spacing unit in the Yeso formation underlying the S/2 of Section 29 and Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 30, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico. Spur seeks to dedicate the above-referenced spacing unit to the proposed **Midnight Rider Federal Com 10H** well, to be drilled from a surface location in the SE/4 SE/4 (Unit I) of Section 25, T16S-R30E, and a bottom hole location in the NE/4 SE/4 (Unit I) of Section 29, T16S-R31E; and the **Midnight Rider Federal Com 11H** and **Midnight Rider Federal Com 12H** wells, to be drilled from surface locations in the SE/4 SE/4 (Unit I) of Section 25, T16S-R30E, and bottom hole locations in the SE/4 SE/4 (Unit P) of Section 29, T16S-R31E. The completed interval of the **Midnight Rider Federal Com 11H** well is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal well spacing unit under 19.15.16.15.B(1)(b) NMAC. This application partially overlaps and competes with Longfellow Energy LP's application underlying Case No. 26252 and is subject to a Pre-Hearing Order setting the matter for hearing on September 15, 2026. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 6 miles northeast of Loco Hills, New Mexico.