

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

**APPLICATION OF SPUR ENERGY
PARTNERS, LLC TO AMEND
ORDER NO. R-21579,
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 amend Order No. R-21579 (the “Order”) to allow for a one year extension for drilling the proposed initial well under the Order. In support of its application, Spur states:

1. Order No. R-21579, entered on January 21, 2021, in Case No. 21586, created a standard 160-acre horizontal spacing unit in the Yeso formation, from the top of the Yeso formation to a depth of 3,000 feet, underlying the N/2 S/2 of Section 18, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Applicant as the operator of the Unit.

2. The Unit was designated to the proposed initial Smashing Pumpkins #1H well, to be drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 13 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 18.

3. Order No. R-21579 required the drilling of the initial well by January 21, 2022.

4. There is good cause for Spur’s request that the Order be re-opened and amended to allow Spur additional time to commence drilling the well under the Order.

5. The decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors led Spur to reduce its rig count, thereby causing


Spur to delay its intended plans to develop the acreage subject to the Order. Spur anticipates being able to drill the initial well required by the Order within the next year.

6. Therefore, Spur requests a one-year extension of time to drill the initial well under the Order, until January 21, 2023.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 6, 2022, and, after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP



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ATTORNEYS FOR SPUR ENERGY PARTNERS, LLC

CASE _____ : **Application of Spur Energy Partners, LLC for to Amend Order No. R-21579, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an extension of time for drilling the initial well under Order No. R-21579. Order No. R-21579 created a standard 160-acre horizontal spacing unit in the Yeso formation, from the top of the Yeso formation to a depth of 3,000 feet, underlying the N/2 S/2 of Section 18, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico, and pooled all uncommitted interests in the pooled portion of the Yeso formation. Order No. R-21579 dedicated the spacing unit to the Smashing Pumpkins #1H well, to be drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 13 to bottom hole locations in the NE/4 SE/4 (Unit I) of Section 18. Applicant seeks a drilling extension until January 21, 2023. Said area is located approximately 13 miles south of Artesia, New Mexico.