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

APPLICATION OF SPUR ENERGY PARTNERS, LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER THE TERMS OF ORDER NO. R-21622, EDDY COUNTY, NEW MEXICO.

CASE NO.

APPLICATION

Spur Energy Partners, LLC ("Spur" or "Applicant") (OGRID No. 328947) through its undersigned attorneys, hereby files this application with the Oil Conservation Division to pool additional interest owners under the terms of Order No. R-21622. In support of its application, Spur states:

1. Division Order No. R-21622, entered on March 15, 2021, in Case No. 21675, created a standard 320-acre horizontal spacing unit in the Yeso formation comprised of the S/2 of Section 12, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

2. The Order dedicated the above-referenced horizontal spacing unit to the following proposed initial wells: (1) the **Rose South #10H well**, (2) the **Rose South #50H well**, (3) the **Rose South #60H well**, (4) the **Rose South #11H well**, (5) the **Rose South #51H well**, and (6) the **Rose South #20H well**.

3. Since the entry of Order No. R-21622, Spur has determined that there are additional interest owners in the Unit who were not provided notice of the hearing in Case No. 21675, and as a result, whose interests were not pooled by the terms of Order No. R-21622.

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

1

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

6. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal spacing unit and the proposed initial wells.

7. In order to permit Spur to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interest owners should be pooled in the Unit pursuant to the terms of Order No. R-21622.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division pool the additional interest owners pursuant to the terms of Order No. R-21622.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR SPUR ENERGY PARTNERS, LLC