

Radiohead #1H, #2H Wells

Case No. 22467

NMOCD Exhibits Hearing Date: Jan. 6<sub>th</sub>, 2022

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

# APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NO. R-21582, EDDY COUNTY, NEW MEXICO.

CASE NO. 22467

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

# APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NO. R-21582, EDDY COUNTY, NEW MEXICO.

# CASE NO. 22467

## **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-21582 (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-21582, entered on January 19, 2021, in Case No. 21584, created a standard 200-acre horizontal spacing unit in a portion of the Yeso formation, in the Atoka; Glorieta Yeso Pool (3250) from the top of the Pool to a depth of 3,200 feet, underlying the N/2 S/2 of Section 28, and the NE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Applicant as the operator of the Unit.

The Unit was designated to the proposed initial (1) the Radiohead #1H well, and
(2) the Radiohead #2H well.

3. Order No. R-21582 required the drilling of the initial well by January 19, 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 BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A

Submitted by: Spur Energy Partners, LLC Hearing Date: January 06, 2022 Case No. 22467

Released to Imaging: 1/5/2022 18:247:012 1AMM

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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 19, 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

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

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

# APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NO. R-21582, EDDY COUNTY, NEW MEXICO.

CASE NO. 22467

#### **AFFIDAVIT OF RETT DALTON**

Rett Dalton, of lawful age and being first duly sworn, declares as follows:

1. My name is Rett Dalton. I am a landman for Spur Energy Partners, LLC ("Spur").

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

3. I am familiar with the application filed by Spur in this case, and I am familiar with the status of the lands in the subject area.

4. None of the pooled parties has indicated opposition to this extension application, and therefore I do not expect any opposition at the hearing.

5. Order No. R-21582, entered on January 19, 2021, in Case No. 21584, created a standard 200-acre horizontal spacing unit in a portion of the Yeso formation, in the Atoka; Glorieta Yeso Pool (3250) from the top of the Pool to a depth of 3,200 feet, underlying the N/2 S/2 of Section 28, and the NE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Applicant as the operator of the Unit.

6. The Unit was designated to the proposed initial (1) the Radiohead #1H well, and(2) the Radiohead #2H well.

7. Order No. R-21582 required the drilling of the initial well by January 19, 2022.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B Submitted by: Spur Energy Partners, LLC Hearing Date: January 06, 2022 Case No. 22467 8. 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.

9. 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.

10. Therefore, Spur requests a one-year extension of time to drill the initial well under the Order, until January 19, 2023.

11. Spur provided our outside counsel, Holland and Hart, with a list of the working interest owners that remain subject to each pooling order and instructed them to provide notice of this hearing to these pooled working interest owners.

12. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable well, or to pay their estimated share of the costs to drill, complete and equip the applicable well.

FURTHER AFFIANT SAYETH NOT.

RE TON

STATE OF TEXAS ) ) COUNTY OF Hamis SUBSCRIBED and SWORN to before me this \_\_\_\_\_ day of January 2022 by Rett Dalton. JAMES MARSHALL BURGE MULL Notary Public, State of Texas MOTARY PUBL Comm. Expires 04-27-2023 Notary ID 130205231

My Commission Expires:

4-27-2023

Received by OCD: 1/4/2022 8:45:41 PM

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

## APPLICATION OF SPUR ENERGY PARTNERS, LLC TO AMEND ORDER NO. R-21582, EDDY COUNTY, NEW MEXICO.

CASE NO. 22467

#### **AFFIDAVIT**

STATE OF NEW MEXICO ) ) ss. COUNTY OF SANTA FE )

Kaitlyn A. Luck, attorney in fact and authorized representative of Spur Energy Partners LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 4th day of January, 2022 by Kaitlyn A. Luck.

My Commission Expires:

Nov. 12,

Notary Public

OFFICIAL SEAL Carla Garcia NOTARY PUBLIC - STATE OF NEW MEXICO My Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Spur Energy Partners, LLC Hearing Date: January 06, 2022 Case No. 22467



Kaitlyn A. Luck **Phone** (505) 954-7286 KALuck@hollandhart.com

December 17, 2021

## VIA CERTIFIED MAIL **CERTIFIED RECEIPT REQUESTED**

# **TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

#### Re: Application of Spur Energy Partners, LLC for to Amend Order No. R-21582, Eddy County, New Mexico. Radiohead #1H, #2H wells

Ladies & Gentlemen:

This letter is to advise you that Spur Energy Partners, LLC has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on January 6, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see instructions posted the OCD Hearings website: the on http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Rett Dalton at (832) 930-8529 or radalton@spurepllc.com.

Sincerely,

for Kaitlyn A. Luck **ATTORNEY FOR SPUR ENERGY PARTNERS,** LLC

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Montana Utah Colorado Nevada Idaho New Mexico Wyoming

Washington, D.C.

						Your item was picked up at a postal facility at 10:26 am
9414811898765845733223	Adventure Exploration, LP	PO Box 144	Midland	тх	79702-0144	on December 27, 2021 in MIDLAND, TX 79701.
						Your item was delivered at 11:19 am on December 24,
9414811898765845733209	Paul Davis, Ltd.	PO Box 871	Midland	тх	79702-0871	2021 in MIDLAND, TX 79701.
						Your item was delivered at 10:57 am on December 30,
9414811898765845733292	Andrew J. Bastien	PO Box 11113	Midland	тх	79702-8113	2021 in MIDLAND, TX 79701.
						Your item was delivered at 9:15 am on December 28,
9414811898765845733247	JB & PDIII Partners , LLC	PO Box 1811	Midland	тх	79702-1811	2021 in MIDLAND, TX 79702.
						Your package will arrive later than expected, but is still
0414011000765045722205		1901 Ward St	Midland	тх	70705 8427	on its way. It is currently in transit to the next facility.
9414811898765845733285	LYIIX O & G, LLC	1901 Ward St	Wildiand	17	79705-8437	Your item was delivered at 9:23 am on December 23,
0/1/0110007650/5722220	Connerhead Resources LLC	PO Box 8355	Midland	тх	70708-8355	2021 in MIDLAND, TX 79708.
9414811898765845733230	coppernead resources, LLC	FO BOX 8555	Wilulatiu	17	79708-8555	Your item was delivered at 2:23 pm on December 23,
9414811898765845733278	Drew Scott	PO Box 9143	Midland	тх	79708-9143	2021 in MIDLAND, TX 79708.
			initiatia		10700 0110	Your item has been delivered and is available at a PO
						Box at 12:10 pm on December 22, 2021 in MIDLAND,
9414811898765845733810	Kettle Investment I LLC	PO Box 51138	Midland	тх	79710-1138	•
						Your item was delivered to an individual at the address
						at 1:43 pm on December 21, 2021 in WICHITA FALLS,
9414811898765845733858	Eddie M. Mahfood and Valerie Ann Mal	3014 Barrywood Dr	Wichita Fa	тх	76309-4908	TX 76309.
						Your item was delivered to an individual at the address
						at 3:02 pm on December 24, 2021 in COLLEGE
9414811898765845733865	Carole Morgan, Richard Morgan,	148 Roucourt Loop	College Sta	тх	77845-4180	STATION, TX 77845.
						Your item was picked up at a postal facility at 8:19 am
9414811898765845733827	COG Operating LLC, Concho Oil & Gas L	600 W Illinois Ave One Concho Center	Midland	ТΧ	79701-4882	on December 28, 2021 in MIDLAND, TX 79702.
						Your item was delivered to an individual at the address
						at 10:20 am on December 23, 2021 in NORTH LAS
9414811898765845733803	Haley A. Harper	2805 Bridleton Ave	N Las Vega	NV	89081-6582	VEGAS, NV 89081.
						Your item was delivered to the front desk, reception
						area, or mail room at 4:18 pm on December 20, 2021
9414811898765845733896	Silverback New Mexico, LLC	19707 lh 10 W Ste 201	San Anton	тх	78257-1748	in SAN ANTONIO, TX 78257.
						Your item was delivered to an individual at the address
0444044000765045702044	Lawson M/ English	1300 Country Club Dr	N Al alla va al	<b>T</b> 1/	70704 4444	at 10:03 am on December 21, 2021 in MIDLAND, TX
9414811898765845733841	James W. Essman	1209 Country Club Dr	Midland	ТХ	79701-4114	Your item was picked up at the post office at 10:43 am
0414011000765045722000		PO Box 10690	Savannah	CA.	21412 0900	on December 28, 2021 in SAVANNAH, GA 31401.
9414811898765845733889	HTT Resources, Inc.	PO B0X 10090	Savailliall	GA	51412-0690	Your item was picked up at the post office at 10:23 am
9414811898765845733834	Sharbro Oil Ltd. Co., Sharbro Holdings L	PO Box 840	Artesia	NM	88211-08/0	on December 23, 2021 in ARTESIA, NM 88210.
5111011050705045755054			,		00211 0040	Your item arrived at our USPS facility in PASADENA, CA
						91109 on December 29, 2021 at 8:09 am. The item is
9414811898765845733872	H.Brooks Travis II	10 Cantata Dr	Mission Vi	СА	92692-5102	currently in transit to the destination.
						Your item was picked up at the post office at 7:28 am
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#### Spur\_Radiohead 1H, 2H - R-21582 shallow -Case No. 22467 Postal Delivery Report

							Your package will arrive later than expected, but is still
94:	14811898765845733759	Charlie Deanna Nelms	1404 S 16th St	Lovington	NM	88260-5307	on its way. It is currently in transit to the next facility.
							Your item was picked up at the post office at 10:26 am
94:	14811898765845733766	Rolla R. Hinkle III	PO Box 2291	Roswell	NM	88202-2291	on December 23, 2021 in ROSWELL, NM 88201.

# **Carlsbad Current Argus.**

Affidavit of Publication Ad # 0005056906 This is not an invoice

#### HOLLAND & HART POBOX 2208

#### SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/26/2021

gal Clerk

Subscribed and sworn before me this December 26, 2021:

ate of WI, County of Brown NOTARY PUBLIC

-ss

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005056906 PO #: Case No. 22467 # of Affidavits1

This is not an invoice

#### BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D Submitted by: Spur Energy Partners, LLC Hearing Date: January 06, 2022 Case No. 22467

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

The State of New Mexico, Energy Minerals and Natural Re-sources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hear-ings before a hearing examiner on the following case. Dur-ing the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be con-ducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, January 6, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the in-structions posted below. The docket may be viewed at https: ://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene-Salvidrez@state.nm.us. Docu-ments filed in the case may be viewed at https://ocdimage.e mrd.nm.gov/Imaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified mnra.nm.gov/imaging/Derault.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Mar-lene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than De-cember 26, 2021.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID =ea32683a0cd6466aedc002b940813ad68 Event number: 2499 136 6690 Event password: 3qyGqNJ3N63

Join by video: 24991366690@nmemnrd.webex.com Numeric Password: 162064 You can also dial 173.243.2.68 and enter your meeting numher

Join by audio: 1-844-992-4726 United States Toll Free Access code: 2499 136 6690

> **STATE OF NEW MEXICO TO:** All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.

To: All pooled working interest owners, including: Adven-ture Exploration, LP; Paul Davis, Ltd.; Andrew J. Bastien, his heirs and devisees; JB & PDIII Partners , LLC; Lynx O & G, LLC; Copperhead Resources, LLC; Drew Scott, his heirs and devisees; Kettle Investment I LLC; Eddie M. Mahfood and Valerie Ann Mahfood, JTWROS, their heirs and devisees; Carole Morgan, Richard Morgan, AIF for Carole Morgan, her heirs and devisees; CoG Operating LLC; Concho Oil & Gas LLC; Haley A. Harper, her heirs and devisees; Silverback New Mexico, LLC; James W. Essman, his heirs and devisees; HTI Resources, Inc.; Sharbro Oil Ltd. Co.; H.Brooks Travis II, his heirs and devisees; Estate of William K. Douglas, de-ceased c/o Janeen M. Counts, his heirs and devisees; Charlie Deanna Nelms, his heirs and devisees; and Rolla R. Hinkle III, his heirs and devisees. To: All pooled working interest owners, including: Adven-

Case No. 22467: Application of Spur Energy Partners, LLC for to Amend Order No. R-21582, Eddy County, New Mexico. Applicant in the above-styled cause seeks an exten-sion of time for drilling the initial well under Order No. R-21582. Order No. R-21582 created a standard 200-acre hori-zontal spacing unit in a portion of the Yeso formation, in the Atoka; Glorieta Yeso Pool (3250) from the top of the Pool to a depth of 3,200 feet, underlying the N/2 S/2 of Sec-tion 28, and the NE/4 SE/4 of Section 29, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, and pooled all uncommitted interests in the pooled portion of the Yeso formation. Order No. R-21582 dedicated the spac-ing unit to the (1) the Radiohead #1H well, and (2) the Radiohead #2H well. Applicant seeks a drilling extension un-til January 21, 2023. Said area is located approximately 13 miles south of Artesia, New Mexico.

#5056906, Current Argus, December 26, 2021