

**District I**

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

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

Form C-101

August 1, 2011

Permit 335150

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

1. Operator Name and Address Spur Energy Partners LLC 9655 Katy Freeway Houston, TX 77024		2. OGRID Number 328947
		3. API Number 30-015-53494
4. Property Code 333829	5. Property Name STROS 29	6. Well No. 020H

**7. Surface Location**

UL - Lot A	Section 30	Township 18S	Range 26E	Lot Idn	Feet From 900	N/S Line N	Feet From 275	E/W Line E	County Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot A	Section 29	Township 18S	Range 26E	Lot Idn A	Feet From 605	N/S Line N	Feet From 50	E/W Line E	County Eddy
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**9. Pool Information**

PENASCO DRAW;SA-YESO (ASSOC)	50270
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3441
16. Multiple N	17. Proposed Depth 8254	18. Formation Paddock	19. Contractor	20. Spud Date 4/30/2023
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	12.25	9.625	36	1050	303	0
Prod	8.75	7	32	2950	1383	0
Prod	8.75	5.5	20	8254	3283	0

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5	5000	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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.	<b>OIL CONSERVATION DIVISION</b>	
Signature:		
Printed Name: Electronically filed by Sarah Chapman	Approved By: Katherine Pickford	
Title: Regulatory Director	Title: Geoscientist	
Email Address: schapman@spurenergy.com	Approved Date: 3/8/2023	Expiration Date: 3/8/2025
Date: 2/28/2023	Phone: 832-930-8613	Conditions of Approval Attached

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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

<sup>1</sup> API Number <b>30-015- 53494</b>	<sup>2</sup> Pool Code <b>50270</b>	<sup>3</sup> Pool Name <b>PENASCO DRAW; SA-YESO (ASSOC)</b>
<sup>4</sup> Property Code <b>333829</b>	<sup>5</sup> Property Name <b>STROS 29</b>	<sup>6</sup> Well Number <b>20H</b>
<sup>7</sup> OGRID NO. <b>328947</b>	<sup>8</sup> Operator Name <b>SPUR ENERGY PARTNERS LLC.</b>	<sup>9</sup> Elevation <b>3441</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet From the	East/West line	County
<b>A</b>	<b>30</b>	<b>18S</b>	<b>26E</b>		<b>900</b>	<b>NORTH</b>	<b>275</b>	<b>EAST</b>	<b>EDDY</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>29</b>	<b>18S</b>	<b>26E</b>		<b>605</b>	<b>NORTH</b>	<b>50</b>	<b>EAST</b>	<b>EDDY</b>

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

<p><sup>16</sup></p> <p><u>GEODETIC DATA</u> NAD 83 GRID - NM EAST</p> <p><u>SURFACE LOCATION (SL)</u> N: 627003.1 - E: 516606.3 LAT: 32.7236453° N LONG: 104.4137524° W</p> <p><u>FIRST TAKE POINT (FTP)</u> 605' FNL &amp; 100' FWL - SEC 29 N: 627297.7 - E: 516983.9 LAT: 32.7244560° N LONG: 104.4125254° W</p> <p><u>LAST TAKE POINT (LTP)</u> 605' FNL &amp; 100' FEL - SEC 29 N: 627293.6 - E: 522062.7 LAT: 32.7244541° N LONG: 104.3960102° W</p> <p><u>BOTTOM HOLE (BH)</u> N: 627293.6 - E: 522112.7 LAT: 32.7244540° N LONG: 104.3958476° W</p> <p><u>CORNER DATA</u> NAD 83 GRID - NM EAST</p> <p>A: FOUND 1/2" REBAR W/PLASTIC CAP "ILLEGIBLE" N: 622604.7 - E: 511697.4</p> <p>B: FOUND 3/8" REBAR W/WASHERS "PE 5412 &amp; PS 9242" N: 627906.8 - E: 511762.1</p> <p>C: CALCULATED CORNER N: 627902.6 - E: 516889.4</p> <p>D: CALCULATED CORNER N: 627898.4 - E: 522165.5</p> <p>E: CALCULATED CORNER N: 622625.1 - E: 522141.2</p> <p>F: FOUND 3/8" REBAR N: 622636.0 - E: 519499.8</p> <p>G: FOUND FENCE POST N: 622614.8 - E: 516841.1</p>	<p><sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Sarah Chapman</i> 02/23/2023 Signature Date <b>SARAH CHAPMAN</b> Printed Name <b>SCHAPMAN@SPUREENERGY.COM</b> E-mail Address</p> <p><sup>18</sup> <b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><b>01/30/2023</b> Date of Survey Signature and Seal of Professional Surveyor <b>14400</b> Certificate Number</p> <p><b>DALE E. BELL</b> NEW MEXICO 14400 02/22/2023 PROFESSIONAL SURVEYOR</p>
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Job No.: LS23010091

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

Form APD Comments

Permit 335150

PERMIT COMMENTS

Operator Name and Address: Spur Energy Partners LLC [328947] 9655 Katy Freeway Houston, TX 77024		API Number: 30-015-53494
		Well: STROS 29 #020H
Created By	Comment	Comment Date
kpickford	Defining well 30-015-53493 STROS 29 #010H	3/8/2023

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

Form APD Conditions  
Permit 335150

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Spur Energy Partners LLC [328947] 9655 Katy Freeway Houston, TX 77024		API Number: 30-015-53494
		Well: STROS 29 #020H

OCD Reviewer	Condition
kpickford	Notify OCD 24 hours prior to casing & cement
kpickford	Will require a File As Drilled C-102 and a Directional Survey with the C-104
kpickford	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
kpickford	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
kpickford	Cement is required to circulate on both surface and intermediate1 strings of casing
kpickford	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

Intent ☐ As Drilled ☐

API #		
Operator Name:	Property Name:	Well Number

## Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

## First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

## Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
Latitude					Longitude				NAD

Is this well the defining well for the Horizontal Spacing Unit? ☐Is this well an infill well? ☐

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

# **SPUR ENERGY PARTNERS LLC.**

**Eddy County, NM (NAD83) NMEZ Grid**

**STROS 29**

**STROS 29 20H**

**20H Lateral**

**Plan: Plan #1**

## **Standard Planning Report**

**22 February, 2023**

Planning Report

Database:	PRIME_EDM	Local Co-ordinate Reference:	Well STROS 29 20H
Company:	SPUR ENERGY PARTNERS LLC.	TVD Reference:	3441+20 @ 3461.00usft (AKITA57)
Project:	Eddy County, NM (NAD83) NMEZ Grid	MD Reference:	3441+20 @ 3461.00usft (AKITA57)
Site:	STROS 29	North Reference:	Grid
Well:	STROS 29 20H	Survey Calculation Method:	Minimum Curvature
Wellbore:	20H Lateral		
Design:	Plan #1		

Project	Eddy County, NM (NAD83) NMEZ Grid		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site		STROS 29			
Site Position:		Northing:	627,003.100 usft	Latitude:	32.7236454
From:	Map	Easting:	516,606.300 usft	Longitude:	-104.4137525
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	-0.04 °

Well	STROS 29 20H					
Well Position	+N/-S	0.00 usft	Northing:	627,003.100 usft	Latitude:	32.7236454
	+E/-W	0.00 usft	Easting:	516,606.300 usft	Longitude:	-104.4137525
Position Uncertainty		0.00 usft	Wellhead Elevation:		Ground Level:	3,441.00 usft

Wellbore	20H Lateral				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2020	02/21/23	6.78	60.17	47,525.49243254

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	90.05

Plan Survey Tool Program	Date	02/22/23		
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	8,253.04 Plan #1 (20H Lateral)	MWD+SAG+FDIR	
			OWSG MWD + Sag Correction	

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,196.67	22.40	291.00	1,177.79	51.64	-134.53	3.00	3.00	0.00	291.00	
1,694.17	22.40	291.00	1,637.75	119.58	-311.53	0.00	0.00	0.00	0.00	
2,697.29	60.00	83.57	2,497.64	260.56	-6.81	8.00	3.75	15.21	156.12	
2,897.29	60.00	83.57	2,597.64	279.96	165.31	0.00	0.00	0.00	0.00	
3,192.57	88.88	90.05	2,676.09	294.48	446.23	10.00	9.78	2.19	13.22	
8,253.71	88.88	90.05	2,775.00	290.50	5,506.40	0.00	0.00	0.00	0.00	STROS 29 20H PBHL

## Planning Report

<b>Database:</b>	PRIME_EDM	<b>Local Co-ordinate Reference:</b>	Well STROS 29 20H
<b>Company:</b>	SPUR ENERGY PARTNERS LLC.	<b>TVD Reference:</b>	3441+20 @ 3461.00usft (AKITA57)
<b>Project:</b>	Eddy County, NM (NAD83) NMEZ Grid	<b>MD Reference:</b>	3441+20 @ 3461.00usft (AKITA57)
<b>Site:</b>	STROS 29	<b>North Reference:</b>	Grid
<b>Well:</b>	STROS 29 20H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	20H Lateral		
<b>Design:</b>	Plan #1		

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)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	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	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	1.50	291.00	499.99	0.23	-0.61	-0.61	3.00	3.00	0.00
600.00	4.50	291.00	599.85	2.11	-5.50	-5.50	3.00	3.00	0.00
700.00	7.50	291.00	699.29	5.86	-15.25	-15.26	3.00	3.00	0.00
800.00	10.50	291.00	798.04	11.46	-29.86	-29.87	3.00	3.00	0.00
900.00	13.50	291.00	895.85	18.91	-49.26	-49.28	3.00	3.00	0.00
1,000.00	16.50	291.00	992.43	28.19	-73.42	-73.45	3.00	3.00	0.00
1,100.00	19.50	291.00	1,087.52	39.26	-102.27	-102.30	3.00	3.00	0.00
1,196.67	22.40	291.00	1,177.79	51.64	-134.53	-134.58	3.00	3.00	0.00
1,200.00	22.40	291.00	1,180.87	52.10	-135.72	-135.77	0.00	0.00	0.00
1,300.00	22.40	291.00	1,273.33	65.75	-171.30	-171.35	0.00	0.00	0.00
1,400.00	22.40	291.00	1,365.78	79.41	-206.87	-206.94	0.00	0.00	0.00
1,500.00	22.40	291.00	1,458.24	93.07	-242.45	-242.53	0.00	0.00	0.00
1,600.00	22.40	291.00	1,550.69	106.72	-278.02	-278.12	0.00	0.00	0.00
1,694.17	22.40	291.00	1,637.75	119.58	-311.53	-311.63	0.00	0.00	0.00
1,700.00	21.97	291.50	1,643.15	120.38	-313.58	-313.68	8.00	-7.30	8.65
1,750.00	18.40	296.73	1,690.08	127.36	-329.34	-329.45	8.00	-7.15	10.45
1,800.00	15.03	304.28	1,737.96	134.57	-341.75	-341.86	8.00	-6.73	15.10
1,850.00	12.05	315.75	1,786.58	141.96	-350.75	-350.87	8.00	-5.97	22.92
1,900.00	9.80	333.37	1,835.68	149.51	-356.30	-356.43	8.00	-4.49	35.24
1,950.00	8.88	357.55	1,885.04	157.17	-358.38	-358.51	8.00	-1.86	48.36
2,000.00	9.65	22.12	1,934.40	164.91	-356.96	-357.11	8.00	1.56	49.15
2,050.00	11.80	40.41	1,983.54	172.69	-352.07	-352.22	8.00	4.30	36.56
2,100.00	14.74	52.34	2,032.21	180.48	-343.71	-343.87	8.00	5.87	23.86
2,150.00	18.08	60.17	2,080.17	188.22	-331.94	-332.11	8.00	6.68	15.67
2,200.00	21.64	65.57	2,127.20	195.90	-316.81	-316.98	8.00	7.12	10.79
2,250.00	25.32	69.48	2,173.05	203.46	-298.40	-298.58	8.00	7.37	7.82
2,300.00	29.09	72.44	2,217.51	210.88	-276.79	-276.97	8.00	7.53	5.93
2,350.00	32.90	74.78	2,260.37	218.12	-252.08	-252.27	8.00	7.63	4.67
2,400.00	36.76	76.68	2,301.40	225.13	-224.41	-224.61	8.00	7.70	3.79
2,450.00	40.63	78.26	2,340.42	231.90	-193.90	-194.10	8.00	7.75	3.16
2,500.00	44.53	79.61	2,377.23	238.37	-160.71	-160.91	8.00	7.79	2.70
2,550.00	48.43	80.78	2,411.66	244.54	-124.99	-125.20	8.00	7.82	2.35
2,600.00	52.35	81.82	2,443.53	250.35	-86.91	-87.13	8.00	7.84	2.08
2,650.00	56.28	82.76	2,472.69	255.79	-46.67	-46.90	8.00	7.85	1.87
2,697.29	60.00	83.57	2,497.64	260.56	-6.81	-7.03	8.00	7.87	1.71
2,700.00	60.00	83.57	2,499.00	260.82	-4.47	-4.70	0.00	0.00	0.00
2,800.00	60.00	83.57	2,549.00	270.52	81.59	81.35	0.00	0.00	0.00
2,897.29	60.00	83.57	2,597.64	279.96	165.31	165.07	0.00	0.00	0.00
2,900.00	60.26	83.64	2,598.99	280.22	167.65	167.40	10.00	9.74	2.63
2,950.00	65.14	84.90	2,621.92	284.64	211.85	211.60	10.00	9.75	2.51
3,000.00	70.02	86.06	2,640.98	288.28	257.91	257.66	10.00	9.77	2.32
3,050.00	74.91	87.15	2,656.04	291.10	305.49	305.23	10.00	9.78	2.18
3,100.00	79.81	88.19	2,666.98	293.08	354.22	353.96	10.00	9.79	2.08
3,150.00	84.71	89.20	2,673.71	294.20	403.73	403.48	10.00	9.80	2.02
3,192.57	88.88	90.05	2,676.09	294.48	446.23	445.97	10.00	9.80	1.99
3,200.00	88.88	90.05	2,676.24	294.48	453.66	453.40	0.00	0.00	0.00
3,300.00	88.88	90.05	2,678.19	294.40	553.64	553.38	0.00	0.00	0.00
3,400.00	88.88	90.05	2,680.15	294.32	653.62	653.36	0.00	0.00	0.00



## Planning Report

<b>Database:</b>	PRIME_EDM	<b>Local Co-ordinate Reference:</b>	Well STROS 29 20H
<b>Company:</b>	SPUR ENERGY PARTNERS LLC.	<b>TVD Reference:</b>	3441+20 @ 3461.00usft (AKITA57)
<b>Project:</b>	Eddy County, NM (NAD83) NMEZ Grid	<b>MD Reference:</b>	3441+20 @ 3461.00usft (AKITA57)
<b>Site:</b>	STROS 29	<b>North Reference:</b>	Grid
<b>Well:</b>	STROS 29 20H	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	20H Lateral		
<b>Design:</b>	Plan #1		

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)	
3,500.00	88.88	90.05	2,682.10	294.24	753.60	753.34	0.00	0.00	0.00	
3,600.00	88.88	90.05	2,684.05	294.16	853.58	853.32	0.00	0.00	0.00	
3,700.00	88.88	90.05	2,686.01	294.08	953.56	953.30	0.00	0.00	0.00	
3,800.00	88.88	90.05	2,687.96	294.00	1,053.54	1,053.28	0.00	0.00	0.00	
3,900.00	88.88	90.05	2,689.92	293.93	1,153.52	1,153.26	0.00	0.00	0.00	
4,000.00	88.88	90.05	2,691.87	293.85	1,253.50	1,253.25	0.00	0.00	0.00	
4,100.00	88.88	90.05	2,693.83	293.77	1,353.48	1,353.23	0.00	0.00	0.00	
4,200.00	88.88	90.05	2,695.78	293.69	1,453.46	1,453.21	0.00	0.00	0.00	
4,300.00	88.88	90.05	2,697.73	293.61	1,553.45	1,553.19	0.00	0.00	0.00	
4,400.00	88.88	90.05	2,699.69	293.53	1,653.43	1,653.17	0.00	0.00	0.00	
4,500.00	88.88	90.05	2,701.64	293.45	1,753.41	1,753.15	0.00	0.00	0.00	
4,600.00	88.88	90.05	2,703.60	293.37	1,853.39	1,853.13	0.00	0.00	0.00	
4,700.00	88.88	90.05	2,705.55	293.30	1,953.37	1,953.11	0.00	0.00	0.00	
4,800.00	88.88	90.05	2,707.51	293.22	2,053.35	2,053.09	0.00	0.00	0.00	
4,900.00	88.88	90.05	2,709.46	293.14	2,153.33	2,153.07	0.00	0.00	0.00	
5,000.00	88.88	90.05	2,711.41	293.06	2,253.31	2,253.05	0.00	0.00	0.00	
5,100.00	88.88	90.05	2,713.37	292.98	2,353.29	2,353.04	0.00	0.00	0.00	
5,200.00	88.88	90.05	2,715.32	292.90	2,453.27	2,453.02	0.00	0.00	0.00	
5,300.00	88.88	90.05	2,717.28	292.82	2,553.25	2,553.00	0.00	0.00	0.00	
5,400.00	88.88	90.05	2,719.23	292.75	2,653.23	2,652.98	0.00	0.00	0.00	
5,500.00	88.88	90.05	2,721.19	292.67	2,753.22	2,752.96	0.00	0.00	0.00	
5,600.00	88.88	90.05	2,723.14	292.59	2,853.20	2,852.94	0.00	0.00	0.00	
5,700.00	88.88	90.05	2,725.09	292.51	2,953.18	2,952.92	0.00	0.00	0.00	
5,800.00	88.88	90.05	2,727.05	292.43	3,053.16	3,052.90	0.00	0.00	0.00	
5,900.00	88.88	90.05	2,729.00	292.35	3,153.14	3,152.88	0.00	0.00	0.00	
6,000.00	88.88	90.05	2,730.96	292.27	3,253.12	3,252.86	0.00	0.00	0.00	
6,100.00	88.88	90.05	2,732.91	292.19	3,353.10	3,352.84	0.00	0.00	0.00	
6,200.00	88.88	90.05	2,734.87	292.12	3,453.08	3,452.83	0.00	0.00	0.00	
6,300.00	88.88	90.05	2,736.82	292.04	3,553.06	3,552.81	0.00	0.00	0.00	
6,400.00	88.88	90.05	2,738.77	291.96	3,653.04	3,652.79	0.00	0.00	0.00	
6,500.00	88.88	90.05	2,740.73	291.88	3,753.02	3,752.77	0.00	0.00	0.00	
6,600.00	88.88	90.05	2,742.68	291.80	3,853.01	3,852.75	0.00	0.00	0.00	
6,700.00	88.88	90.05	2,744.64	291.72	3,952.99	3,952.73	0.00	0.00	0.00	
6,800.00	88.88	90.05	2,746.59	291.64	4,052.97	4,052.71	0.00	0.00	0.00	
6,900.00	88.88	90.05	2,748.55	291.57	4,152.95	4,152.69	0.00	0.00	0.00	
7,000.00	88.88	90.05	2,750.50	291.49	4,252.93	4,252.67	0.00	0.00	0.00	
7,100.00	88.88	90.05	2,752.45	291.41	4,352.91	4,352.65	0.00	0.00	0.00	
7,200.00	88.88	90.05	2,754.41	291.33	4,452.89	4,452.63	0.00	0.00	0.00	
7,300.00	88.88	90.05	2,756.36	291.25	4,552.87	4,552.62	0.00	0.00	0.00	
7,400.00	88.88	90.05	2,758.32	291.17	4,652.85	4,652.60	0.00	0.00	0.00	
7,500.00	88.88	90.05	2,760.27	291.09	4,752.83	4,752.58	0.00	0.00	0.00	
7,600.00	88.88	90.05	2,762.22	291.01	4,852.81	4,852.56	0.00	0.00	0.00	
7,700.00	88.88	90.05	2,764.18	290.94	4,952.79	4,952.54	0.00	0.00	0.00	
7,800.00	88.88	90.05	2,766.13	290.86	5,052.78	5,052.52	0.00	0.00	0.00	
7,900.00	88.88	90.05	2,768.09	290.78	5,152.76	5,152.50	0.00	0.00	0.00	
8,000.00	88.88	90.05	2,770.04	290.70	5,252.74	5,252.48	0.00	0.00	0.00	
8,100.00	88.88	90.05	2,772.00	290.62	5,352.72	5,352.46	0.00	0.00	0.00	
8,200.00	88.88	90.05	2,773.95	290.54	5,452.70	5,452.44	0.00	0.00	0.00	
8,253.71	88.88	90.05	2,775.00	290.50	5,506.40	5,506.14	0.00	0.00	0.00	

Planning Report

Database:	PRIME_EDM	Local Co-ordinate Reference:	Well STROS 29 20H
Company:	SPUR ENERGY PARTNERS LLC.	TVD Reference:	3441+20 @ 3461.00usft (AKITA57)
Project:	Eddy County, NM (NAD83) NMEZ Grid	MD Reference:	3441+20 @ 3461.00usft (AKITA57)
Site:	STROS 29	North Reference:	Grid
Well:	STROS 29 20H	Survey Calculation Method:	Minimum Curvature
Wellbore:	20H Lateral		
Design:	Plan #1		

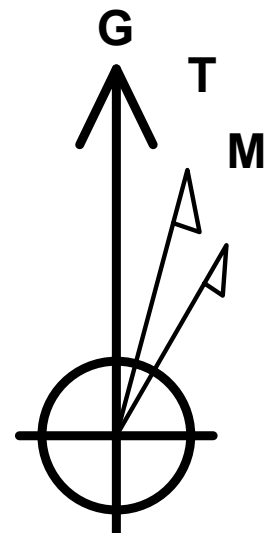
Design Targets									
Target Name									
- hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- Shape	(°)	(°)	(usft)	(usft)	(usft)	(usft)	(usft)		
STROS 29 20H SHL 90(	0.00	0.00	0.00	0.00	0.00	627,003.100	516,606.300	32.7236454	-104.4137525
- plan hits target center									
- Point									
STROS 29 20H FTP 60(	0.00	0.00	2,675.00	294.60	377.60	627,297.700	516,983.900	32.7244560	-104.4125253
- plan misses target center by 4.35usft at 3124.28usft MD (2670.78 TVD, 293.73 N, 378.19 E)									
- Point									
STROS 29 20H LP 69' F	0.00	360.00	2,676.09	294.48	446.23	627,297.580	517,052.530	32.7244558	-104.4123022
- plan hits target center									
- Point									
STROS 29 20H LTP 60(	0.00	360.00	2,775.00	290.50	5,456.40	627,293.600	522,062.700	32.7244540	-104.3960103
- plan misses target center by 3.85usft at 8200.00usft MD (2773.95 TVD, 290.54 N, 5452.70 E)									
- Point									
STROS 29 20H PBHL 6(	0.00	360.00	2,775.00	290.50	5,506.40	627,293.600	522,112.700	32.7244541	-104.3958477
- plan hits target center									
- Point									



SPUR ENERGY PARTNERS LLC.

3441+20 @ 3461.00usft (AKITA57)  
North American Datum 1983

Project: Eddy County, NM (NAD83) NMEZ Grid  
Site: STROS 29  
Well: STROS 29 20H  
Wellbore: 20H Lateral  
Design: Plan #1



Azimuths to Grid North  
True North: 0.04°  
Magnetic North: 6.82°

Magnetic Field  
Strength: 47525.5nT  
Dip Angle: 60.17°  
Date: 02/21/2023  
Model: IGRF2020

PROJECT DETAILS: Eddy County, NM (NAD83) NMEZ Grid  
Geodetic System: US State Plane 1983  
Datum: North American Datum 1983  
Ellipsoid: GRS 1980  
Zone: New Mexico Eastern Zone  
System Datum: Mean Sea Level

Magnetic North is 6.82° East of Grid North (Magnetic Convergence)  
Magnetic North is 6.78° East of True North (Magnetic Declination)

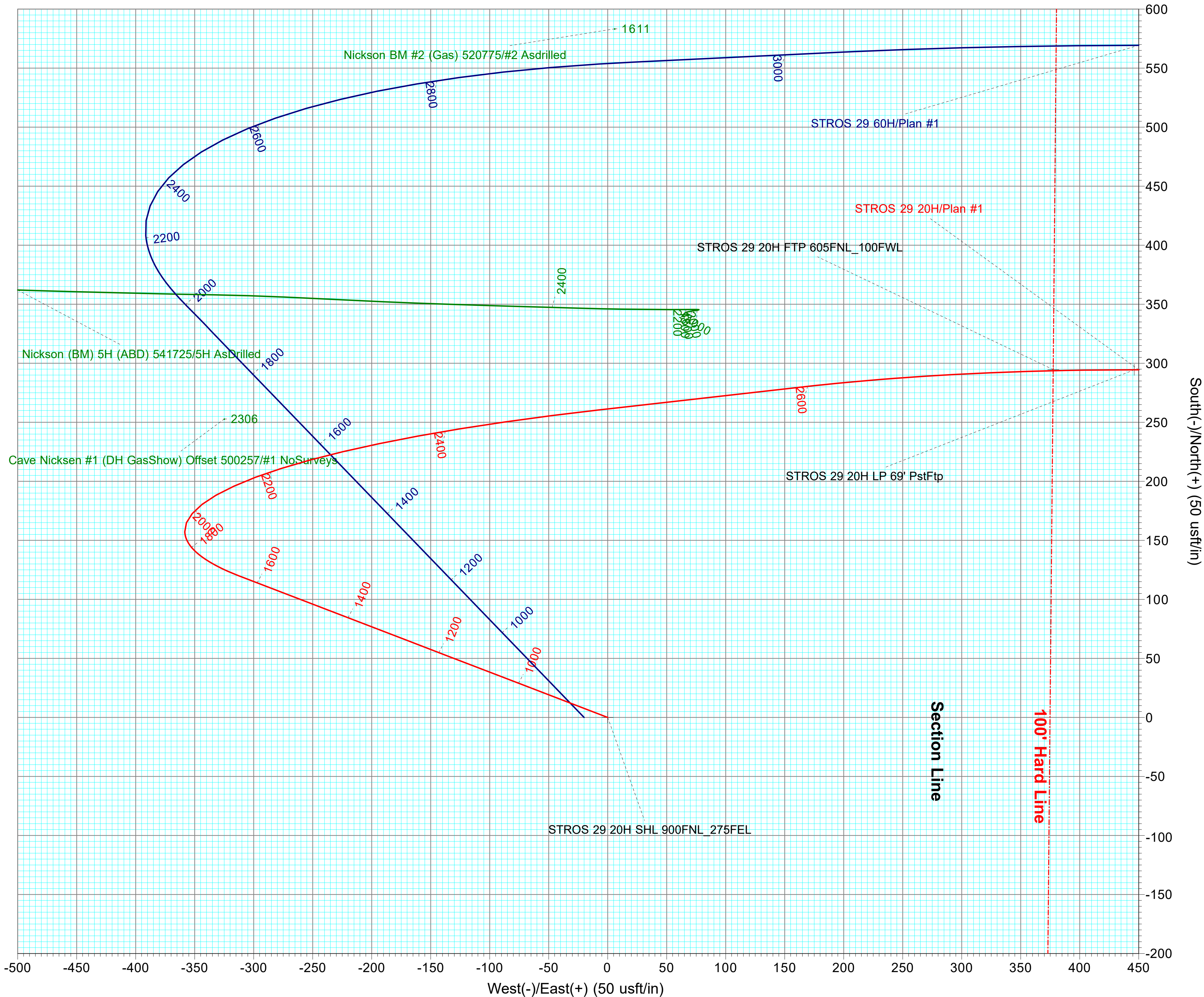
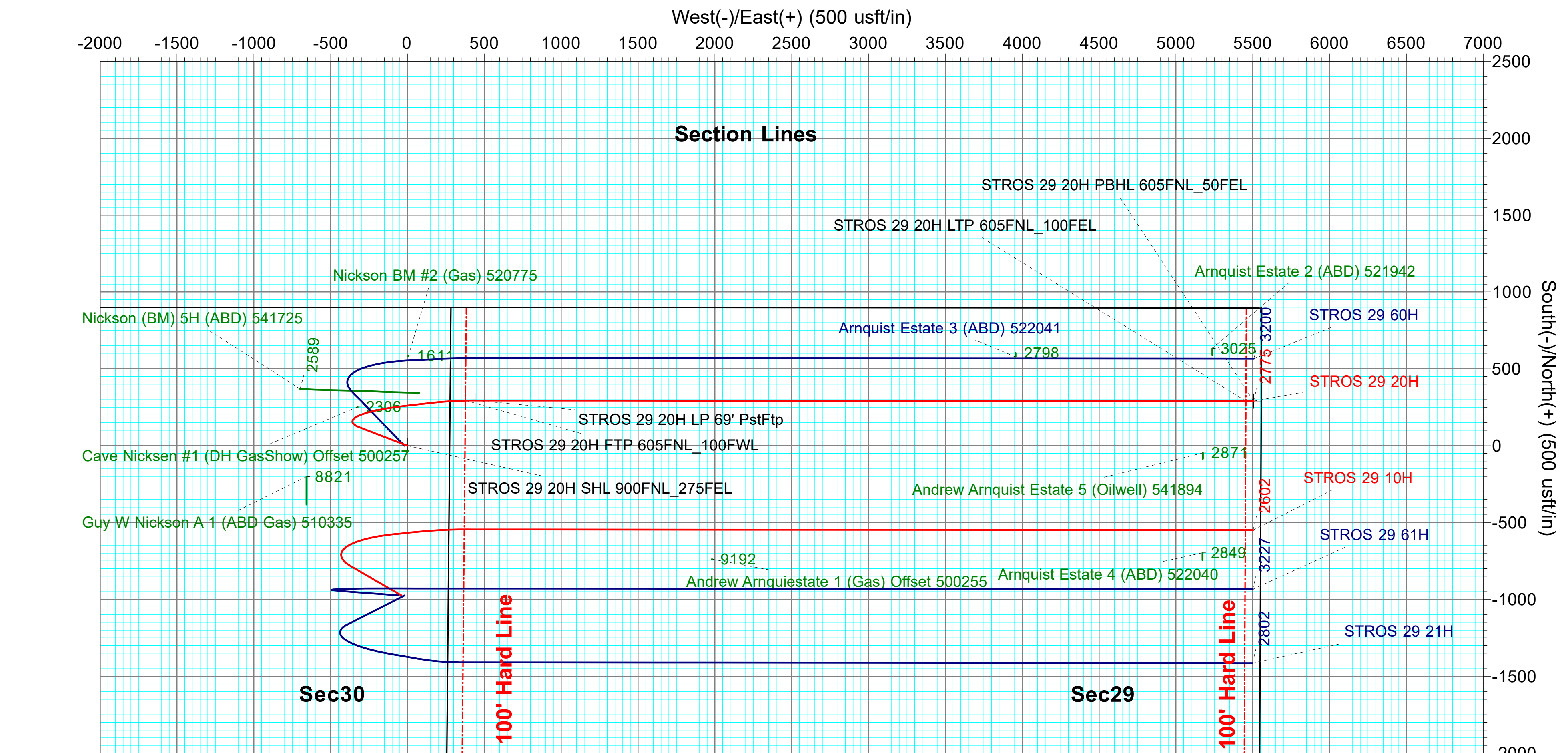
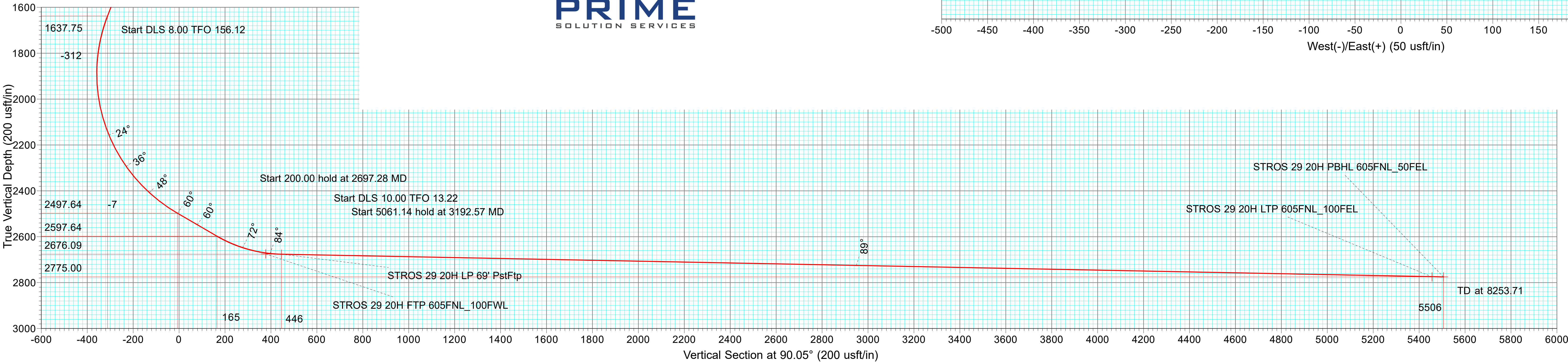
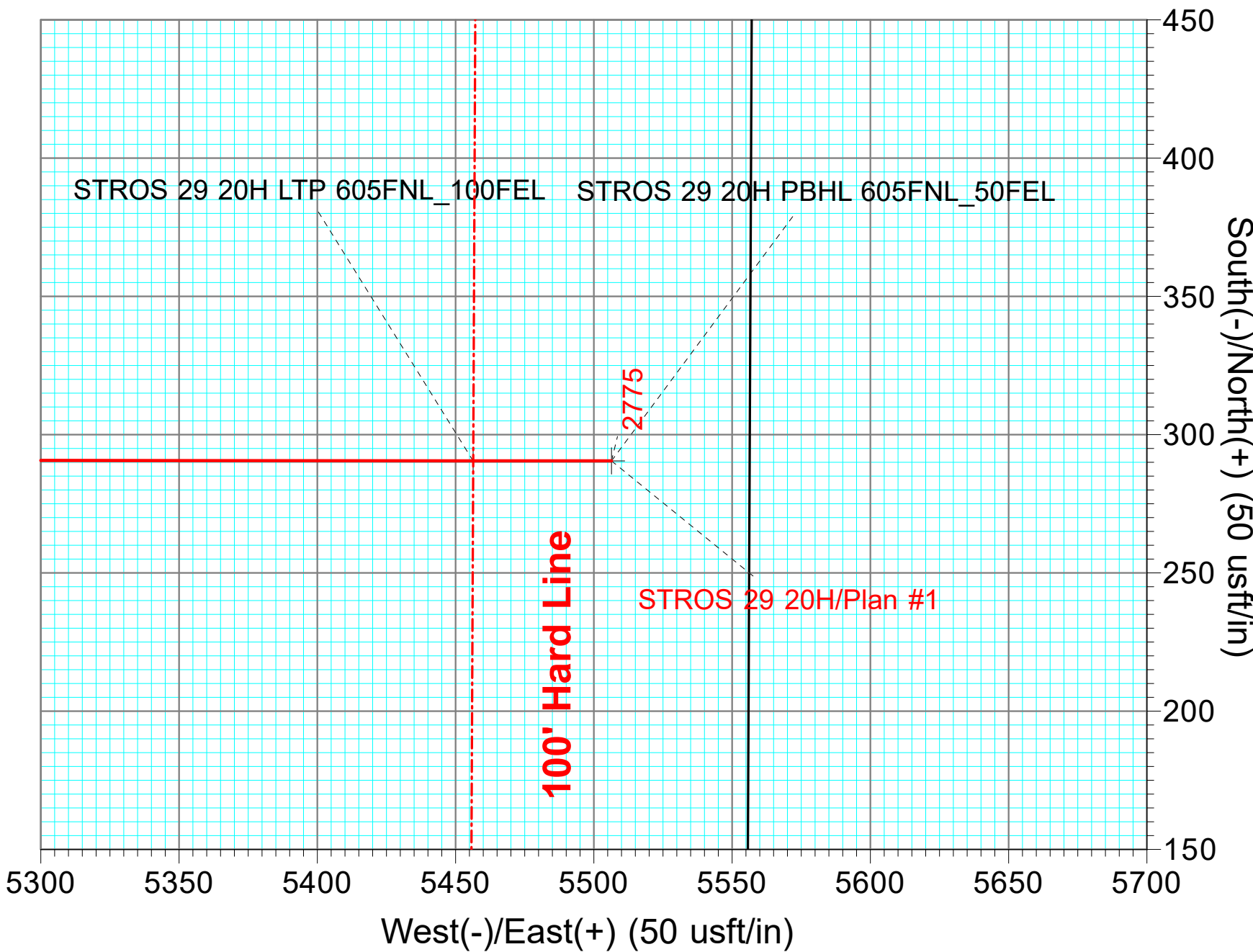
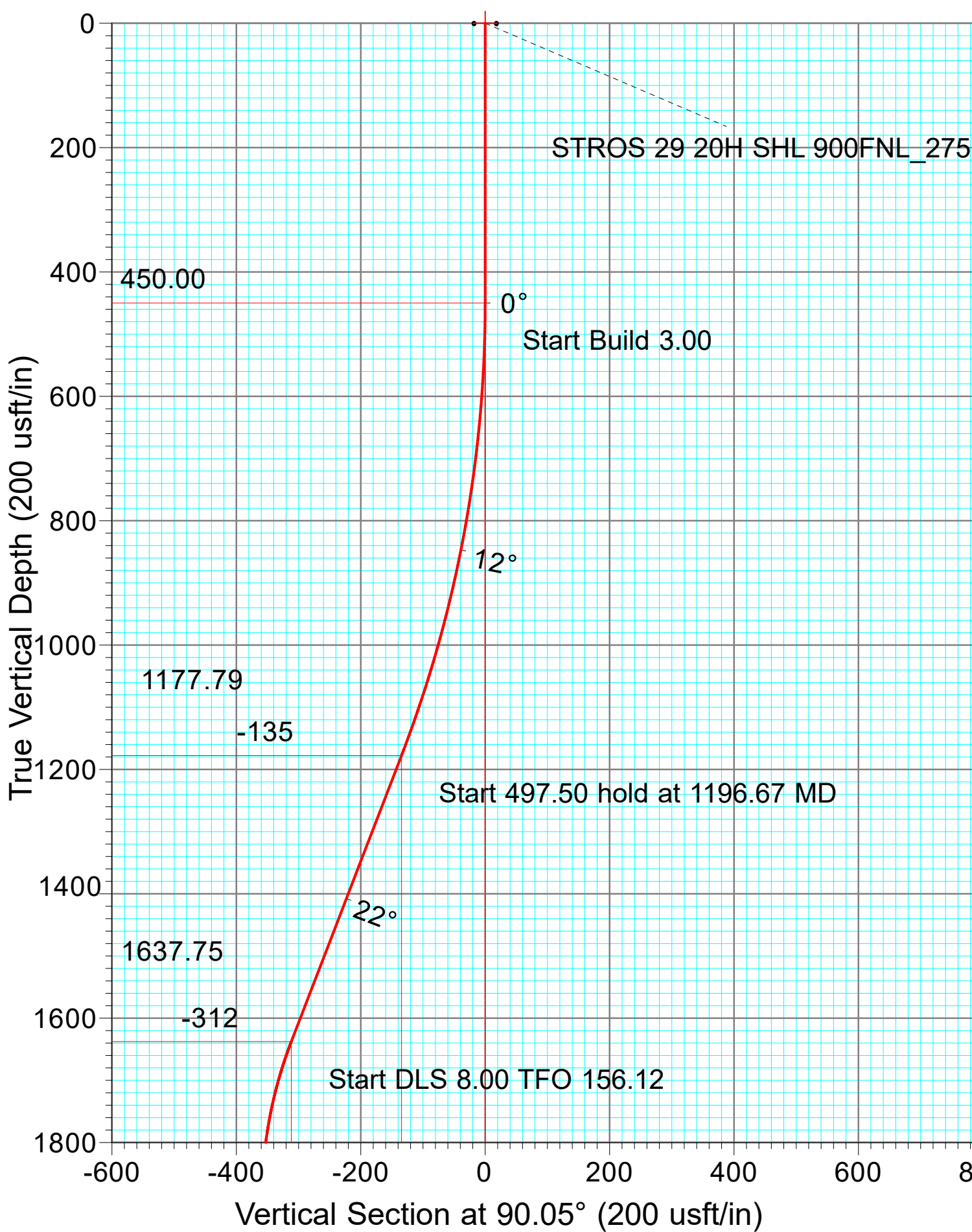
To convert a Magnetic Direction to a Grid Direction, Add 6.82°

PLAN SECTIONS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00
1196.67	22.40	291.00	1177.79	51.64	-134.53	3.00	291.00	-134.58
1694.17	22.40	291.00	1637.75	119.58	-311.53	0.00	0.00	-311.63
2697.28	60.00	83.57	2497.64	260.56	-6.81	8.00	156.12	-7.03
2897.28	60.00	83.57	2597.64	279.96	165.31	0.00	0.00	165.07
3192.57	88.88	90.05	2676.09	294.48	446.23	10.00	13.22	445.97
8253.71	88.88	90.05	2775.00	290.50	5506.40	0.00	0.00	5506.14

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting
STROS 29 20H SHL 900FNL_275FEL	0.00	0.00	0.00	627003.100	516606.300
STROS 29 20H FTP 605FNL_100FWL	2675.00	294.60	377.60	627297.700	516983.900
STROS 29 20H LP 69' PstFtp	2676.09	294.48	446.23	627297.580	517052.530
STROS 29 20H LTP 605FNL_100FEL	2775.00	290.50	5456.40	627293.600	522062.700
STROS 29 20H PBHL 605FNL_50FEL	2775.00	290.50	5506.40	627293.600	522112.700



SPUR ENERGY PARTNERS LLC.  
Eddy County, NM (NAD83) NMEZ Grid  
STROS 29  
20H Lateral  
Plan #1  
Created By: Mekka Williams  
eSomnia Well Design  
mekka@esominawell.com

**Spur Energy Partners LLC – Stros 29 20H****1. Geologic Formations**

TVD of Target	2,775'
MD at TD	8,254'

Formation	Depth	Lithology	Expected Fluids
Quaternary	0'	Other: Caliche	Useable Water
Queen	150'	Sandstone	None
Grayburg	520'	Dolomite	Oil, gas
San Andres	835'	Dolomite	Oil, gas
Glorieta	2195'	Dolomite, Siltstone	Oil, gas
Paddock	2275'	Dolomite, Limestone	Oil, gas
Blinebry	2930'	Dolomite, Limestone	Oil, gas
Abo	4455'	Limestone	Oil, gas

\*H<sub>2</sub>S, water flows, loss of circulation, abnormal pressures, etc.

**2. Casing Program**

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

Casing Formation Set Interval	Hole Size (in)	Casing Interval		Csg. Size (in)	Weight (lbs)	Grade	Conn.	SF	SF Burst	Body SF Tension	Joint SF Tension
		From (ft)	To (ft)					Collapse			
San Andres	12.25	0	1050	9.625	36	J-55	BTC	1.125	1.2	1.4	1.4
N/A	8.75	0	2950	7	32	L-80	BK-HT	1.125	1.2	1.4	1.4
Yeso	8.75	2950	8254	5.5	20	L-80	BK-HT	1.125	1.2	1.4	1.4
SF Values will meet or Exceed											



**Spur Energy Partners LLC – Stros 29 20H**

	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 <sup>rd</sup> 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 <sup>nd</sup> 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?	N/A
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	

**3. Cementing Program**

Casing String	Top (ft)	Bottom (ft)	% Excess
Surface (Lead)	0	950	100%
Surface (Tail)	950	1050	100%
Production (Lead)	0	1950	100%
Production (Tail)	1950	8254	25%

Casing String	# Sks	Wt. (lb/gal)	Yld (ft3/sack)	H2O (gal/sk)	500# Comp. Strength (hours)	Slurry Description
Surface (Lead)	259	12	2.4	13.48	8:12	Clas C Premium Plus Cement
Surface (Tail)	44	13.2	1.87	9.92	6:59	Clas C Premium Plus Cement
Production (Lead)	185	11.4	2.42	15.29	N/A	Clas C Premium Plus Cement
Production (Tail)	1198	13.2	1.56	9.81	N/A	Clas C Premium Plus Cement

## Spur Energy Partners LLC – Stros 29 20H

### 4. Pressure Control Equipment

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	Type	✓	Tested to:
12.25" Hole	13-5/8"	5M	Annular	✓	70% of working pressure
		5M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram	✓	
			Double Ram		
			Other*		
8.75" Hole	13-5/8"	5M	Annular	✓	70% of working pressure
		5M	Blind Ram	✓	250 psi / 3000 psi
			Pipe Ram	✓	
			Double Ram		
			Other*		

**\*Spur Energy Partners LLC will be utilizing a 5M BOP\***

Condition	Specify what type and where?
BH Pressure at deepest TVD	1285 psi
Abnormal Temperature	No
BH Temperature at deepest TVD	103°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 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?

**Spur Energy Partners LLC – Stros 29 20H**

	<p>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.</p> <p>See attached schematics.</p>
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**5. BOP Break Testing Request**

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as per the verbal agreement reached over the phone between SPUR/BLM on September 7, 2020. A separate sundry will be sent prior to spud that reflects the pad-based break testing plan.

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 3<sup>rd</sup> 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	Water Loss
From (ft)	To (ft)				
0	1050	Water-Based Mud	8.6-8.9	32-36	N/C
1050	8254	Water-Based Mud	8.6-8.9	32-36	N/C

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

**Spur Energy Partners LLC – Stros 29 20H****7. Logging and Testing Procedures**

<b>Logging, Coring and Testing.</b>		
Yes	Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs run will be in the Completion Report and submitted to the BLM.	
No	Logs are planned based on well control or offset log information.	
No	Drill stem test? If yes, explain	
No	Coring? If yes, explain	
<b>Additional logs planned</b>		<b>Interval</b>
No	Resistivity	
No	Density	
No	CBL	
Yes	Mud log	SCP - 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.

Hydrogen Sulfide (H <sub>2</sub> S) monitors will be installed prior to drilling out the surface shoe. If H <sub>2</sub> S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.	
N	H <sub>2</sub> S is present
Y	H <sub>2</sub> S Plan attached

**Total estimated cuttings volume:** 767 bbls.



**Spur Energy Partners LLC – Stros 29 20H****9. Other facets of operation**

	<b>Yes/No</b>
Will more than one drilling rig be used for drilling operations? If yes, describe. Spur Energy Partners LLC. requests the option to contract a Surface Rig to drill, set surface/intermediate 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/intermediate 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.	Yes

## Attachments

- ☒ Directional Plan  
☒ H2S Contingency Plan  
☒ Akita 57 Attachments  
☒ BOP Schematics  
☒ Transcend Spudder Rig Attachments

**10. Company Personnel**

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



**Permian Drilling**  
**Hydrogen Sulfide Drilling Operations Plan**  
**Stros 29 Wells**

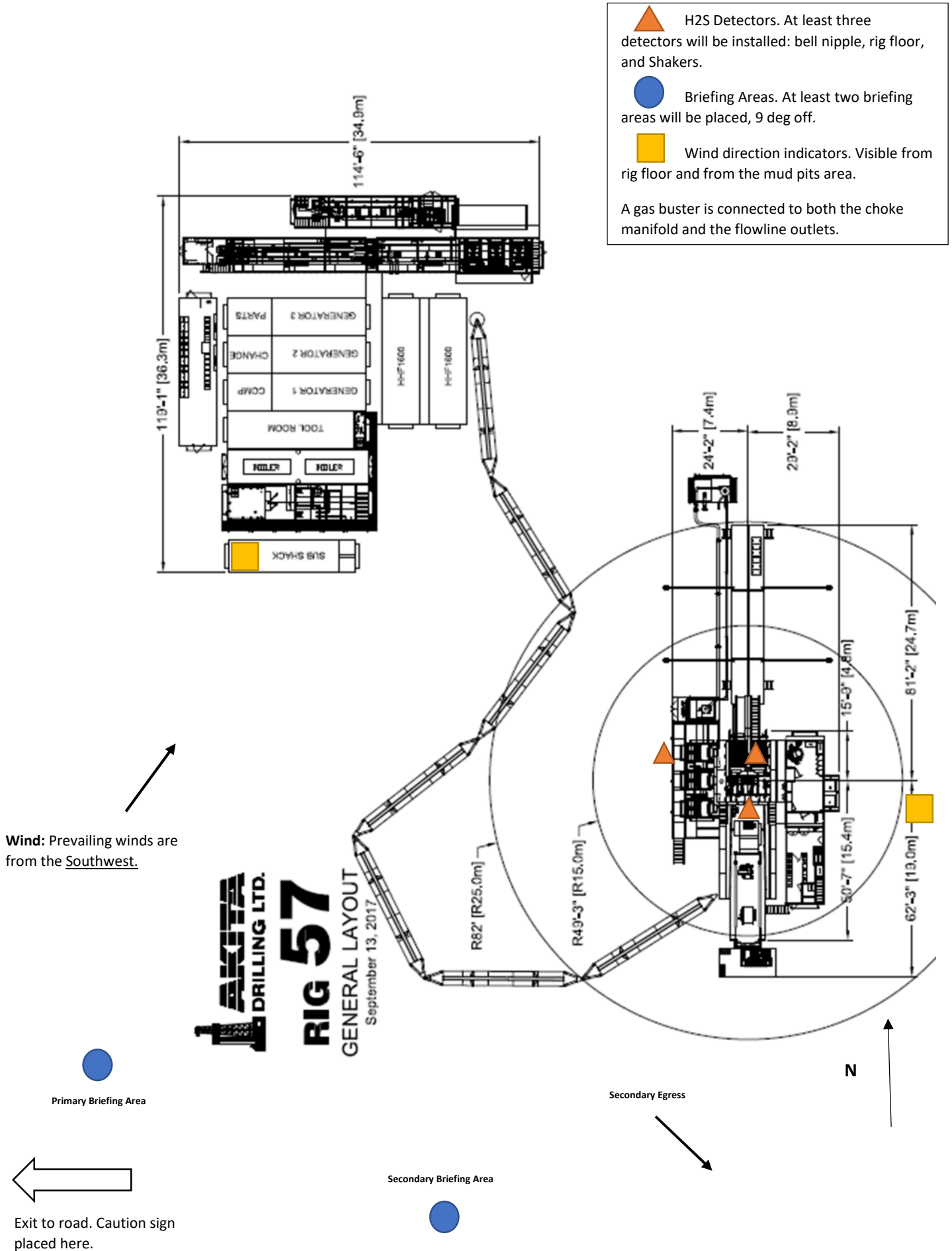
Open drill site. No homes or buildings are near the proposed location.

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 H<sub>2</sub>S exposure in the event of a release of a potentially hazardous volume of H<sub>2</sub>S 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 H<sub>2</sub>S 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 (H<sub>2</sub>S) 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 H<sub>2</sub>S. The intent is to promote sound and safe operations, while seeking effective communication surrounding operational considerations working around H<sub>2</sub>S.

This procedure applies to all Company employees and contractors working at facilities that have the potential to release 100 ppm or higher concentrations of H<sub>2</sub>S.

The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H<sub>2</sub>S).

#### **C. Hydrogen Sulfide Gas (H<sub>2</sub>S) Characteristics:**

1. H<sub>2</sub>S is a toxic, poisonous gas that could cause death or injury. And it is also flammable.
2. H<sub>2</sub>S is an irritant and extremely toxic gas that is several times deadlier than carbon monoxide (CO).
3. H<sub>2</sub>S 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 H<sub>2</sub>S since wind currents can easily overcome the heavier weight. On calm days, with no wind, the H<sub>2</sub>S will tend to accumulate in dangerous concentrations; however, if the H<sub>2</sub>S is warmer than the surrounding air it may rise.
4. H<sub>2</sub>S is colorless.
5. In small concentrations, H<sub>2</sub>S 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 H<sub>2</sub>S! H<sub>2</sub>S 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. H<sub>2</sub>S burns with a blue flame and has an auto ignition temperature of 5000 F. H<sub>2</sub>S forms an explosive mixture in the range of 4.3% to 45% by volume with air. H<sub>2</sub>S, when ignited, produces Sulfur Dioxide (SO<sub>2</sub>). SO<sub>2</sub> is another toxic gas but less toxic than H<sub>2</sub>S.
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. H<sub>2</sub>S Training**

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 (H<sub>2</sub>S)
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H<sub>2</sub>S 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 H<sub>2</sub>S 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 H<sub>2</sub>S 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 H<sub>2</sub>S 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. H<sub>2</sub>S warning signs must be placed at the entrance to the facility as well as other key locations.
6. Personal H<sub>2</sub>S 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 H<sub>2</sub>S gas**

If a spill or leak releases H<sub>2</sub>S 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 H<sub>2</sub>S 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 H<sub>2</sub>S 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.
  - 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**

<b>Spur Energy Partners Emergency Contact List</b>			
<b>Person</b>	<b>Location</b>	<b>Office Phone</b>	<b>Cell Phone</b>
<b>Drilling and Completions Department</b>			
Drilling Manager - Chris Hollis	Houston	832-930-8629	713-380-7754
Completions Manager - Theresa Voss	Houston	832-930-8614	832-849-8635
VP of Operations - Seth Ireland	Houston	832-930-8527	940-704-6375
Senior VP of Operations - John Nabors	Houston	832-930-8526	281-904-8811
Executive VP of Operations - Todd Mucha	Houston	832-930-8515	281-795-2286
<b>HES/Environmental and Regulatory Department</b>			
EHS Manager - Braidy Moulder	Artesia	575-616-5400	713-264-2517
Superintendent - Jerry Mathews	Artesia	575-616-5400	575-748-5234
Asst. Superintendent - Kenny Kidd	Artesia	575-616-5400	575-703-5851
Regulatory Director - Sarah Chapman	Houston	832-930-8613	281-642-5503
<b>Regulatory Agencies</b>			
Bureau of Land Management	Carlsbad	575-886-6544	
Bureau of Land Management	Hobbs	575-393-3612	
Bureau of Land Management	Roswell	575-622-5335	
Bureau of Land Management	Santa Fe	505-954-2000	
DOT Judicial Pipelines - Incident Reporting NM Public Regulation Commission	Santa Fe	505-827-3549 505-490-2375	
EPA Hotline	Dallas	214-665-6444	
Federal OSHA, Area Office	Lubbock	806-472-7681	
National Response Center	Washington, D.C.	800-424-8803	
National Infrastructure Coordinator Center	Washington, D.C.	202-282-2901	
New Mexico Air Quality Bureau	Santa Fe	505-827-1494	
New Mexico Oil Conservation Division	Artesia	575-748-1283 575-370-7545After	
New Mexico Oil Conservation Division	Hobbs	575-393-6161	
New Mexico Oil Conservation Division	Santa Fe	505-476-3770	
New Mexico OCD Environmental Bureau	Santa Fe	505-827-7152 505-476-3470	
New Mexico Environmental Department	Hobbs	575-827-9329	
NM State Emergency Response Center	Santa Fe	505-476-9600	



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 Enforcement - 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 Sherri's Department	Eunice	575-384-2020
Lea County Sherri's Department	Hobbs	575-393-2515
Lea County Sherri'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 Enforcement - 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
<b>Law Enforcement - FBI</b>		
FBI	Albuquerque	505-224-2000
FBI	Midland	432-570-0255
<b>Law Enforcement - DPS (911)</b>		
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
<b>Firefighting and Rescue (911)</b>		
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

<b>Ambulance (911)</b>		
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
<b>Medical Air Ambulance Service</b>		
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 H<sub>2</sub>S exposure.**

**ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW**

ALASKA 29 FEE TANK BATTERY	CHASER 8 STATE 2 TANK BATTERY
ARABIAN 6 FEE TANK BATTERY	CHEYENNE FEDERAL TNK BTY
ARCO 26 A STATE OIL BATTERY	CLYDESDALE 1 FEE #1H BAT
ARCO B FEDERAL COM NO. 001	CLYDESDALE 1 FEE 6H - BATTERY
ARKANSAS STATE 23 TANK BATTERY	COAL TRAIN FEDERAL COM #1
AVALON FEDERAL #001	COFFIN STATE #1
B&B/ROSS RANCH OIL TANK BATTERY	COLLIER 22 STATE COM #43H
BC FEDERAL 10 (9-13) TNK BTY	COLLIER STATE OIL BATTERY
BC FEDERAL 1-8 &14 TNK BTY	CONOCO 8 STATE 4 TB
BC FEDERAL 42 TNK BTY	CONTINENTAL A STATE TNK BTY
BEE FED OIL BATTERY	CONTINENTAL B YESO TANK BTY
BEECH 25 FEDERAL #9H BATTERY	CONTINENTAL STATE 15A TNK BTY
BEECH FEDERAL 1	CRYPT 30 STATE #1H
BEECH FEDERAL 2 BATTERY	DAGGER DRAW FED/FOSTER FED TANK BATTERY
BERRY A FEDERAL #005 SWB	DARNER 9 STATE 1 TANK BATTERY
BERRY A FEDERAL PADD BATTERY	DARNER 9 STATE 2
BIG BOY STATE TB	DARTER 9 STATE 8 TANK BATTERY
BLUETAIL 8 FEDERAL 2 TANK BATTERY	DARNER 9 STATE CTB
BONE YARD 11 FEE TANK BATTERY	DEXTER FEDERAL PAD TNK BTY
BOOT HILL 25 1H SWB	DODD 10A OIL BATTERY
BOSE IKARD 4 ST COM 18H BATTERY	DODD 10B TK BTTY
BRANTLEY FEDERAL #001	DODD FED #14C TK BATT
BR-549 STATE BATTERY	DODD FED 11A BATTERY
BRADLEY 8 FEE #3H-BATTERY	DODD FED UNIT 980H BATTERY
BRADLEY 8 FEE BATTERY	DODD FEDERAL 14A-TB
BRAGG 10 FEE 1 BATTERY	DODD FEDERAL UNIT 15A BTTY
BRIGHAM H 2	DODD FEDERAL UNIT NORTH BTTY
BRIGHAM H FED (NORTH) BATTERY	DODD FEDERAL UNIT SOUTH BTTY
BURCH KEELY 13C TK BTY	DOGWOOD FEDERAL TNK BTY
BURCH KEELY 18A TK BATT	DORAMI 33 FEDERAL COM 2H.4H.9H TANK BATTERY
BURCH KEELY 19A OIL BATT	EBONY STATE TB
BURCH KEELY 23A TK BATT	EDWARD STATE TNK BTY
BURCH KEELY EAST 18B TANK BAT	ELECTRA FEDERAL 33 (NORTH) BATTERY
BURCH KEELY SEC 13A NORTH BTTY	ELECTRA FEDERAL 5 (SWEET) TNK BTY
BURCH KEELY SEC 13B SOUTH BTTY	ELECTRA FEDERAL SOUR TNK BTY
BURCH KEELY UNIT CTB BTTY	EMPIRE SOUTH DEEP UNIT 21
BURCH KEELY UNIT E BATTERY	FALABELLA 31 FEE #1H TK BATT
BURKETT 16 STATE	FALABELLA 31 FEE 8H TK BTY
CADDO FEDERAL BATTERY	FAT TIRE 12 COM FEDERAL CTB
CADILLAC ST 4 BATTERY	FEDERAL BA COM NO. 001
CALIFORNIA 29 FEE 1	FEDERAL BB NO. 001
CARMEN 3 FEDERAL BATTERY	FLAT HEAD FED COM 6H TANK BATTERY
CARRINGTON 12 ST 3,4,7 BATTERY	FLAT HEAD FED COM 27H TANK BATTERY

**ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW**

FIR FEDERAL TNK BTY	IVAR THE BONELESS FED 11H - BATTERY
FIRECRACKER STATE TB	JC FEDERAL 13 TNK BTY
FLEMMING STATE OIL BATTERY	JC FEDERAL 2 (SOUR) TNK BTY
FOLK FEDERAL B TNK BTY	JC FEDERAL 27 TNK BTY
FOLK FEDERAL TNK BTY	JENKINS B FEDERAL TNK BTY
FOLK STATE TANK BATTERY	JG STATE 16 1 TANK BATTERY
FORAN STATE OIL BATTERY	JG STATE 16 7 TANK BATTERY
GC FEDERAL 11 TNK BTY	JON BOB 1
GC FEDERAL 27 TNK BTY	JUNIPER STATE TNK BTY
GC FEDERAL TNK BTY	KIOWA OIL BATTERY
GILLESPIE STATE OIL BATTERY	KOOL AID STATE
GISSLER FEDERAL 13H TANK BATT	LAKEWOOD NORTH TANK BATTERY
GJ WEST COOP SOUTH TB	LAKEWOOD SOUTH TANK BATTERY
GJ WEST COOP UNIT 092 BTY	LARA MICHELLE STATE OIL BTTY
GJ WEST COOP UNIT 191 BTY	LEAKER CC STATE TB
GJ WEST COOP UNIT 210 BTY	LEE 3 FEE 6H - TK BATT
GJ WEST COOP UNIT CENTRAL	LIVE OAK TANK BATTERY
GJ WEST COOP UNIT N TNK BTY	MALCO 23 FEDERAL COM #13H
GOLD STAR TNK BTY	MAPLE STATE
GOODMAN 22 TANK BATTERY	MARACAS 22 STATE TANK BATTERY
GRAVE DIGGER FEDERAL COM TANK BATTERY	MARY FEDERAL OIL BATTERY
GRAVE DIGGER ST COM #3H TANK BATTERY	MAYARO 22 STATE TANK BATTERY
GRAVE DIGGER STATE COM #8H SWB	MC FEDERAL 14 TANK BATTERY
HALBERD 27 ST 3H BATTERY	MC FEDERAL 6 DEVONIAN
HANOVER STATE #3 (YESO)	MC FEDERAL PADDOCK TNK BTY
HARPER STATE TNK BTY	MC SOUTHEAST BATTERY
HARVARD FEDERAL TNK BTY	MC STATE OIL BATTERY
HATFIELD B TB	MCCOY STATE TB
HEARSE 36 ST COM TANK BATTERY	MCINTYRE A EAST TANK BATTERY
HOBGOBLIN 7 FED COM 4H TK BAT	MCINTYRE B 10
HOLDER CB 11 TNK BTY	MCINTYRE B 4
HOLDER CB FEDERAL 6&7 TNK BTY	MCINTYRE B TNK BTY
HOLIDAY	MCINTYRE DK 15 TNK BTY
HOUMA STATE TNK BTY	MCINTYRE DK FEDERAL 28H SWB
HT 18 FED 01.05.04 TANK BATTERY	MEADOWHAWK 5 FEDERAL 3
HT 18 FEDERAL 8	MELROSE FEDERAL TNK BTY
HUBER 10,11,12 FEDERAL OIL TANK BATTERY	MERAK 7 FEDERAL 8 TANK BATTERY
HUBER 3 FEDERAL OIL TANK BATTERY	MESILLA STATE 3 & 5 TNK BTY
HUBER 5 FEDERAL OIL TANK BATTERY	MESILLA STATE TNK BTY
HYDRUS 10 FED 03.07.08.11 TANK BATTERY	MESQUITE STATE TANK BATTERY
HYDRUS 10 FED 04.05 TANK BATTERY	MIMOSA STATE TNK BTY
HYDRUS 10 FED 06.09.10.12 TANK BATTERY	MIRANDA FEDERAL B TNK BTY
IMPERIAL STATE TNK BTY	MIRANDA FEDERAL TB

**ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW**

MOE FEDERAL OIL BATTERY	ROSE SOUTH TANK BATTERY
MOHAWK FEDERAL TNK BTY	ROSS RANCH 09.13.14 BATTERY
MONCRIEF 3 OIL BATTERY	SAM ADAMS 12 FED 4H UBB TK BATT
MOORE STATE OIL BATTERY	SANDY CROSSING 32 STATE COM 1
MORRIS BOYD 26 FEE COM 1H	SCHLEY FEDERAL TNK BTY
MORRIS BOYD TANK BATTERY	SHAWNEE FEDERAL TNK BTY
MORRIS E & F TANK BATTERY	SHELBY 23 BATTERY
MUSKEGON SOUTH STATE OIL BATTERY	SHERMAN 4 FEE 4H BATTERY
NAVAHO FEDERAL TNK BTY	SHERMAN 4 FEE 6H BATTERY
NELSON 13.23. TNK BATT	SHORTY 2 STATE COM TANK BATTERY
NEWCASTLE 6 FED COM - TANK BATTERY	SINCLAIR PARKE (PADDOCK) TNK BTY
NIRVANA TANK BATTERY	SKELLY 605 BATTERY
NOOSE FED 10 TANK BATTERY	SKELLY 942 BATTERY
NOOSE FED 5 TANK BATTERY	SKELLY 968 BATTERY
OKLAHOMA 32 TANK BATTERY	SKELLY 973 BATTERY
OSAGE BOYD 15 FED 09.12.13.14 TANK BATTERY	SKELLY 989 BATTERY
OSAGE BOYD YESO TANK BATTERY	SKELLY UNIT 907 CTB BATTERY
PAINT 32 FEE OIL BATTERY	SKELLY UNIT 940 BATTERY
PAN CANADIAN A2-B3 TANK BATTERY	SOUTH BOYD FED COM OIL TANK BATTERY
PASSION 1 FED PDK 5H TK BATT	SOUTH EMPIRE STATE COM 1
PATTON 5 FEE 2H OIL BATTERY	SPIKETAIL 5 STATE 2 TANK BATTERY
PATTON 5 FEE 8H OIL BATTERY	SPRUCE FEDERAL TNK BTY
PAWNEE STATE TNK BTY	STATE B GAS COM NO. 001
PEACEMAKER 25 FEDERAL TANK BATTERY	STATE S-19 YESO (SOUR) TNK BTY
PERE MARQUETTE 18 FEDERAL 1 TANK BATTERY	STONEWALL 9 FEE #1H TBAT
PILUM 15 FEE 2H BATTERY	STONEWALL 9 FEE 8H BATTERY
PINTO 36 STATE COM 1H TNK BTY	SUBMARINE 10 FED COM 2H OIL BAT
PINTO 36 STATE COM 4H TNK BTY	TAYLOR D TANK BATTEY
PINTO 36 STATE TB	TENNECO STATE TNK BTY
POLARIS B 5-10 TANK BTTY	TEX MACK FED
POSEIDON 3 FEDERAL 4 TANK BATTERY	TEXACO BE TNK BTY
POSEIDON 3 FEDERAL 05.07.17.18 TANK BATTERY	TEXAS 32 FEE TANK BATTERY
PUCKETT 13 FEDERAL COM 35H	TEXMACK 36 STATE COM #1
PUCKETT 13 FEDERAL TB	TH STATE #1
RAGNAR FED COM 25H - BATTERY	THO STATE OIL BATTRY
RANDALL FED 3 BATTERY	THORNTAIL 31 FEDERAL 1
RED LAKE 32 TANK BATTERY	THUNDER ROAD FEDERAL OIL BTTY
REDBUD FEDERAL TNK BTY	TUMAK FED 3 BAT
RINCON STATE TANK BATTERY	VEGA 9 FED TANK BATTERY
RJ UNIT NORTH TANK BATTERY	VT 36 STATE #1H
RJ UNIT SOUTH TANK BATTERY	W D MCINTYRE C 10
RONCO FEDERAL #1	WAUKEE 36 STATE COME CTB
ROSE 02.03.04.05.06 TANK BATTERY	WD MCINTYRE C 8-9 TNK BTY

**ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW**

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

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

Submit Electronically  
Via E-permitting

## 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:** SPUR ENERGY PARTNERS LLC **OGRID:** 328947 **Date:** 02 / 23 / 2023

**II. Type:** ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: \_\_\_\_\_

**III. Well(s):** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
STROS 29 20H	30-015-	A-30-18S-26E	900' FNL 275' FEL	387 BBL/D	426 MCF/D	1935 BBL/D
STROS 29 60H	30-015-	A-30-18S-26E	900' FNL 295' FEL	254 BBL/D	280 MCF/D	2038 BBL/D

**IV. Central Delivery Point Name:** STROS 29 TANK BATTERY [See 19.15.27.9(D)(1) NMAC]

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
STROS 29 20H	30-015-	07/23/2023	07/28/2023	08/13/2023	09/02/2023	09/20/2023
STROS 29 60H	30-015-	07/30/2023	08/06/2023	08/13/2023	09/02/2023	09/20/2023

**VI. Separation Equipment:** ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

**VII. Operational Practices:** ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

**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 Start Date	Available Maximum Daily Capacity of System Segment Tie-in

**XI. Map.** ☐ 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 ☐ will ☐ 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 ☐ does ☐ 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:	<i>Sarah Chapman</i>
Printed Name:	SARAH CHAPMAN
Title:	REGULATORY DIRECTOR
E-mail Address:	SCHAPMAN@SPUREENERGY.COM
Date:	FEBRUARY 23, 2023
Phone:	832-930-8613
<b>OIL CONSERVATION DIVISION</b> <b>(Only applicable when submitted as a standalone form)</b>	
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 igniter 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.